



Education Forum:

Emerging trends in the Care, Community, Not-for-Profit & other sectors

TODAY'S FORMAT

PART 1 Education FORUM

- ☐ Emerging Trends in Care, Community, NFP and other sectors
- ☐ Prevention, Minimising Risk

PART 2 – PRODUCT LAUNCH

- ☐ Industrial Special Risk
- ☐ Personal Accident

PART 1. EDUCATION FORUM

1. Introduction and Ansvar Overview
Warren Hutcheon - CEO, Ansvar Insurance
2. Emerging Trends
Jason Newman, Principal, Gilchrist Connell
3. Prevention, Minimising Risk
Fergal O'Connell, Customer Risk Solutions Advisor,
Ansvar Insurance



Ansvar Insurance

Warren Hutcheon
CEO, Ansvar Insurance

Ansvar Insurance

Aligned with the NFP Sector



ALLCHURCHES TRUST LIMITED

OWNERS OF ECCLESIASTICAL INSURANCE

ECCLESIASTICAL INSURANCE GROUP



ANSVAR AUSTRALIA



Ansvar Insurance

Specialist risk and insurance provider to 5 core sectors



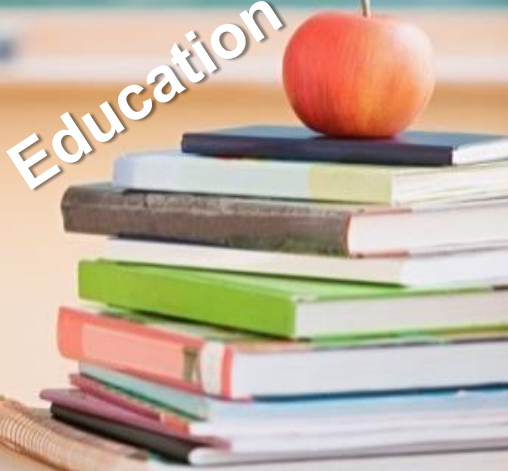
Care



Community



Faith



Education



Heritage

Our Values

- We are committed to being **experts in our core sectors** with an ethical focus.
- Our clients **trust** us to provide them with quality products and guidance; we will never compromise this and will always act with integrity.
- Through our professionalism and innovation we will deliver quality **risk solutions expertise** and advice to our clients.
- We build **long-term relationships** with our distribution partners and clients based on mutual respect and honesty.
- We are dedicated to helping our **community**; all our available profits go to charitable causes, it's why we exist.



Our Vision

**To be the most trusted insurer
within our core sectors**

Why Choose Ansvar?

- Extensive knowledge of our core sectors
- Risk Solutions expertise.
- Compassionate and professional claims staff
- Tailored insurance solutions
- Commitment to the community

Risk Solutions

- Property risk surveys, including thermal imaging
- Sum-insured assessments
- Desktop Sum-insured reviews
- Risk awareness training and workshops
- Factsheets, checklists and research on key risk issues affecting customers in our sectors
- Liability and financial lines risk audits

Underwriting

- Access to portfolio underwriting managers and key decision makers
- Flexible underwriting approach to tailor products and wordings to client requirements
- Suite of client reports
- Market leading expertise in:
 - Managing risk and claims for physical and sexual abuse
 - Volunteer exposures



Claims Management

- We provide solutions and understand the needs of our clients
- Ansvar specialise in handling complex and sensitive claims
- Access to our specialist partners and suppliers
- Direct access with Ansvar claims staff and personal service
- Disaster and crisis management



Ansvar and the Community

Protecting and supporting our community



Community Education Program

Some past recipients of our grants...



Emerging Trends

Emerging Trends in Care, Community, NFP and other sectors

Jason Newman
Principal, Gilchrist Connell

GilchristConnell



Introduction

- Who am I and why am I here?
- My strict interruption policy
 - (ie chocolates for interruptions!)


What we will talk about?

- Trends in Cases in Care, Community, Not-For-Profit, Education and Faith
 - Are there any?
 - What should insureds and brokers do?

What we will talk about?

- Gaining perspective on current risks
- Trends in quantum
- Why no fault policies can make a huge difference

Perspective

A vintage advertisement featuring a baby in a high chair. The baby is holding a white cup with a red floral design. A hand is pouring a green liquid from a green Seven-Up bottle into the cup. The baby is looking up at the bottle with a happy expression. The background is a plain, light color.

*Pure
pleasure!*

Seven-Up is so pure...so wholesome!

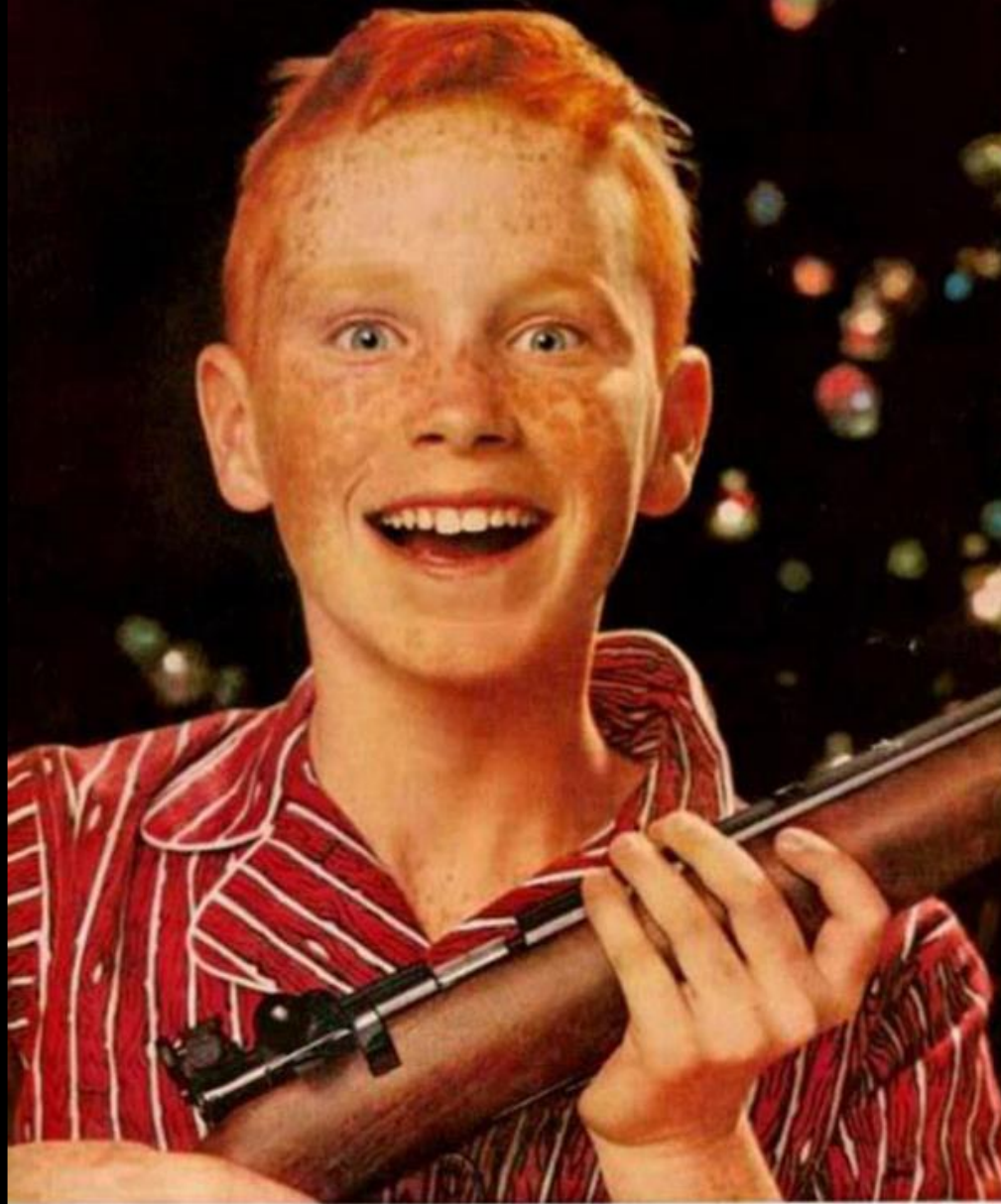
He's one of the busiest men in town. While his door may say *Office Hours 2 to 4*, he's actually on call 24 hours a day.

The doctor is a scientist, a diplomat, and a friendly sympathetic human being all in one, no matter how long and hard his schedule.



According to a recent Nationwide survey:

MORE DOCTORS SMOKE CAMELS
THAN ANY OTHER CIGARETTE



Gee Dad...

a **WINCHESTER!**



Good things are
twice as good in Cellophane



You see what
you buy ... no
guesswork.



Foods come fresh—
stay fresh longer,
less waste.



And things in
Cellophane are
clean and sanitary.

DU PONT
Cellophane



BETTER THINGS FOR BETTER LIVING ... THROUGH CHEMISTRY
Look at "Cascades of America" on Television

What Makes the Past Laughable?

- Not easy (or possible) to project ourselves back to former mindset
- Apply current standards even when they didn't exist

What are you doing now that might
be “laughable” later?

Outsider Perspective

- What would your story look like if you didn't know the cast or the setting?
- What would your story look like to people outside your community/faith?

Trends in Cases in Care, Community, Not-For-Profit, Education and Faith

- Not enough cases brought in sectors to call them trends

Trends in Cases in Care, Community, Not-For-Profit, Education and Faith

- Some not “new” but emerging risks
- Increasing focus on organisations as responsible for individual action
- Greater liability for organisations for sexual abuse claims, including aggravated damages
- Increasing psychiatric damages

Recent Cases

- **Erlich v Leifer & Adass Israel School Inc**
 - [2015] VSC 499 (Justice Rush 16 September 2015)
- Sexual abuse by Headmistress of School, Leifer 2003 to 2006
- Discovered in 2008, Leifer left jurisdiction, paid for by the school
- Arguments about whether employed by congregation or school

Recent Cases

- Court found school had direct liability through actions of Leifer, not just vicarious liability
- “her misconduct was the misconduct of the school”
- However no evidence of breach of duty of care in hiring or supervision
- Plaintiff awarded \$1.1m against school
- Included \$100,000 exemplary damages



Recent Cases

- **Queensland College of Teachers v. Caldwell**
 - [2015] QCAT 229
- Principal's registration suspended 6 months
- Not allowed to approve, lead, undertake or participate in any outdoor education activity
- One part – unsafe cliff jumping
- Perspective reference in judgment

What Should Insureds and Brokers Do?

- Insure!
- Check organisational policies
- Risk Management in 3 “easy” steps:
 1. Decide what to do – Document it
 2. DO that
 3. Document that you’ve done it

Trends in Quantum

- Psychiatric damages increasing, notably in sexual abuse claims
- Possibility of exemplary/aggravated damages in bad cases
- Difficult to argue need for mitigation, contribution of other causes/injuries

No Fault Accident Policies

- Take the sting out of smaller and middle sized claims
- Set larger claims out on right foot
- Smooth relations between organisation and injured person
- Often expected – “you’re insured aren’t you?”

Conclusion

- When considering conduct, think of outsiders and historical perspective
- Apply 3 Step Risk Management
- Consider benefits of no fault policy

"The best things in life
come in Cellophane"



"You see
what you
buy on
groceries."



"You'll save
fresh-egg
fresh-eggs
and more."



"and things
in Cellophane
are clean and
sanitary."



DU PONT
Cellophane



Get the best of both worlds... Cellophane (DUPONT)
and "Guarantee of Purity" on Evidence.

Contact us

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www.gclegal.com.au

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Prevention

Minimising Risk

Fergal O'Connell

Customer Risk Solutions Advisor



Contents

- Introduction
- What is a vulnerable person?
- The Statistics
- Manage the Risk
- Poor Culture
- Case Study
- Recent Laws
- Conclusion

Vulnerable Person

“The sexual exploitation and abuse of children is most likely when vulnerability meets power. Both vulnerability and power can take forms which are subtle, informal and to a passive outside world often barely visible.”

Mr. Peter Davies – Director of National Crime Agency (UK)

Vulnerable Person

- No real overarching definition seems to exist
- A good example, taken from Australian Department of Social Services:
 - Vulnerable Persons for this purpose means:

a) a Child or Children; or

b) an individual aged 18 years and above who is or may be unable to take care of themselves, or is unable to protect themselves against harm or exploitation by reason of age, illness, trauma or disability, or any other reason.

The Statistics

- Estimated cost of recommended redress scheme for Non Government run institutions: \$2.754 Billion
- Estimated eligible claimants from a proposed redress scheme: Government run institutions 20,000 Non Government run institutions 40,000
- Recommendation of monetary payments.
 - A) Minimum of \$10,000
 - B) Maximum of \$200,000 for severe cases
 - C) This results in a average claim of \$65,000

Extracts from Royal Commission, Redress and Civil Litigation
Report dated July 2015

Manage the Risk



Manage the Risk



Manage the Risk

- Risk Management Policy / Plans
- Client/Child Protection Policy – with regular training and reviews
- Effective recruitment and employment screening
- Code of Conduct by all employees, volunteers and visitors
- Instil a culture of zero-tolerance
- Encouraging all Stakeholders to be proactive in reporting suspicious behaviour immediately.

Results of a Poor Culture

- Organisations focus on their own interests not that of the victim
- Ineffective policies/Poor Leadership
- Potential for grooming to occur
- Loyalty to Organisation can inhibit staff from reporting concerns
- Offenders can continue to exploit victims
- Victim's exposed by the abuser, as well as by the person failing to report the abuse

Case Study – Positive Culture

- Educational Facility in Victoria
- “Employee A” seen coming out of toilets with a participant
- “Employee B” witnesses this and reports to manager immediately
- Manager follows guidelines for such a situation
- “Employee A” resigned and is now a Police matter
- Positive result – Although the incident occurred, policies and procedures ensured that the abuse was stopped and the offender is no longer with the Organisation
- Organisation satisfies Victorian Law

Criminal Offence in Victoria

- Three new Criminal offence (to protect persons under 16 year of age):
 1. Failure to disclose offence - 27 October '14
 2. Failure to protect offence – 1 July '15
 3. Grooming offence
- Applies to all Adults including but not limited to; Employees, volunteers, self-employed people and contractors (aged 18 years and over)

Conclusion

- Policies need to be an integral part of the organisation from top to bottom.
- Regular reviews of policies affirms commitment
- Training is key to implementation of culture
- Zero tolerance
- **Risk Awareness Cultural change doesn't happen over night but has to start somewhere.**

Ansvar Insurance is here to help...

- Risk Assessment Surveys
- Sums Insured Assessments
- Policy/Procedure Reviews & Risk Mitigation Policies
- Thermography
- Post Loss Surveys
- Advice on Business Continuity Plans
- Training/Development Days

Ansvar Insurance is Here to Help...

- Please visit our website:

<https://www.ansvar.com.au/community-insurance/risky-business/>

PART 2. Product Launch

1. Industrial Special Risk Product

Craig Love - Property Portfolio Manager,
Ansvar Insurance

2. Personal Accident Product

Sue Kennedy - Casualty Portfolio Manager,
Ansvar Insurance

3. Q&A Panel

Jason Newman, Sue Kennedy, Craig Love



ISR Policy

Product Features and Benefits

Contents

- Policy Structure
- Key Benefits
- Automatic Extensions
- The Schedule
- Sub-Limits
- When it's available

Policy structure

The new Ansvar ISR Policy wording remains a Mark IV Modified base industry wording, designed for medium to large organisations with asset values in excess of \$5 Million.

Key Changes:

- Endorsement wordings are now located within the wording
- Market Leading Policy Schedule endorsed by the LMI Group

The endorsement wordings are specific to our core sectors, Care, Faith, CSO, Education and Heritage.

We still have the ability to provide tailored endorsements through The Schedule.

Key Benefits

- **Co-Insurance Memorandum – Amended (C)** moves the co-insurance clause to 80% and states that co-insurance does not apply on claims less than 10% if the declared value at the situation.
- **Heritage Protection** extends the basis of settlement on any building of historic significance and legally protected to a reasonably equivalent appearance and capacity, using the original design and suitably equivalent materials if damaged.
- **Notable Old Buildings without Legal Protection** extends the basis of settlement on any building which is not protected by heritage legislation and which the owner would prefer to replace with something more functional if destroyed or badly damaged. For example an old church which has outlived its original function could be used for a different purpose.

Key Benefits

- **Flood** writes back Flood by deleting Paragraph (a) of Perils Exclusion 3, up to the sub-limit stated in the schedule.
- **Accommodation Bonds** is available for insured's that hold accommodation bonds which is often the case if the business is a retirement village or nursing home. In the event of major damage and where the insured has no alternative accommodation available for their residents, they will most likely have to refund any accommodation bond paid by a resident. The loss of interest on this capital will be taken into account by this endorsement.

Automatic Extensions

General Property Cover – Australia writes back General Property up to the sub limit stated in the schedule of the policy against 'General Property Cover – Australia' Standard \$3,000 any one item \$30,000 one event

Property in Transit – Australia writes back Property in Transit within Australia up to the sub limit stated in the schedule against 'Property in Transit – Australia'. Standard \$20,000

Property in the open air (Storm) (A) writes back physical loss, destruction of or damage to gates, fences and retaining walls caused by wind, rainwater or hail up to the sub limit stated in the schedule against 'Property in the open air (A)'. Standard \$50,000

The Schedule



Protecting and supporting your community



Protecting and supporting your community



The Schedule

All renewal terms and new business quotations will be presented in this new format.

The Schedule will include:

The Insured - Full Name of entities

The Business – Full business description of the Insured

The Situation and/or Premises

Period of Insurance

The Premium

The Insurer and Policy/Quote Number

Declared Values – Section 1 and 2

Limits Of Liability – Section 1 and 2 or Combined Section 1 & 2

Sub-Limits of Liability – Section 1 & 2 with specific standard sub-limits automatically set

Definition of Unspecified Damage

Section 1 & 2 Deductibles

Indemnity Period

Payroll Limits

Uninsured Working Expenses

Additional Core Sector Endorsements

Sub-Limits

- Expediting Expenses from \$50,000 to \$500,000
- Landscaping from \$25,000 to \$250,000
- Costs of clearing drains from \$50,000 to \$100,000
- Emergency Evacuation Costs \$200,000
- Infectious or Contagious Diseases \$500,000
- Accommodation Bonds \$500,000
- Temporary Accommodation \$500,000

When it's available

- New Business available from 31/10/15
- Renewals to be transferred over early in 2016, however, benefits will apply automatically from 31/10/2015, other than Flood cover

CARE		COMMUNITY
	EDUCATION	
FAITH		HERITAGE

Personal Accident Policy

Product Features and Benefits

Policy structure

- New enhanced PA policy
- Standalone policy – not Buspack (on it's way)
- One product offering cover for:
 - Volunteers
 - Children/Students
 - Members..... under one policy
- Cover applies whilst insured persons are volunteering or participating in the Insured organisation's activities.
- Available to clients who have liability or property with Ansvar
- New pricing structure developed which we believe will make us very competitive.

The Value of PA

- No question of liability
- If a defined event occurs the policy will respond
- Diffuses a difficult situation straight away
- Protects the Public Liability policy
- Successfully used by many of our Child Care, School, CSO and Church clients where minimal payments have finalised the matter.

Key benefits of new wording

- Cover applies whilst travelling to and from volunteer work locations.
- High number of defined events (49 in total)
- 14 automatic extensions
- No age exclusion – particularly relevant to church groups, CSOs.
- High limits available
 - Maximum Capital Benefits \$500,000
 - Maximum Weekly Benefits \$5,000
- Pricing reduced for clients with full risk management program in place

Automatic Extensions

- Exposure and disappearance
- Emergency travel/accommodation expenses up to \$5,000
- Domestic help \$5,000
- Child care costs up to \$10,000
- Funeral costs up to \$5,000
- Home tutoring costs up to \$200 per week (max 26 weeks)
- Other out of pocket expenses up to \$5,000
- Work transport benefit up to \$6,500
- Reimbursement of club membership fees up to \$600 per membership (max 2 clubs)
- Indexation to weekly benefits after 12 months (5%)
- Return to work program assistance up to \$5,000
- 26 weeks guaranteed up-front payment
- Home/care renovation benefit up to \$15,000
- Corporate image protection up to \$5,000 any one event

Optional High Risk Activity Extension

- Standard wording excludes some specified high risk activities eg: underwater activities, rock-climbing, caving and other adventurous sports
- New High Risk Activities Extension available upon request to write cover back in
- Risk management and injury prevention will be assessed, additional premium applied
- Particularly useful for schools and community organisations (eg. Scouts) who wish to cover their students/members whilst participating in such activities.

When it's available

- New Business available from 31/10/15
- Renewals to be transferred over early in 2016, however, benefits will apply automatically from 31/10/2015
- Buspack policies will be updated first half of 2016 to include the same covers.

Q&A

Jason Newman, Principal, Gilchrist Connell

Sue Kennedy, Casualty Portfolio Manager, Ansvar Insurance

Craig Love, Portfolio Underwriting Manager, Ansvar Insurance

Diana Borgmeyer, Risk Solutions Manager, Ansvar Insurance



Forum close

Please join us in the foyer for networking

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