




Trends & Risks in Childcare & Education Sectors

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Meet your team

 **Client Service Excellence**

 **Customized Coverages**

 **Client Advocacy**

*Over 25 years of serving the
childcare and education sectors*



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ESG

Looking through the insurance lens



ENVIRONMENTAL

- **Storms** – Are you prepared for increased frequency and severity of climate-induced weather? Wind/hail exclusions for outdoor trees and plants mean you pay for stump removal.
- **Environmental liability** – Older buildings, old tanks, adequate plans for capital expenditures. Don't forget - insurance excludes 'wear and tear'.
- **Sustainability initiatives** – Solar panels, geothermal systems, natural playgrounds impact your insurance policy – have you told your broker?



SOCIAL RISKS

- **Employer liability** – What systems are in place to comply with employment regulations & other social risks, eg OSHA, media liability, human rights
- **Talent shortages** – Strong HR protocols & procedures can attract talent, e.g. promoting diversity, equity & inclusion, psychological safety
- **Succession and resilience** – Are you investing in your staff? Considering an ownership change? Insurance policies are not usually transferable.



GOVERNANCE RISKS

- **Professional liability** – how strong are your protocols & procedures to avoid wrongdoing? What is your protection in the face of false allegations?
- **ESG Oversight** - What internal and external controls/auditing are in place?
- **Digital documentation strategy** – How intuitive is your folder system?
- **Business Continuity Plan** – When was the last time it was reviewed and tested? Invite your insurance broker to a 'tabletop' exercise.

Trends and Risks in Insurance

Hard Insurance Market

- **Rising insurance premiums** and continued focus on underwriting profitability
- **Reduced capacity for abuse** on an occurrence basis
- **Less competition** for this sector
- **Understand your coverage and risk tolerance** to maximize premium spend

Claims Impact

- **Increased cost of claims**
- **Increasing cost of construction and labour**
- **Weather related events** still happening
- **Water damage continue in frequency**
- Derecho storms in May, 2022 generated \$800M claims in ON

Cyber Claims

- **“Not if but when you will be breached”**
- **Social engineering fraud and business email compromise** are on rise
- **Canada – cyber crime losses more than \$3billion a year**
 1. **The ‘dark web’ IS real**
 2. **Zero Trust**
 3. **Good cyber hygiene & strong passwords**

Boards and fiduciary duty

- **Lawsuits may be brought by various stakeholders:** staff, potential employees, donors, volunteers, vendors, clients
- **Can be held accountable for actions or inactions**
- **Allegations** of wrongful acts or breach of duty of care need to be defended
- **Policies and training on policies and documentation that policies are followed**

Employment Practices

- **Increased frequency of lawsuits or applications to the Human Rights Tribunal**
- **Recommend updating of employment contracts** annually or more frequently
- **Adherence to vaccine policies** and other pandemic related changes, e.g. masking
- **Trend of Cultural biases**
- **Psychological safety** promotes open dialogue

Liability Claims

- **Increased frequency of claims of ‘rough handling’ under abuse**
- **Impact of cultural biases** that may hinder reporting or intervention
- **Ensure you meet insurance reporting requirements** – err on side of caution
- **Digital documentation strategy** to assist in mounting of robust defense to prove adherence to policies



Thank you for your time