



Liability

An insurer's perspective



Liability Policy structure – General Liability

- Legal liability for damages for *Personal Injury* or *Property Damage* suffered by a third party during the policy period caused by an *Occurrence* in connection with the *Council's business*
- Notification tips
 - When date of Occurrence?
 - What what happened (personal injury or property damage) and what is being claimed?
 - To who?
 - Where?
 - Status? Has a claim been made? Proceedings? Any admissions by any other party, e.g. contractors?



Liability Policy structure – Professional Indemnity

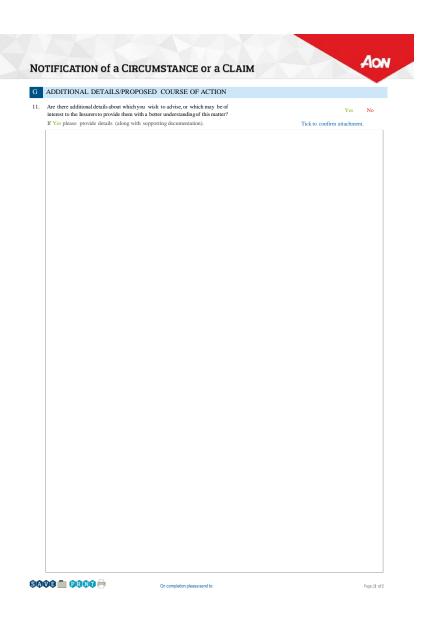
- *Claims made* against the Council during the policy period *and notified to insurers* during the policy period for *civil liability* in connection with the *Council's business*
 - Claims made and notified, regardless of the date the wrongful act occurred
 - Low threshold for *claim*
 - Notification of circumstances which may give rise to a claim
 - Robust internal reporting structures are critical
- Notification tips
 - Claim form
 - Fact, not opinion

Notification of a CIRCUMSTANCE OR A CLAIM

А	COMPLETIO	N OF THIS FOF	RM						
_	 Please answer pages on your of 	r all questions in fu	11. If you need extra and mark their inc	Senior Manager of the Ins a space attach additional lusion on this form. ed.	ured.	On completion please send to:			
В	STATUS OF C	CLAIM OR CIR	CUMSTANCE	E					
1.	Are you notifying	g a claim or a circu	mstance which may	y give rise to a claim?		Claim	Circumstance		
2.	If a claim - has this previously been notified as a circumstance?				Yes	No			
3.	When did you first become aware of the facts giving rise to the claim or circumstance?								
4.	If a claim, what date was the claim first made against you?								
С	COUNCIL CONTACT								
5.	Contact Name			Pos	ition				
	Email					Telephone			
D	CLAIMANT/POTENTIAL CLAIMANT								
6.	Full Name								
7.	Address								
Е									
	SUMMARY OF FACTS GIVING RISE TO A CLAIM OR CIRCUMSTANCE								
8.	Summary								
		Amount Claimed/Estimate of Amount Claimed							
	DO NOT UNDER ANY CIRCUMSTANCES, ADMIT LIABILITY as this may compromise your insurer's position & deny cover under the policy.								
F	LEGAL PROC	CEEDINGS							
9.	Have proceedings	been issued?	Yes No	If Yes, please (i)	advise date serve	d			
		(ii) attach a copy (tick to confirm)							
10.	Has legal advice b	een sought?	Yes No	If Yes, please advise		below.			
	Law Firm Name				Contact Name				
	Telephone				Email				

AONCR-GENERIC Councils Notification-Circumstance-Claim-07Feb19.docx

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Trends (1)

Claim Type	Claim Count %	Reported	Incurred %
Building consent		24	45
Compliance		8	6
Defects		29	22
Defamation		1	1
Earthquake		4	3
Error		3	1
Flooding		3	3
Mixed claims		2	1
N/A		9	11
Negligence		3	2
Other		12	4
Subsidence		1	0
Swimming pool inspection		1	0



Trends (2)

- Global market conditions
- Climate change
- Population growth
- Construction companies failing
- Defective building products
- Extensions to duties of care
- Litigation funding



Prevention

- Culture
- Processes
- Accountability
- Communication