



FORTFRANCES
BOUNDLESS

CLAIMS HANDLING POLICY
ADMINISTRATION AND FINANCE 1.26

POLICY

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1. POLICY STATEMENT

Despite everyone's best efforts, incidents, accidents and losses will occur. As such, there must be a consistent approach to the reporting and handling of Claims. Since this function is an integral part of risk management, the process is a centralized responsibility of the Administration that oversees incident and claims and risk management program.

2. PURPOSE

The purpose of this Policy is to establish a regular and consistent approach to the reporting and handling of occurrences, incidents and claims and to act as a guide for Participants in the administration of same.

The Policy is based on a commitment by the Town to:

- a) Provide an objective and professional level of service to all claimants;
- b) Ensure a professional approach to manage the expectations of the Town within the insurance program.
- c) Comply with the conditions of the Towns contracts of insurance; and
- d) Efficiently and effectively manage the claims process.

3. APPLICATION

This Policy applies to all third-party claims received against the Town of Fort Frances alleging damages to a person and / or property.

4. RESPONSIBILITIES

The Town's Municipal Clerk shall:

- The Clerks Office is responsible for reviewing claims, processing claims covered by the Town's insurance, maintaining the insured claim files and monitoring and reporting on insured claims. Prepare the Claims Handling Policy;

The Town Staff, Volunteer and Members of Council shall:

- Forward all claims to the Municipal Clerk.
- Work with the adjuster and/or solicitor assigned by the Town's insurer in the investigation of claim.

- Not discuss the claim with anyone other than the staff involved in the claim and the adjuster or solicitor assigned by the Town's insurer.

As a requirement of the insurance provider's liability coverage, the Town (its staff, volunteers, councillors etc.) are not permitted to admit liability or make statements that could be construed to admit liability or take any action that could hinder the insurer's ability to properly defend against claims.

5. DEFINITIONS

"Accident" means an event that happens by chance and is not expected in the normal course of events, which results in harm to people, damage to property or equipment, or a loss of process or productivity.

"Adjuster" means an insurance adjuster that reviews and settles claims on behalf of the insurance company

"Claim" means the exercising of a policyholder's right under an insurance policy. A claim can also be any notification of a possible loss under an insurance policy, whether or not any payment follows. "Claimant" means a person who makes a claim.

"Incident" means an event which could have resulted in harm to people, damage to property or equipment, or loss of process or productivity.

"Insurance" means a contract between an insurance company and its customer for a specific period of time. It protects the customer financially against a loss. Insurance is also a mechanism for dispersing risk, because it shares the losses of the few among the many.

"Insurance Policy" means a written contract of insurance. An insurance policy include, but is not limited to such policies as a general liability, errors and omissions, conflict of interest reimbursement, legal expenses reimbursement, crime, environmental, non-owned automobile, automobile, property, and excess liability policies.

"Insured" means the entity and participant whose risk of financial loss from an insured peril is protected by the insurance policy.

"Insurer" means the company providing the insurance coverage.

"Liability" means a legally enforceable obligation. Liability insurance pays for the damages or losses suffered by others for which the insured person is legally responsible.

“Loss” means a word often used in place of the word “claim.”

“Notice of Action” means notice of a proceeding in a court of law where one person seeks a court order for the enforcement of that person's or company's rights.

“Occurrence” means an “event” that results in an insured loss. In some lines of insurance, such as liability, an occurrence is not necessarily an accident (something sudden or unexpected). It can result from continuous or repeated exposure to a risk. Nonetheless, an occurrence results in bodily injury or property damage that was neither expected nor intended by the insured.

“Town” means: The Corporation of the Town of Fort Frances

6. GENERAL CONDITIONS

The Town encourages that in all cases of damage you contact your insurance company or broker. If your insurer believes the Town is responsible for the damage, they will seek compensation on your behalf as stipulated in your insurance policy. Alternatively, if you have suffered a loss for which you believe the Town may be responsible, you must follow the process outlined below for the Town to consider your claim.

Payment in respect of property damage is contingent upon the Town being found legally liable. This approach helps to reduce costs for the taxpaying public who ultimately bear the costs of these claims.

- For property damage claims, if the Town is found liable, the amount that you would receive in compensation is limited to current value and not replacement value and the Town will not reimburse for improvements beyond the condition of the property just before the damage occurred.
- You are, at all times, responsible for your own home. Town staff are not permitted to carry out repairs to private residences, other than reinstating property damages through the failure, repair, or replacement of linear municipal infrastructure.
- The investigation of your claim must be completed before the Town will be in a position to consider any compensation with respect to repairs/costs. It is your decision if you choose to proceed with repairing damaged property prior to the outcome of your claim.
- The Town is committed to resolutions that are fair, reasonable, and in keeping with the Town’s legal obligations. Although you may not get the answer you are seeking, our staff will treat everyone with respect and professionalism throughout the process.

7. INQUIRIES/RECEIPT OF CLAIMS

Potential claimants may contact the Town to seek compensation for a loss they believe the Town may be responsible for. Those persons should be directed to contact Clerks Office on how to file a claim.

- Staff, receiving inquiries as to how to make a claim, particularly those working in the field or facilities, should direct potential claimants to contact the Clerks Office and not discuss the claim nor offer that they or the Town is responsible.

For all liability claims, notice of the claim shall be immediately forwarded to the insurer or any of its authorized agents by the Clerks Office. Pursuant to the conditions of the various policies, the insurer shall have the right to make such investigation, negotiation and settlement of any claim or suit as may be deemed expedient by the insurer.

The Town and the Staff shall co-operate with the insurer and upon the insurer's request, aid in securing information and evidence, attend hearings and trials and assist in effecting settlement. The Town shall not, except at their own cost, voluntarily assume any liability or settle any claim.

8. POLITICAL INVOLVEMENT IN CLAIMS

When members of the public suffer injury or property damage as a result of an incident involving or the perceived involvement of the Town, claimants sometimes involve their local Councillor or Mayor in the process. In many circumstances, an insurance recovery is wanted. In such situations, the terms and conditions of the Towns insurance policy must be followed.

The Insurance policy agrees to pay on behalf of the Town all sums for compensatory damages that the Town becomes obligated to pay by reason of liability imposed by law. The conditions within the insurance policy impose certain requirements upon the Town to the insurance contract. Some of the requirements of the Town are to assist and cooperate with the insurer in the investigation of the claim.

A requirement of the Town is that it cannot admit liability nor take any actions that could prejudice the insurer's position or defence of the claim. Prejudicing the insurer's position can result in a denial of coverage thereby Notice of Action, Statement of Claim, Statement of Defence, Crossclaim, Third Party Claim, Examination for Discovery, Mediation, Pre-Trial, Trial or Appeal, requiring the Town to rely on its own funds to pay monetary damages, investigation expenses and legal fees.

9. MESSAGING

The initial contact with the constituent can impact the final resolution of the situation. In order to protect the Town and the other taxpayers in the community, it is recommended that the Mayor/ Councillor and all staff:

- Listen and document the conversation, listing name of caller, date and time of call, contact information for homeowner and caller, nature of grievance, next steps (will the homeowner be calling their insurer?) ;
- Offer empathy not monetary restitution of any kind, nor services offered by Town staff (crews will not be ordered to fix your home);
- Do not admit fault (in effort to be least conciliatory) but also don't deny liability – stay neutral;
- If appropriate, instruct constituents to report the incident to their insurer;
- Provide the constituent with the contact information of the Clerks Office;
- If contacted by the media, inform them that the incident has been reported to the organization and an investigation is taking place; and
- Refrain from commenting on the incident to avoid prejudicing the insurer and/or breaching privacy laws.

10. PROCEDURES

The Clerks Office shall prepare the procedure and or protocol along with forms and any notices that maybe amended by the Clerks Office from time to time without the need to amend the above-mentioned policy relating to, how to submit a claim, processing of claim, claims investigation, monitoring claims.

11. CLAIM INVESTIGATION PROCESS

The investigation of claims is conducted by the Town's insurance company. Upon receipt of a claim, the Clerk's Office will forward it to the insurance company, which will handle all aspects of the investigation. Town staff, volunteers, and council members must cooperate fully with the insurance company's investigation.