



RISK REPORT RECEIVED

Now what?

Presented By: Shamair Turner & Devin Baker



Overview

1. Who are we?
2. Risk Management Basics
3. Appraisals
4. What is a Property Risk Management Survey?
5. How to Manage the Report?
6. Recommendations – Common Examples
7. Questions



Who are we



Suncorp Valuations

An Appraisal and Risk Control company providing value added services to assist our client's in managing their assets.

- **Privately Owned Valuation Firm**
- **Founded in 1960**
- **Owned and Managed by Accredited Valuation Professionals**
- **Total Appraisal Service Provider – Market Value and Insurance**
- **Consulting Services – Risk Management & Asset Management**



WHERE WE ARE

Canadian Offices

- Vancouver, BC
- Calgary, AB
- Edmonton, AB
- Saskatoon, SK
- Winnipeg, MB
- Toronto, ON
- Montreal, QC

Dutch Resources

- Rotterdam, South Holland

Asia Office

- Hyderabad, India

USA Offices

- Milwaukee, WI
- Seattle, WA
- Philadelphia, PA
- Miami, FL
- Los Angeles, CA

Portuguese Resources

- Lisbon, Estremadura

Australian Resources

- Adelaide, South Australia



Brand Promise

On-Time, Credible and Professionally Presented Reports

- This is the foundation of our company and what makes us the very best in managing large complex assignments.
- This is what has made us the industry best in Canadian Municipal Valuation and Risk Management.
- This is why clients have come to Suncorp, and why they continue to work with Suncorp.
- Our Brand Promise is everything to us.



Risk Management Basics



Concept of Risk Management

- Traditionally was primarily focused on loss exposure from hazard risk and off-loading to insurance policies
- Now the concept involves more strategy
 - Today with market conditions insurers are more focused on how entities are managing all aspects of their operations
 - Risk Management Defined – The process of making and implementing decisions that will minimize the adverse effects of accidental loss on an organization.



Types of Risk

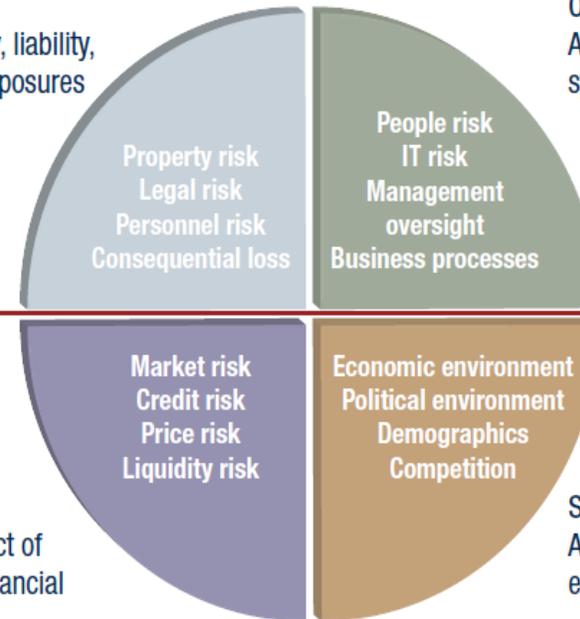
These are general risk classifications

There can be overlap among the various categories

Our focus is the **Hazard Risk Quadrant**

Risk Quadrants

Hazard Risk
Arises from property, liability, or personnel loss exposures



Operational Risk
Arises from people, processes, systems, or controls

Pure Risk

Speculative Risk

Financial Risk
Arises from the effect of market forces on financial assets or liabilities

Strategic Risk
Arises from trends in the economy and society

Risk Management Process Model



- This model is often used to assess risks across a business
- Today we will use it for Property Risk Inspection.
- Our aim is to aid in the minimizing the frequency or severity of losses with training, safety, and security measures.

Appraisals



How do Appraisals Fit in?

- **Defined as: “the art and science of estimating the insurable cost or value of a property as at a specific date”.**
- **Appraisal can include any type of insurable property including Buildings, Infrastructure, Machinery & Equipment, Mobile Equipment**
- **Insurance Appraisal does not prevent a property risk but it:**
 - **Creates awareness of potential loss**
 - **Provides key data that may assist with a Risk Management Strategy**
 - **Provides segregation of values which is important because classes of property have different risks**
 - **If multiple locations of property are being appraised the appraisal report can provide useful information on the concentration of risk**



Benefits to Property Owners

Avoid a Co-Insurance Penalty, for an under-insured loss

Avoid paying too much premium, if over-insured

Rate reduction may apply

Provide an accurate documentation of the Insured Assets

Transfer risk to appraisal firm

Expedite claim



Benefits to Insurers

Ensures that insurance is underwritten on current, accurate data

Facilitates assessment of risk

Provides documented evidence of the specific insured assets

Avoids under-insured loss scenario

May avoid unnecessary litigation costs
in the event of loss claim dispute



What is a Property Risk Management Survey



The Report

A formal, impartial evaluation of a facility and the risks associated with its use/operation.

Step 1
Scan
Environment



Step 2
Identify Risks

SUNCORP VALUATIONS

PROPERTY RISK MANAGEMENT SURVEY

SUBJECT PROPERTY:

Site Address
City, Province, Postal Code
Schools

Suncorp Valuations File No. XXXXX

© Suncorp Valuations 2023

BUILDING DETAILS Risk Assessment: Select

CONSTRUCTION DETAILS Building: of

Year Built: Additions (Yrs): Renovations (Yrs):

Number of Stories: Storey Height: ft Maximum Storey Height: ft

Grade Floor Area: ft² Basement: No Yes - Area: ft² - Detail: Mezzanine(s) No Yes - Total Area(s): ft² - Detail: Note: mezzanine(s) more than 25% of total floor area, considered an additional floor.

Total Building Area: ft² Note: Include basements, mezzanines & multiple storeys

Building Condition: Satisfactory Deficiencies - Detail:

BUILDING CLASSIFICATION

Frame % Joisted Masonry % Non-Combustible %

Masonry Non-Combustible %

Modified Fire Resistive % Fire Resistive % Other % - Detail:

FOUNDATION

Concrete % Concrete-Slab-on-Grade % Masonry % Frame %

ICF Blocks % Other % - Detail:

FLOOR CONSTRUCTION

Grade Floor: Concrete % Concrete/Metal Deck % Other % - Detail:

Upper Floors/Mezzanine(s): N/A Concrete % Concrete/Metal Deck % Frame %

VERTICAL OPENINGS N/A

Stairs: No Yes

Proper Protection: No - Detail Yes N/A

Elevator(s): Yes Service Date: (mm/yr) Service Due

Other Openings: No Yes - Detail:

HORIZONTAL SEPARATION N/A

Wall Construction: Masonry Frame Other - Detail:

Wall Openings Protected: N/A No Yes - Detail:

Number of Fire Divisions: N/A Divisions:

Fire Separation Construction: N/A Project Through Roof To Underside of Roof/Floor

Reinforced Concrete % Non-Combustible % Frame % Masonry Non-Combustible % Masonry % ICF Blocks %

PREMISES LIABILITY Risk Assessment: Select

INTERIOR HAZARDS	ACCEPTABLE	COMMENTS
Floor Surfaces/Coverings	No Yes N/A	
Stairs/Handrail/Ramps	No Yes N/A	
Exits/Egress	No Yes N/A	
Slip/Trip/Fall Risks	No Yes N/A	
Emergency Lighting/Exit Signage	No Yes N/A	
Housekeeping	No Yes N/A	
Elevator	No Yes N/A	
Lighting	No Yes N/A	
Public Washrooms	No Yes N/A	
Other:		

EXTERIOR HAZARDS	ACCEPTABLE	COMMENTS
Parking Lot/Sidewalks	No Yes N/A	
Bollards/Curb Stops	No Yes N/A	
Slip/Trip/Fall Risks	No Yes N/A	
Lighting	No Yes N/A	
Site Grading/Drainage	No Yes N/A	
Stairs/Handrails/Ramps	No Yes N/A	
Housekeeping	No Yes N/A	
Exterior Storage	No Yes N/A	
Attachments/Signs	No Yes N/A	
Other:		

MISCELLANEOUS	Comments
Snow & Ice Removal:	No Yes N/A
Contracted to Third Party?	No Yes N/A
Third Party: Maintenance Logs, Certifications & Contractors Insurance	No Yes N/A
Controlled Access to Building	No Yes N/A
Staff on site 24 hours	No Yes N/A
Security Personnel	No Yes N/A
Emergency Fire Plan/Posted	No Yes N/A
Fire Drills Conducted	No Yes N/A
Play Structures	No Yes N/A
Food/Alcohol Sales	No Yes N/A
Swimming Pool/Waterslide	No Yes N/A
Storage Hazard Materials	No Yes N/A
Break & Enter Deterrent in place	No Yes N/A
Visible Vandalism	No Yes N/A
Other:	
Comments:	



Report Structure

- **Building Details**
 - Description of the building structure. Mostly facts that can be used by insurer or broker to verify previously provided information and provides details on any upgrades or changes.
 - This section will highlight concerns with the overall building structure, safety concerns present due to building deficiencies.
- **Common Hazards**
 - Provides details on the mechanics of the building such as heating and plumbing.
 - Will highlight predominantly fire or water damage risks.



Report Structure

- **Fire Protection**
 - Outlines private and public protection systems in place to mitigate fire and outline issues in detection, protection and prevention.
 - Also notes exposures that may exist due to proximity to other structures
- **Premises Liability**
 - Summary of condition of various interior or exterior hazards
 - Eg: slip/trip/fall exposure, housekeeping, snow removal, etc.
- **Crime Controls**
 - Outlines physical and security protection and deficiencies (monitoring, locks and alarms)



Report Structure

- **Facility Specific Supplements**
 - Depending on the site there may be additional specific risks that we will investigate
 - Commercial Kitchen, playgrounds, ice facility, health care, swimming pools, etc.
- **Recommendations**
 - Summary of the issues that have been found during the inspection and suggestions on how to address them



Reading Recommendations

- Exposure – what risk area the recommendation fall under (Property, Liability or Crime)
- Risk Rating – how urgent or concerning the item is
- Property Area – where in the facility issue was found
- Reference – the code or regulation the recommendation addresses

RECOMMENDATIONS <input type="checkbox"/> N/A	
Risk Rating	Definitions
High	Immediate attention required to minimize potential loss. Implement within the next 3 months.
Moderate	Attention required to minimize a potential loss. Implement within the next 12 months.
Low	Desired improvement should minimize a potential loss. Loss Control – Best Practice

Recommendation Number: 2024-00	Risk Rating: -----select-----
Exposure: <input type="checkbox"/> Property <input type="checkbox"/> Liability <input type="checkbox"/> Crime	
Property Area: <input type="text"/>	
Picture	Recommendation
<input type="text"/>	<input type="text"/> Reference



How to Manage the Report



Report Received

- Who gets the report?
- Do they know an action plan should be created to address the recommendations?
- Do they know who to get assistance from to address each issue?



Analyze Risks

- This step involves reviewing each recommendation to determine how best to address.
- Many of the recommendations outline deficiencies in code/regulation compliance and should be actioned but there are others that are at the discretion of the building owner.
- While we may identify an action as a Loss Control Best Practice the member may decide that the cost of the recommendations is too steep, or the likelihood of a severe loss is small and not address the issue.



Treat Risk

- Time to take action.
- Once a plan is made the correct individuals can start to addressing the items that can be addressed.
- Part of this process will involve realizing some recommendations will involve more that one step.



Monitor and Assure

- This is important because there will be a follow up.
- What does it demonstrate if there is not action on known risks?
 - It can lead to higher losses or a loss of confidence in your ability to address risk by insurers
 - A loss can occur that can cause injury or have a significant cost



Follow Up

- With who?
 - Is there a person or department that has responsibility for being ready to explain what has or has not been done?
 - Is that person the same or different from the person who receives the report
- How frequent?
 - Understanding that there may be limitations on the ability to act on the recommendations (timing, budget, difference of opinion on how risky the fault actually) what is the appropriate cadence to reach out again?



Benefits of Risk Management Plan

1. Develops “informed” communication plans/strategies
2. Develops “good working relationships” (up and down the organization)
3. Allows you to be “proactive” to a situation verses continually “reactive”

All of which help to build a risk mindset within the organization, so everyone is keeping an eye out for risks and the insurance industry will view you more favorably.



Recommendations Common Examples



Commercial Kitchen

Fire Suppression/Duct

To help ensure quick reaction in the event of a fire.

- The fire suppression system should be serviced/inspected and tested a minimum of once every 6 months
- A qualified contractor should complete a semi-annual cleaning of the cooking hood ducts.



Commercial Kitchen

Missing Nozzle

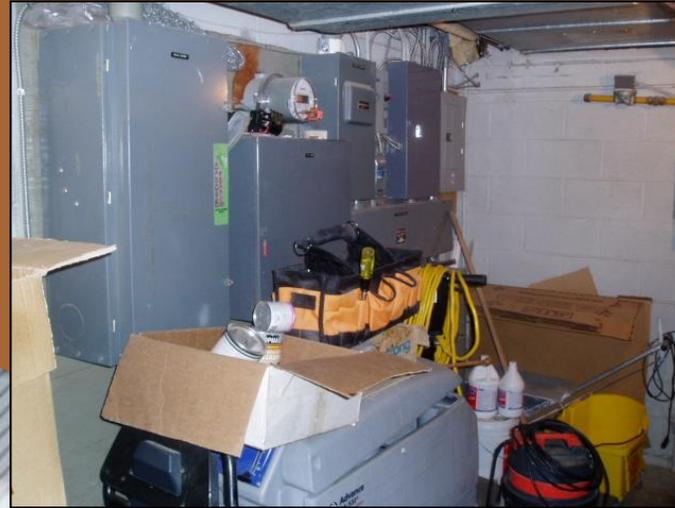
To help prevent accumulation of dust, grease and other materials standard covers shall be provided on all suppression system nozzles.



Mechanical/Electrical Room

Combustibles Storage

- Who would you call about this recommendation?
- How do we ensure facility managers/users know why this is a concern?



Signage

Evacuation/Fire Plan Posted

Ensure a qualified contractor completes a semi-annual cleaning of the cooking hood ducts or as required due to frequency of use.



Water Damage

Prevention

- Ensure someone on site knows where all the main shut off valves are located
- Are valves properly identified and easily accessible
- Roof inspection program
- Water detection devices



QUESTIONS?



THANK YOU!

Contact Us



Shamair Turner, B.Comm., CRM, CIP
Shamair.Turner@suncorpvaluations.com

Devin Baker, B. Comm.
Devin.Baker@suncorpvaluations.com