



Australian Government

Department of Education, Employment and Workplace Relations

PSPIM501A Determine liability and negotiate settlements

Revision Number: 3

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Modification History

Release	TP Version	Comments
3	PSP12V1	Unit descriptor edited.
2	PSP04V4.2.	Layout adjusted. No changes to content.
1	PSP04V4.1	Primary release.

Unit Descriptor

This unit covers determination of liability relating to injured workers and negotiations to settle future liabilities. It includes estimating liability, determining settlement options and negotiating settlements.

In practice, determining liability and negotiating settlements may overlap with other generalist or specialist public sector work activities such as acting ethically, complying with legislation, delivering client services, managing resources, undertaking research and analysis. No licensing, legislative, regulatory or certification requirements apply to this unit at the time of publication

Application of the Unit

Not applicable.

Licensing/Regulatory Information

Not applicable.

Pre-Requisites

Not applicable.

Employability Skills Information

This unit contains employability skills.

Elements and Performance Criteria Pre-Content

Elements are the essential outcomes of the unit of competency. Together, performance criteria specify the requirements for competent performance. Text in ***bold italics*** is explained in the Range Statement following.

Elements and Performance Criteria

ELEMENT	PERFORMANCE CRITERIA
1. Estimate liability	1.1 Current information and guidelines on legislative changes and liability management are used to ensure up-to-date methods are used to estimate liability. 1.2 All anticipated costs the employer believes may be incurred up to the time claims are resolved, are identified. 1.3 Case estimate software facilities are used as required to create automated case estimates based on reporting data. 1.4 Key indicators are used to estimate costs and manually amend automated estimates as necessary, based on local knowledge of particular claims. 1.5 Estimates are reviewed at required intervals in accordance with legislation, organisational policy and procedures, and estimates of future liability are maintained on all open claims. 1.6 Recovery rights against other parties or employers for the disabilities claimed are identified and pursued in accordance with government policy and legislation.
2. Determine settlement options	2.1 Settlement options are identified that meet legislative obligations, organisational and government policy requirements. 2.2 Options are assessed to determine the most cost effective course of action, given the nature and extent of each liability.
3. Negotiate settlements	3.1 Injured workers are consulted to ensure they have competent professional and financial advice before entering into an agreement. 3.2 Settlement terms are negotiated to meet obligations and minimise losses in accordance with risk management principles, organisational policy and procedures. 3.3 Settlement terms are determined that represent substantial savings on costs that would otherwise have been incurred for future liability. 3.4 Settlements are negotiated within financial delegations or referred in accordance with organisational policy and procedures. 3.5 Discharge is obtained to ensure potential for further liability is eliminated. 3.6 Where settlements cannot be agreed they are referred for conciliation and arbitration in accordance with legislation, policy and procedures.

Required Skills and Knowledge

This section describes the essential skills and knowledge and their level, required for this unit.

Skill requirements

Look for evidence that confirms skills in:

- applying legislation, regulations and policies relating to determining liability and negotiating settlements
- determining liability and negotiating settlements in the context of injury management
- using communication including negotiation and problem solving with injured workers, their representatives, employers and case coordinators
- responding to diversity, including gender and disability
- applying procedures relating to occupational health and safety and environment in the context of injury management

Knowledge requirements

Look for evidence that confirms knowledge and understanding of:

- legislation, regulations, policies, procedures and guidelines relating to injury management
- case estimate software
- methodology for estimating liability
- risk management in the context of injury management
- delegations
- obligations and options for settlement under the legislation
- equal employment opportunity, equity and diversity principles
- public sector legislation such as occupational health and safety and environment in the context of injury management

Evidence Guide

The Evidence Guide specifies the evidence required to demonstrate achievement in the unit of competency as a whole. It must be read in conjunction with the Unit descriptor, Performance Criteria, the Range Statement and the Assessment Guidelines for the Public Sector Training Package.

Units to be assessed together

- *Pre-requisite* units that must be achieved prior to this unit: *Nil*
- *Co-requisite* units that must be assessed with this unit: *Nil*
- *Co-assessed units* that may be assessed with this unit to increase the efficiency and realism of the assessment process include, but are not limited to:
 - PSPETHC501B Promote the values and ethos of public service
 - PSPGOV502B Develop client services
 - PSPGOV503B Coordinate resource allocation and usage
 - PSPGOV504B Undertake research and analysis
 - PSPGOV505A Promote diversity
 - PSPLEGN501B Promote compliance with legislation in the public sector

Overview of evidence requirements

In addition to integrated demonstration of the elements and their related performance criteria, look for evidence that confirms:

- the knowledge requirements of this unit
- the skill requirements of this unit
- application of the Employability Skills as they relate to this unit (see Employability Summaries in Qualifications Framework)
- liability determined and settlements negotiated in a range of (3 or more) contexts (or occasions, over time)

Resources required to carry out assessment

These resources include:

- legislation, policy, procedures and protocols relating to injury management
- case studies and workplace scenarios to capture the range of situations likely to be encountered when determining liability and negotiating settlements

Where and how to assess evidence

Valid assessment of this unit requires:

- a workplace environment or one that closely resembles normal work practice and replicates the range of conditions likely to be encountered when determining liability and negotiating settlements, including coping with difficulties, irregularities and breakdowns in routine

- liability determined and settlements negotiated in a range of (3 or more) contexts (or occasions, over time)

Assessment methods should reflect workplace demands, such as literacy, and the needs of particular groups, such as:

- people with disabilities
- people from culturally and linguistically diverse backgrounds
- Aboriginal and Torres Strait Islander people
- women
- young people
- older people
- people in rural and remote locations

Assessment methods suitable for valid and reliable assessment of this competency may include, but are not limited to, a combination of 2 or more of:

- case studies
- demonstration
- observation
- portfolios
- questioning
- scenarios
- simulation or role plays
- authenticated evidence from the workplace and/or training courses

For consistency of assessment

Evidence must be gathered over time in a range of contexts to ensure the person can achieve the unit outcome and apply the competency in different situations or environments

Range Statement

The Range Statement provides information about the context in which the unit of competency is carried out. The variables cater for differences between States and Territories and the Commonwealth, and between organisations and workplaces. They allow for different work requirements, work practices and knowledge. The Range Statement also provides a focus for assessment. It relates to the unit as a whole. Text in ***bold italics*** in the Performance Criteria is explained here.

Key indicators may include:

- nature of disability
- other medical information
- knowledge of total cost of previous claims for similar injuries/illnesses
- worker characteristics (age, occupation, etc)

Settlement options may include:

- lump sum payment
- periodic payments

Legislation, policy and procedures may include:

- claims management manual
- workers rehabilitation/compensation legislation
- allied legislation such as occupational health and safety acts, regulations and associated standards
- privacy legislation
- legislation and standards to ensure confidentiality and security of information
- performance standards
- rehabilitation and return to work manual
- public sector legislation and standards
- codes of conduct
- codes of ethics

Unit Sector(s)

Not applicable.

Competency field

Injury Management.