Chairperson’s report

As the State’s risk adviser and insurer, VMIA plays a strategic role in risk management and harm prevention across Victoria.

During 2016-17 we built on our reputation in harm prevention, developed innovative insurance solutions and provided strategic advice on emerging global risks.

VMIA protected the State’s balance sheet, paying $179 million in claims during the financial year. We supported our clients through three significant storm events to restore critical services to the Victorian community. Our strong financial performance continues to underpin our ability to protect the State.

The strength of our work was internationally recognised by leading British obstetrician, Professor Tim Draycott, who described our implementation of the maternity training initiative, PROMPT, as ‘world leading’ and acknowledged its success in saving the lives of mothers and babies.

As the State’s insurer we have a deep understanding of our clients and provide cutting edge insurance solutions. The comprehensive cover we provide is a critical safety net for Victorians and the State.

After six years as the VMIA Board Chairperson, I am stepping down at the end of my term. I am pleased with the creative and innovative solutions being developed to build Victoria’s resilience. Our high calibre staff are passionate about making a difference across the State. It has been a great privilege to chair this iconic Victorian organisation.

On behalf of my fellow directors, I would like to take this opportunity to acknowledge the strong leadership of our Chief Executive Officer, Colin Radford. In defining VMIA’s purpose to build a confident, resilient Victoria through world leading harm prevention and recovery, he has set a benchmark to deliver exceptional outcomes for the State.

In accordance with the Financial Management Act 1994, I am pleased to present the Annual Report for the financial year ending 30 June 2017.

John Peberdy
Chairperson
28 August 2017
Pursuing our vision of a confident, resilient Victoria, in 2016-17 VMIA championed innovation, empowered our staff and placed our clients at the centre of everything we do.

We continued to drive world leading harm prevention initiatives in our public health services, improving patient safety and saving lives. Our research into the causal factors of patient harm, coupled with a forensic review of our medical indemnity claims, is informing innovative work that links financial incentives to behavioural change, enhancing patient safety and further reducing claims.

As the State’s risk adviser, we focused on building strategic partnerships and bridging gaps across departments and agencies to support them in managing whole of Government risks. We supported the State in addressing one of the most challenging and disturbing issues facing our society – family violence. Working across multiple departments, VMIA developed a comprehensive interagency risk model to support the delivery of the Government’s Family Violence Prevention Reforms.

A two-year State-wide stocktake of department and agency risks and insurance arrangements continues – underpinning our advice to government on identifying and mitigating emerging risks, including cyber. We launched a new online Domestic Building Insurance model that reduces insurance premiums by 20 per cent for Victoria’s 15,000 builders, thereby reducing the costs of building a home in Victoria.

VMIA is comprised of people who care deeply about improving the quality of life of their fellow Victorians. I thank them for their incredible work over the past year and their ongoing commitment to the community in which we live.

We will continue to invest in learning and development for our managers and staff, to equip them with the skills and capability necessary to support our clients in a rapidly changing world.

I am pleased to report that our people’s impact in the community is reflected in our staff engagement measure, which has increased by 16 per cent in the last 12 months, resulting in a record staff engagement score of 72 per cent.

During the year, VMIA consolidated its strong financial position, with an operating surplus of $340 million, providing confidence in the financial stability and sustainability of the scheme.

After six years, our board Chairperson, John Peberdy, is retiring. On behalf of everyone at VMIA, I would like to thank John for his careful stewardship in overseeing significant improvements in our organisation. He has been a tremendous support for me as CEO and I wish him well for the future.

VMIA has a key role to play in securing Victoria’s future – as a trusted adviser, strategic enabler, risk navigator, thought leader and network builder.

I have great confidence in VMIA’s ability to provide a vital safety net for the State, protecting its people, assets and communities through world leading harm prevention and recovery.

Colin Radford
Chief Executive Officer
28 August 2017