

**LOOSE
LIPS**



**SINK
TOWNSHIPS**

Reducing Risk Arising from Communications with the Public

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April 27, 2019 Castlegar, BC



MUNICIPAL
INSURANCE
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COLUMBIA

Where does liability exposure for elected officials arise?



Communications



NEGLIGENT MISREPRESENTATION



Negligent misrepresentation requires...

- Representation is untrue, misleading or inaccurate
- “Special relationship”
- Insufficient care in making the representation
- Reasonable reliance
- A loss





Where the party seeking information has an economic interest that is likely tied to the response

How do we reduce our risk?

Learn to identify the risk

If not 100% sure of the answer, then ask

Qualify your answer

Use “invariable practice”

Record the exchange



Defamation is...



To most people, their good reputation is to be cherished above all. A good reputation is closely related to the innate worthiness and dignity of the individual. It is an attribute that must, just as much as freedom of expression, be protected by society's laws.

Hill v. Church of Scientology



Defamation requires...

- Words used had a negative impact on the plaintiff
- Words referred to the plaintiff
- Communication made to third party



Real life examples...

Accusing a mayor to have been misusing taxpayers' money to further his own career.

Accusing a police officer of being drunk on duty.

Calling another council member a “sick son of a b%#\$*”.

Suggesting another council member is one of the “biggest jokes” to have been elected in a long time.

How do we reduce our risk?

- Understand what constitutes defamation
- Develop good communication practice/policy
- Do not trust that communications will be private
- Get advice



Communications can create
unreasonable expectations



We take a principled
approach to claims.



Claims Management Philosophy

We investigate all claims thoroughly.

If member is liable, we negotiate and resolve the claim quickly and in accordance with exposure.

If member not liable, we deny the claim and defend vigorously.

If member somewhat liable we negotiate settlement and seek contribution from other parties.

We **do not** pay “nuisance” claims.

We **do not** pay for economic or financial reasons.



Under promise + over deliver
= reasonable expectations



