

# Prime Hospitality



**Simply the best insurance available  
for Bed & Breakfast establishments  
and Country Inns**



*Let's change insurance.*

## About Aviva Canada Inc.

Aviva Canada Inc., one of the country's leading property and casualty insurance groups, is a subsidiary of Aviva plc, the world's fifth largest insurance group with more than \$600 billion Cdn. in assets and 59,000 employees around the globe.

Aviva Insurance Company of Canada and its associated companies provide a wide variety of insurance products and services to people and businesses across the country, via a national network of independent insurance brokers.

For more information about protecting your business through risk management and comprehensive insurance coverage, talk to your broker today.

Visit us at [www.avivacanada.com](http://www.avivacanada.com)



Whether you operate for profit, or simply because you enjoy sharing your home with guests, loss control is an important tool to protect your assets.

Loss control is the steps you take to protect you and your guests or employees from accident, injury, or loss of property.

### Here are some areas to review:

Physical protection of your property - Fire	6
Physical protection of your property – Natural hazards	7
Physical protection of your property - Crime	8
Protection from liability – Your premises	9
Protection from liability – Your operations	9
Protection from liability – The operations of others	10
Protecting personal information	10
Risk management information	10

*"Prime thinking-ingenuity at work"*

## The benefits and basics of loss control

In your everyday business operations you encounter normal business risks, including:

- Not being able to attract paying guests.
- Currency fluctuations.
- Changing customer preferences

In addition to these business risks, you must also manage or control what is known in the insurance industry as “Pure Risk”.

Pure Risk is the risk of financial loss caused by perils such as fire, theft of property, equipment breakdown and liability suits. While insurance can cover some of these losses, there are other

numerous hidden costs associated with pure risk that can reduce your profits. You can take steps to reduce your risk. The information in this guide is designed to help you implement an effective loss control program. With this information, you can:

- Take action to control or lower your insurance costs.
- Reduce your exposure to uninsurable losses.
- Provide a safer environment for you and your guests.

Programs to prevent accidents and control losses need not be complicated or time consuming. The basic components of a loss control program are:

#### 1. Loss control planning

The foundation of every good loss control program includes:

- A commitment to and a proactive plan for protecting your property and providing a safe place for you, your visitors and guests, and any employees you may have.
- If you run a larger business, appointing a loss control co-ordinator who is directly responsible for co-ordinating the implementation of your loss control program and who has the authority to ensure its effectiveness.

#### 2. Inspecting your premises

It is essential to conduct regular inspections of your premises, to identify

potential hazards and corrective actions required. On Aviva's website, [www.avivacanada.com](http://www.avivacanada.com), you will find a Self Inspection Worksheet which you can use as a checklist to assist with hazard identification and to keep track of required corrective actions.

#### 3. Accident investigation

You should keep a log of all accidents and incidents involving losses at your premises. A written report should be prepared for every accident, providing a description of the accident as well as conditions at the time of the accident.

You should ensure that records of all incidents are kept on file. At [www.avivacanada.com](http://www.avivacanada.com), you will find a sample Accident Report and a sample Slip and Fall Incident Investigation Report. We have also included a sample General Occurrence Report, which you can use to track and record other types of incidents involving injuries or damage to property.

# Loss control planning



The most basic element of a safety plan is to have a safety policy. In a small business this could be a posted letter from the business owner and in larger organizations a written safety manual. The safety policy sets the tone and reminds you and any employees that safety is a priority.

Once the safety policy is set in place, you must ensure it is properly followed. In some operations, a loss control co-ordinator could be named to oversee the program, as either a part- or full-time responsibility, depending upon the size of your business. You or the loss control co-ordinator must develop inspection procedures to ensure all premises are inspected thoroughly and regularly, and make arrangements to see that maintenance, service and repair work are done.

Finally, you should see that accident reporting and record-keeping procedures are in place and followed.

You should inspect your premises regularly, and conduct regular maintenance as required. Maintenance takes two forms:

1. Regular on-going maintenance in accordance with use.
2. Specific actions and documentation of the actions addressing the hazards identified in the inspection.

The main areas covered in this booklet are fire hazards, natural hazards, crime prevention, liability hazards, and documenting your procedures.

## 1. Fire hazards

When conducting a premises inspection, look for hazards that could potentially cause a fire or greatly contribute to the severity of one. Special attention should be paid to areas such as housekeeping, fireplaces and stoves, and cooking areas. At the same time, check fire-protection equipment to ensure it is in good working condition and that adequate service and maintenance is being done.

### Housekeeping

Maintaining a high standard of cleanliness and order is one of the most important elements of fire prevention. Poor housekeeping adds to the probability of serious loss by increasing fire and explosion hazards in several ways:

1. It provides more places for fire to start.
2. It can result in a continuous expanse of combustible materials, making it easier for fire to spread.
3. It provides a greater supply of combustible materials for the initial fire to feed upon.
4. It creates the potential for flash fires or dust explosions when layers of lint or dust are allowed to accumulate.
5. It increases the potential for spontaneous ignition.

Remember, good housekeeping applies both inside and outside. Every year, buildings across Canada burn because vandals start fires in outside garbage containers or in piles of combustible debris stored next to buildings. Follow the necessary steps below to prevent fire on your premises:

### Housekeeping

- Ensure furnace and electrical rooms are clean and not used for general storage.
- Remove unneeded combustible materials from the building (old boxes, rags, papers).
- Dispose of old cans of paint and solvents. Keep supplies of paints and solvents in a metal cupboard.
- Provide adequate waste bins.
- Cut back unwanted vegetation from the building.
- Keep the exterior of the building clear of combustible material.

### Fireplaces, wood/propane fired wood stoves

- Ensure chimneys are clean and in good condition.
- Ensure propane/wooden stoves are installed according to code requirements. Check furnaces, wood stoves and fireplaces regularly, and have them serviced by a licensed professional.
- Carbon Monoxide (CO) is a poisonous gas generated by the incomplete combustion of fuels such as natural gas, wood, oil and propane. It is colourless, odourless and tasteless, and will not be detected by a fire or smoke alarm, but can cause illness or death. Ensure CO detectors are in place and operational.

### Cooking

- Unplug electrical appliances when they are not in use.
- Keep areas around the stove clear of material that could catch fire (e.g. curtains, shelves or paper goods).
- Position fire extinguishers within easy reach of the stove.
- If you do commercial cooking, install and use proper ventilation and grease filters over all frying operations. Clean and inspect them regularly. Install appropriate automatic fire suppression equipment to protect fryers and other heated cooking appliances.

### Fire protection equipment

Smoke or heat detectors are generally required by law. Ensure they are well placed and, if battery operated, are kept in good working order with a supply of batteries available for replacement.

Fire extinguishers are the first line of defense against fire. It is imperative that extinguishers are in good working order, easily accessible, and that you and any employees you may have are trained to react quickly and are able to use the extinguisher properly. Fire extinguishers are only effective in the first seconds after discovery of a fire. In most cases, 30 to 90 seconds after discovery the fire will have grown beyond the control of a fire extinguisher.

Fire alarm systems are of great value if they are properly installed, tested, and regularly maintained. These signaling systems can be activated manually at pull stations, with built-in heat-detectors or smoke detectors, or can be triggered by an automatic suppression system such as a sprinkler system. Fire alarms sound a local alarm (e.g. within a building) and may also signal a 24-hour central station. A qualified fire-alarm contractor should undertake regular testing of the system as recommended by the manufacturer.

The loss control inspection process should confirm that this testing is being done.

## 2. Natural hazards

Natural Hazards are another potential cause of damage to your property.

**Winter Exposures:** Accumulation of ice and snow on trees can cause damage. Remove weak branches and trees that could damage your home.

Accumulation of snow and ice on roofs can also be a hazard. The extra weight this accumulation creates can put a strain on buildings, and has the potential to cause structural damage to businesses. To safely remove excess snow or ice from a roof, an expert in roofing is required. If not removed correctly, the roof could be damaged and those attempting to remove the snow injured.

In addition make sure that snow is removed from any access road in the winter months. If not, in the event of a fire, the fire department will not be able to get close enough to extinguish the fire. If gates are used in the winter months the local fire department should have a key to access the buildings.

**Frozen water in pipes:** Water expands when it freezes. This expansion may cause pipes to burst at their weakest point. To protect pipes:

- Insulate exposed pipes with insulation sleeves or wrapping. Water pipes leading to the outside should be equipped in one of two ways:
  - 1) with a hydrant-style faucet that extends from the interior of the house.
  - 2) with an inside shut-off. In cold weather it should be kept closed while the exterior valve should be left fully open.

- ❑ Seal cracks and holes in outside walls and foundations near water pipes with caulking.
- ❑ Keep cabinet doors open during cold spells to allow warm air to circulate around the pipes, especially in the kitchen and bathroom.
- ❑ Keep a slow trickle of water flowing through faucets that are connected to pipes that are at any point unheated or unprotected. Drain the water system if the premises are unoccupied during cold periods.

**Ice dams** are an accumulation of ice at the lower edge of a sloped roof, usually at the gutter. Interior heat melts the snow on the roof, and the resulting water runs down and refreezes at the edge of the roof where the temperature is cooler. The ice builds up and blocks water from draining off the roof, forcing it under the roof covering and into your attic or down the inside walls of your home. Recessed lighting near the roof may make ice dams inevitable. To avoid serious damage from ice dams:

- ❑ Keep the attic well ventilated. The colder the attic the less melting and refreezing.
- ❑ Keep the floor of the attic well insulated to minimize the amount of heat rising through the attic.
- ❑ Consider installing electric cables on roof surfaces and in downspouts known to collect ice.
- ❑ Install a water repellent membrane under your roof covering.

**Lightning** can strike power lines and damage electronic equipment. Surge arrestors and suppressors can protect your electric and electronic equipment from lightning damage.

**Hurricanes and hail** can cause much damage, which can be reduced by attending to the following:

- ❑ Cover windows with a protective film that will prevent shattering if they break.
- ❑ Install storm shutters for exposed windows and glass surfaces as they can be the easiest and most effective protection.
- ❑ The safest doors to withstand strong winds have three or more hinges, and a dead-bolt security lock with a bolt at least 2.5 cm long. Door frames need to be securely anchored to the framing. Double doors need to be secured with head and foot bolts.
- ❑ Garage doors can be a weak point, and doors over eight feet wide are especially vulnerable. You may be able to reinforce the weakest points with wood or metal stiffeners. Some garage doors may have retrofit kits available.
- ❑ If replacing a roof remove old coverings to the bare wood sheathing. Ensure rafters and trusses are secure. Ensure gables have truss roof bracing. Replace damaged sheathing. Refasten existing sheathing to the model building code for high-wind regions.
- ❑ Have a professional install hurricane straps that are designed to help hold your roof walls.

### 3. Crime prevention

Crime is often thought to be restricted to retail or financial institutions, though the truth is that every business is a potential target of crime.

There are two types of crime you should pay special attention to. Opportunistic crime happens when someone sees an opportunity to part you or your guests from valuables. It is unplanned and can happen if valuables are left unattended and in the open. Planned theft by professionals can be harder to avoid, as they have specifically targeted your residence and have planned carefully how to steal from you or your guests. To a thief, a

simple handset lock or a sliding window is the same as an unlocked building. The harder you make it for others to steal, the safer you and your guests will be. Crime protection at its simplest should begin with ensuring doors and windows are adequately protected. The following steps will also reduce losses due to criminal activity:

- ❑ Consider installing motion-sensor lights at exterior areas of access such as doors and windows.
- ❑ Use deadbolt locks for all exterior doors and interior doors where you or your guests are likely to keep valuables.
- ❑ The most effective burglar alarms will have sensing devices for all openings and be monitored by a ULC 24-hour monitoring station.
- ❑ Check on your non-regular guests if they have access to valuables in your home.
- ❑ Keep all keys locked away from guest access. Carefully monitor release and return of keys from guests. If keys are not returned, err on the side of caution and change the locks.
- ❑ Establish a routine check of your premises to ensure all valuables are in place.

### 4. Liability hazards – Your premises

As an owner of property, you have legal obligations that are laid out in the occupiers' liability legislation of most provinces. Your "duty of care" to others is higher when you invite paying guests to your property. Proving that you have acted in a responsible manner in keeping guests from harm helps us defend you in the event that you are sued due to an injury or damage that occurred as part of an accident on your property. You should:

- ❑ Regularly check your premises for deficiencies and take immediate steps to fix any deficiencies found. Even informal recordkeeping of such inspections can be valuable in case of an accident causing injury to someone on your premises.
- ❑ Keep stairs in good repair, ensure all carpets are fastened and rugs have non-slip under-padding. Keep stairs clear and ensure any ornamentation is placed so that it does not present a tripping hazard.
- ❑ Ensure stair railings are present and in good repair.
- ❑ Bathrooms are a common area where injuries occur. Provide non-slip mats or coating for the bathroom and shower areas. Ensure sinks and toilets are in good repair. Where possible provide grips or support bars in bath and shower areas.
- ❑ If you provide hot tub, sauna or pool facilities, see our Sauna, Hot tub, Pool Hardfacts available on our website, [www.avivacanada.com](http://www.avivacanada.com), to ensure safe operations.
- ❑ Regularly check appliances provided for guest use to ensure they are undamaged and that cords are in good condition. Arrange required access to electrical outlets in a safe manner (for example, that complimentary coffee makers are in a stable, safe place and not vulnerable to tipping or falling).
- ❑ Ensure outside walkways are in good condition and free of debris. If your operations extend into the winter season, minimize the possibility of slipping and falling due to icy conditions.
- ❑ Any roadways into your property should be kept in good condition to avoid damage to guests' vehicles.



## 5. Liability hazards – Your operations

Liability arises not only from your premises, but also from your operations. One of the most common causes of lawsuits is from an object in the food, food poisoning, or food allergies. If you provide food services:

- ❑ Inquire if guests have food allergies when providing a prepared meal. Note any allergies and ensure all food preparation avoids contamination with the food in question. If you have the food your guest is allergic to on your premises, do not use the same utensils or surfaces without thoroughly cleaning them first. Common allergies are to nuts and shellfish, but the range of possible allergies is limitless.
- ❑ Post ingredients of any home-made food products on a card. If you provide local food products such as jams and relishes for sale, ensure they have ingredients posted on the container.
- ❑ Keep all food that requires refrigeration at the proper temperature. Keep refrigerated foods that are served in a buffet style on ice, or keep quantities small and replace frequently. Immediately dispose of any uneaten food that has been on a guest's table. Do not risk reusing any food or ingredients that may have been contaminated, even if it looks fine.
- ❑ All food preparation and storage areas must be free of vermin. Similarly, any bulk storage of food must be kept in suitable storage containers to keep the food in good condition.
- ❑ Train all people involved in the food preparation and food serving process on proper hygiene and food handling practices.

- ❑ If you provide any other services, discuss the safest way to conduct these with your insurance representative or a loss control specialist provided by your insurance company or independent inspection service. Document your discussions and best practices.

## 6. Liability hazards – Operations other than your own

Providing information on local attractions does not expose you unduly to additional liability. However, if you recommend one operation over another, then you have a duty of care to ensure that operation is well run and has appropriate insurance. When you have independent contractors working on your behalf ensure they have insurance. Discuss any concerns with your insurance representative

## 7. Protecting personal information

- ❑ Keep your personal information locked away from guest access. Ensure personal information such as your driver's license or social insurance card is never left in a place where it can be copied and used to steal your identity.
- ❑ Do not keep guest credit card information beyond the period required to pay for their stay. Limit the personal information you keep about guests to the absolute minimum to keep them safe from identity theft by someone stealing that information from you.
- ❑ If you allow guest access to your personal computer ensure any personal or business information is kept protected by password, and keep the password in a secure location not

accessible by others. Use passwords that would not be easily guessed by others (like your name, address, or name of your home or operation).

- ❑ You have certain obligations under the Personal Information Protection and Electronic Documents Act to protect personal information you obtain from your guests. The Government of Canada website [www.privcom.gc.ca](http://www.privcom.gc.ca) provides full information on the requirements of the Act.

## 8. Risk management information

Loss Control and Risk Management are often used interchangeably. The scope of Risk Management is wide, and a great deal of information is available from many sources.

You can find more information on Risk Management and Risk Management processes and tools from:

[www.avivacanada.com](http://www.avivacanada.com)

[www.ibr.ca](http://www.ibr.ca)

There is a considerable amount of valuable information in the Home Insurance section. Also available on-line in a PDF is the IBC pamphlet "Insuring your heritage home", a useful guide when insuring a heritage property.

If you are a member of an Association, they may also have material available to you.

**Your insurance representative is a valuable source of information and can also request that an Aviva Loss Control Representative meet with you to discuss your concerns.**



