

Club Executive Seminar – Risk Management

Risk Management: Events

INTRODUCTION:

As Public and Member Events and Functions are a major part of Fundraising and being part of the Association the Risk Management Committee has put together information on how to better prepare for them in terms of insurance and Risk Management (RM).

During this presentation we will cover topics including:

What resources are available to your Club in terms of RM and insurance?

We will walk through one of the checklists available in the Risk Management Manual, including:

- Risk Identification
- Risk Impact
- Risk Control, and
- Risk Financing

As well with the increased demand of Certificates of Insurance we will cover how to request a Certificate of Insurance, and when your Club should be requesting one

Also we will look at some other considerations when considering and preparing your event.

WHERE TO START:

The Risk Management Committee has various information pieces available on their website, which can be accessed through the National Website's Committee Section. For example they have posted:

- Request forms for Certificates of Insurance
- The Risk Management Manual
- Easy to understand Guides to Risk Management, including alcohol policies, media relations and financial risks
- National Insurance Policy information
- And pieces on food handling, and past presentations

In the Risk Management Manual you will find information on how RM pertains to KIN, as well as helpful Checklists for certain functions that you can use as a guide to ensure that you are considering all possible risks, and helping to prevent unnecessary risks.

You should also note that your District Risk Manager is there to help you with any other concerns you might have regarding Risk Management and Insurance.

CHECKLISTS:

As previously stated in the Risk Management Manual you will find many checklists that will be helpful to you when you are planning an event.

For the purpose of this presentation we will be using the Liquor Events Checklist as a guide in how to utilize them and expand on them.

It is important to remember that RM is not something that is set in stone, but changes with each mitigating factor surrounding situations

YOU have the choice of putting on a risky event, or putting on an Event with minimal risks.

THE CHECKLIST: LIQUOR EVENTS

(Give the Audience each a copy of the Liquor Events Checklist from the RM Manual, and read it through with them, including the following information with each section)

The Checklist includes four sections:

- Risk Identification
- Risk Impact
- Risk Control
- Risk Finance

The first Section is Risk Identification.

Risk Identification is figuring out what could possibly happen at your event

(Read section from Checklist followed by information below)

Each of these risks are broad categories that can be broken down, what are some examples of each of these categories (note that some can be a result of another risk)

- **Property Damage** - tables get broken in a fight between patrons
- **Personal injury** – person slips and falls on spilt drinks
- **Liability for sponsoring** – the party you are sponsoring does not have proper insurance and your Club gets named
- **Financial Exposure** – the money you have raised gets stolen
- **Criminal Charges** – Assault of patron
- **Civil Suits for Negligence** – sued because did not cleanup spilt beverages and this caused a slip and fall

In order to protect your money at the event and between the event and bringing it to the Bank, you need to get a separate insurance policy affording you Crime Protection.

Next you need to consider the impact those risks might have on your Function therefore the Risk Impact:

- The main result from any of these risks would be the financial impact on your club including:
 - High cost of Legal proceedings
 - Potential financial ruin of Club
 - High cost of premium increase
- As well you risk:
 - Having the Underwriter not cover the incident
 - Your Club's public image, especially if you were negligent
- By preparing and possibly preventing accidents you may be able to control the financial impact on your Club.

IN order to reduce or prevent the possible impacts you turn to

Risk Control techniques: what can we do to prevent or control these possible risks?)

(Read techniques listed on checklist)

Add:

- Get any required Certificates of Insurance either from a third party or for a third party

Finally, for those risks that you cannot prevent, you need to consider alternatives, like:

Risk Financing Techniques:

- Insurance and making sure you have the right type of insurance

- Contact our Brokers at Morris and Mackenzie at least 4 weeks prior to the event to ensure that you have the proper coverage in place to hold the event, as well as to receive a Certificate of Insurance if need be.
- If you feel that the National Policy is not adequate feel free to contact a local Agent to obtain further insurance.

Again, it cannot be stressed enough that these checklists are to be used as a guide. As each Function is different, there will be different risks involved. You as a Club need to consider all the possible risks you might be faced with and finally in the end decide if the outcome of the event will be worth the risk.

CERTIFICATES OF INSURANCE

One thing that probably a lot of you are noticing is the increase in requests to show Proof of insurance when a third party becomes involved in a Function. For example when your Club needs to rent a room or area in order to hold a function, you are typically asked to show proof of insurance.

A certificate of Insurance is issued by your Carrier (insurer and or Broker) and states the coverage you have. It can also list, if requested an Additional Insured on your Policy for a specific Event.

For Example, an additional insured will typically be a third party that may be helping your Club run and event, but is not organizing it. Or a Third party that has rented you their facility to run the event in.

WHEN YOU ARE ASKED TO PROVIDE A CERTIFICATE OF INSURANCE:

The Risk Management Committee has available on their website a request form that your Club can fill out and forward to our Brokers in order to receive a Certificate of Insurance for any function you might be holding. The form is quite straightforward and certificates are typically issued within a couple days of our Brokers receiving the Request. This does not mean you can leave obtaining a Certificate to the last minute, as you should request them at least 4-3 weeks prior to your event.

The Certificate of Insurance will be sent directly to the group (i.e. the Town, or Third Party) that requests it, and a copy will be forwarded to your Club, as well as to National HQ

WHEN YOUR CLUB SHOULD REQUEST A CERTIFICATE OF INSURANCE:

Your Club should also consider requesting Certificates of Insurance from third parties when you are involved with them, or if they are renting your Hall, or using your property. You should also ask to be named Additional Insureds if possible.

Your Club should also request Certificates of Insurance when you are helping another organization with an event. Meaning that your Club is not the main operator of the event, and the other organization is responsible for insuring the Event. You should also make sure you request to be named as an Additional Insured for that event.

If they do not have the proper insurance for the event, your Club should seriously consider not helping them with it until they do, and they can provide you with proof.

OTHER CONSIDERATIONS

Finally we are going to go over a couple other things your Club can do before holding an event.

Here are some things you should consider when you are operating an event:

- Have you verified that your function is covered by the National Insurance Policy
- If it isn't have you put in place the proper insurance to cover the function?

- Are their other parties involved in this function? Either in operating or sponsorship form? Do they have the proper insurance in place as well?
- Have you gone through the proper checklist from the Risk Management Manual to ensure that you have taken steps to protect your Club and the Association from potential liabilities?
- Have you hired the proper and right amount of needed assistance for your function based on the estimated # of patrons attending? i.e. Certified first aid help, security
- Do you need to show proof of insurance to a third party? If so please send our Brokers a request form at least three weeks prior to the event.
- If you are renting a hall or other type of facility, go through it with the owner/operator some weeks before booking it to ensure that there are no apparent hazards. IF you notice some, tell the owner/operator that you will gladly sign an agreement to book once they have things in proper working order. Check the hall at least one week prior to the event to ensure that they have kept their end of the bargain.
- If on the day of set up you notice a hazard that was not there on the original check of the building, block this portion off from the public with the proper markings. Or if there is enough time, ask the owner operator to have the problem fixed.

Helping another organization with event?

- Do they have all the proper insurance in place?
- Request from them at least three to four weeks prior to the event for a Certificate of Insurance, naming your Club as Additional Insured for the event
- Are you functioning as a Club for this event, or as Volunteers
- Is your Club in charge of a particular piece of the function that perhaps they expect you to cover your self?
- Have you been a part of all the organizing and know how the event is to function and what you are responsible for

Again, these are not the only considerations to make, but they are a good start. Brainstorm with your Club, and become familiar with the Risk Management Manual and other information available in the National Risk Management Committee's Website to help you come up with possible risks and control techniques on your own.

The Risk Management Committee hopes that this presentation helped shed some light on risk management and information available to you for it and events, as well as Certificates of Insurance in why and when you need them.

Liability Checklist No. 1 – Liquor-related Events

Risk Identification (what can possibly happen?):

- Property damage;
- Personal injury or death;
- Liability for sponsoring club;
- Financial exposure;
- Criminal charges;
- Civil suits in negligence or vicarious liability, etc.

Risk Impact (what damages can be caused?):

- High cost of legal proceedings;
- Potential financial ruin for clubs and/or individual members;
- Possibility that insurance company will not underwrite the loss;
- High cost of premiums for future endeavours.

Risk Control Techniques (how can we control the risks?):

The following should be strictly adhered to:

- A provincial liquor licence must be obtained prior to any event and displayed on the premises;
- Check all tables and chairs within the facility and remove any unsafe or defective items;
- Ensure that all entrances are free of any obstructions;
- If the event is held in the winter, arrange for all entrances and sidewalks be cleared and salted and post signs indoors "Floor Slippery When Wet". Ensure that all water areas are kept as dry as possible by mopping up any wet area;
- If the bar is to be maintained by Kin, it is recommended that all servers have taken and passed the SmartServe program – previously known as the Server Intervention Program (S.I.P.) – or a similar provincially qualified program;
- If the bar is to be maintained by someone other than individuals in Kin, those individuals should be qualified as above;
- Should any patron appear to be younger than the legal drinking age for the relevant province, acceptable photo identification or Age of Majority card *must* be requested;
- Contact local taxi companies to ensure they are available for patrons' use and post the telephone numbers of these companies in appropriate areas (e.g. washrooms / telephone areas);
- Contact local Car Jockey, Operation Red Nose or similar types of companies or programs that allow for patrons to leave safely by having someone else drive their vehicle and post the telephone numbers of these companies in appropriate areas (e.g. washrooms / telephone areas);
- Make public announcements that the above services are available at frequent intervals during the event;
- Should any patron appear intoxicated, advise the bar staff and quietly advise the patron that he/she will no longer be served alcohol;
- Should any patron become abusive, contact the local law enforcement agency – do not attempt to interfere in any potentially violent situation;
- Should any liquid spill on the floor, mop up the liquid immediately to prevent anyone from slipping or falling;
- Should any food fall on the floor, clean up the area immediately to prevent anyone from slipping or falling;
- Should anyone be acting in an unsafe manner, whether intoxicated or not, advise the individual to refrain or otherwise leave the premises;
- Should the event be held in an outdoor area, appropriate fencing must be used to section off the area;
- Identify any damaged equipment and prepare an Incident Report.

Risk Financing Techniques (how can we finance the effects of any mishaps?):

- Contact insurers at least four weeks prior to the event to advise that the event is taking place;
- If deemed necessary, purchase an additional liability insurance rider locally.