



## Policy GP-48 Risk Management and Insurance Policy

<b>Governance Policy</b> GP-48	<b>Section:</b> Corporate Services
<b>Issue Date:</b>	<b>Approval Date:</b>
<b>Review Date:</b> March 2029	<b>Initiating Department:</b> Finance

### Purpose

- Establish the general strategies, values, and expectations that govern the County's insurance, risk management, and claims management program
- Ensure that internal and external risk funding (including insurance) is in place to address corporate risk exposures and support continuity of services
- Establish risk mitigation practices to protect County assets, reduce financial loss, and limit legal liability for County operations

### Definitions

**Claim:** A request for compensation following an insured incident.

**Incident:** An unexpected event or occurrence:

- Resulting in damage to County property, or bodily injury/property damage to others, or liability exposure to the County
- Excluding minor instances that occur during regular operations (broken tree branch, superficial injury, vehicle breakdown etc.)

**Property:** A Building, structure, or fixed object owned by the County.

**Risk Identification:** The continuous process of identifying possible exposures to financial loss during County operations.

**Risk Transfer:** Transferring a financial risk exposure to another party (ex. insurance policy, contractual agreement).

**Risk Funding:** Purposeful actions to fund losses through internal or external financial resources, including insurance.

**Risk Management:** The practice of identifying and analyzing loss exposures and taking action to minimize the financial impact of the risks they impose.

## **Policy GP-48**

### **Scope**

This policy covers all aspects of the insurance and risk management program for the County and applies to all County employees. This policy covers:

- Administration of the corporate insurance program
- Risk identification, assessment, and treatment strategies
- Reporting of incidents that may lead to claims
- Administration of claims made by or against the County (excludes WSIB)

### **Policy Statement**

The County is committed to a comprehensive insurance and risk management strategy which includes an organized approach to the identification of loss exposures, analyzing exposures for frequency and severity, and applying risk treatment and transfer measures consistent with the County's financial resources. Further, the County is committed to the centralized administration of:

- Insurance program management to improve oversight and control insurance expenses
- Incident & claims management to reduce costs, expedite claim investigations and resolutions, identify trends, and recommend risk treatment measures
- Risk management consulting, including risk identification, assessment, and treatment support throughout the corporation

### **Risk Management Principles**

- The corporation needs to proactively identify and treat risks to reduce or eliminate the potential negative impacts.
- All staff are expected to identify and assess operational risks in their areas that could result in a loss and apply actions that reduce the County's exposure to loss.
- Insurance should only be utilized after analyzing whether the identified risk could first be avoided, mitigated, or transferred to another party.

### **Roles & Responsibilities**

#### Department Managers/Directors:

- Ensuring all insurance and risk management activities are carried out in accordance with this policy

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- Providing all internal records to Risk Management during incident and claim investigations upon request
- Analyzing incident trends, risk exposures, and risk mitigation strategies with Risk Management
- Ensuring all reporting staff adhere to this policy
- Communicating insurance coverage needs with Risk Management
- Maintaining accurate and updated department asset schedules for insurance coverage purposes
- Directing staff to provide full disclosure and cooperation during incident and claim investigations
- Promptly reporting changes to insurable property to Risk Management
- Promptly notifying & consulting with Risk Management when an operational change may increase risk exposure to the County
- Consulting with Risk Management on appropriate insurance & indemnity provisions in contracts
- Maintaining well documented records of day-to-day operations and preserving records in accordance with corporate retention policies.

### Finance - Risk Management:

- Providing claims handling expertise and services for all corporate claims submitted by County staff or the public
- Providing risk management expertise and guidance to all departments for risk identification, assessment, and treatment
- Acting in an advisory role to staff for risk management matters and insurance coverage needs
- Developing and providing training to departments on insurance and risk management, as needed
- Representing the County during claim litigation proceedings, including providing instructions to claim professionals (adjusters, lawyers etc.) on behalf of the County

### Manager, Risk & Insurance:

- Monitoring all insurance and risk management activities to ensure they are carried out in accordance with this policy
- Acquiring a comprehensive corporate insurance program
- Implementing corporate risk mitigation strategies and initiatives

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- Overseeing all incidents/claims, monitoring loss trends, and recommending actions to mitigate risk exposures
- Making final decisions for claims handling, liability assessment, and damage recovery efforts

### Treasurer/Director of Finance:

- Providing settlement authority to Risk Management for claim resolution

## **Resources**

AD-39 Risk Management & Insurance Procedures