

JOINT MUNICIPAL FIRE SERVICES COMMITTEE BULLETIN

LIABILITY INSURANCE

Liability insurance provides protection against third-party legal liability resulting from claims due to the actions of your organization. If a claim is made, your liability insurance policy will provide the cost of legal defense and pay any resulting award up to the limit of the policy.

Under Nova Scotia law, liability insurance does not cover losses resulting from intentional criminal acts committed by the insured (or with the insured's consent) with the intent to bring about the loss or damage.

It is imperative that your fire department also carry General Liability Insurance for claims brought against the department for negligence; an All Risk Property insurance policy covering the full replacement value for physical damage to vehicles and equipment it owns or operates; and an Automobile Third Party liability insurance policy for bodily injury (including death) and property damage.

The Fire Services Stakeholder Committee is comprised of representatives from the following organizations:

- Association of Municipal Administrators, NS;
- Department of Municipal Affairs and Housing;
- Fire Services Association of Nova Scotia;
- Nova Scotia Federation of Municipalities; and
- Office of the Fire Marshal.

For more information regarding liability insurance or the work of the Fire Services Stakeholder Committee please contact: fireservices@amans.ca.

More information can be found in the *Municipal Government Act - Guide Respecting Fire and Emergency Services*

Why is liability insurance so important?

Liability insurance may provide:

- Protection against claims resulting from injuries and damage to people and / or property.
- Coverage for legal costs and awards for which the insured party would be found liable.

Liability insurance will not:

- Provide coverage for intentional damage, contractual liabilities, criminal prosecution or employee injuries.

Liability insurance helps to manage risk by:

- May provide liability coverage for all Directors, Officers and volunteers (whether or not they are members of your organization) and employees while acting on behalf of your organization.
- Providing Good Samaritan liability for your volunteers and employees, should they act on their own to assist someone who needs immediate help.
- Providing medical malpractice liability coverage for the acts of employees or volunteers, regardless of their level of medical training or certification.
- Providing operational pollution liability for incidents arising from training activities, oil tanks failures, equipment wash-downs or off-premises emergency calls.

As a representative of your municipality or village, do you know?

- If you have registered departments, do they have appropriate liability insurance as required by the MGA and do you review this coverage on an annual basis?
- If your fire departments have the types of insurances listed in this bulletin? Is that an ask on your registration form?
- What you are liable for in terms of gross negligence? Does your policy or the department's policy provide coverage for activities such as: training, fundraising, etc.?

As a representative of a fire department, do you know?

- That a department must hold valid liability insurance, as required by municipal policy, in order to register?
- When is the last time you have reviewed your liability and property insurance coverage, do you have enough coverage?
- What the amount of liability insurance coverage required by your municipality is?