

# RISK ALERT #2

## Pandemic Management 3 Actions to Support Clients



Over the last two years, the impending “age of perpetual disruption” has been part of our risk management discussions with brokers and organisations in our specialist sectors; acknowledging that business over the next decade will be a different journey. Disruptions will be the norm, our interconnected world will mean global risks arise and have greater consequence and that business agility and resilience will be constantly tested.

The Covid-19 pandemic has brought to life and is testing all of this. Managing through the pandemic – and the post pandemic world – relies on effective and capable risk management frameworks. Standard approaches will not work. Organisations must act swiftly, decisively, and responsibly to protect their organisation.

We can all play an important support role throughout these very challenging times. For organisations, who provide services and care to vulnerable people in our communities, this issue has arisen at an already complex time. Providing timely and relevant advice and support will assist organisations to navigate through the pandemic as well as manage the broad range of risks they also confront.

### Brokers Play a Vital Role

The following 3 actions can assist your approach to supporting your clients now:

#### 1. Ensure a Pandemic Management Plan is in place

By now all organisations should have a pandemic plan enacted. There are three critical elements to this plan:

- It is proportionate and tailored specifically to the organisation
- It has oversight from the organisation’s peak body (i.e.: board, owners) and there are regular briefings to this body
- There has been a risk assessment of the plan.

The Ansvar Risk Alert provides principles for the development of a plan, a checklist that covers key functions of the plan and guidance for key risks to look out for and assess. The Risk Alert #1 and the Checklist can be downloaded [here](#).



## 2. Advice on Insurance Cover

Many clients have requested guidance on insurance cover since the pandemic declaration. Further to our advice on coverage in Risk Alert #1, it is important to continue to proactively consult with clients to ensure boards, owners and senior managers are clear how their policies respond.

Key points to note to assist your advice to clients:

- **Ansvar's Industrial Special Risks** property policy wording excludes business interruption losses arising from any quarantinable disease (listed human disease under the Biosecurity Act 2015). This is consistent with standard insurance industry practice. COVID-19 falls into this category.
- **Ansvar's packaged business policies** ('Bizpak' wordings) for various occupational segments contain an all policy sections exclusion for quarantinable/listed human diseases.
- **Ansvar's stand-alone casualty and financial lines** insurance policies have no specific infectious diseases exclusions. However, clients must ensure they comply with statutory obligations, regulations and safety requirements imposed by any authority, including in respect to management of COVID-19 risk. If there is wilful non-compliance of any these obligations, Ansvar may deny any associated third party liability claims.
- **Regarding potential liabilities**, as COVID-19 may be transmitted by asymptomatic or mildly symptomatic persons, it may be problematic to find organisations negligent in the event of outbreaks. These can occur, possibly regardless of the best preventative actions, simply due to the nature of the virus. However it is essential that organisations have implemented pandemic management plans, including an outbreak plan, to reduce this risk and prevent harm to others as much as reasonably possible.

Of course, this guidance does not constitute legal advice, and clients should consult their lawyers for advice on any statutory, regulatory, contractual or other legal matters.

## 3. Check on their Communication Plan

The biggest single point of failure in crisis and continuity planning is communication. A simple communications plan is available for your clients [here](#) to download.

Key stakeholders (board, staff, contractors, third parties, brokers and insurers) need to be kept up to date on any closure details, changes to operations and key contacts. Clients and their families will need to be reassured services can be provided, while staff and the community will need to be reassured of how the organisation is managing critical business continuity during this time of uncertainty.



## Contact

Please contact Ansvar Insurance on 1300 650 540 or [insure@ansvar.com.au](mailto:insure@ansvar.com.au) regarding insurance coverage, claims support and advice.

If you have any specific Risk Management queries please contact Ansvar Risk, see below for details.



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As our National Care Sector Leader, Anthony works with organisations throughout Australia to support governance and risk management capability; supporting boards, senior managers and staff to implement effective approaches to support decision making, improve performance, optimise objectives and prevent harm.

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