

Risk Management Policy for Insureds

As part of the Law Society's role in providing insurance through Law Mutual, Law Mutual's mandate is to assist insured practitioners and practices (Insureds) to manage the risk of professional liability for errors and omissions in the provision of legal services to their clients.

Law Mutual does this by encouraging Insureds to foster a culture that values risk management, and to put in place systems and processes that enable them to:

- Continually recognise and address potential professional liability risks that may impact their practices.
- Understand the legislative constraints and changes in the external environment that impact on the practice of law.
- Adopt and embed sound and fit for purpose management practices.
- Improve the risk management understanding and capability of individual practitioners.

Law Mutual's risk management commitment to Insureds is to assist by:

- Providing leadership by setting a clear direction and structure for risk management activities;
- Continually consulting with Insureds and other key stakeholders to understand their needs;
- Facilitating Insureds in structured forums to enable them to understand and address risk;
- Recognising the diversity of needs amongst our Insureds and engage with them accordingly;
- Recognising and appropriately rewarding good risk management practices and performance;
- Capturing and communicating knowledge for continued understanding of change, insight into risk and improvement of practices;
- Providing assurance that Insureds are effectively managing risk;
- Influencing government to provide legislative support for improved risk management practices.

Law Mutual encourages Insureds to:

- Attend and actively participate in risk management education and workshop forums.
- Adopt risk management practices recommended by Law Mutual.
- Share knowledge and experience to assist other Insureds to improve risk management.

In committing to assist and encourage Insureds, Law Mutual seeks to achieve the following outcomes:

- Improve the level of practice management by increased uptake of fit for purpose risk management practices.
- Decrease the number of complaints and enhance the reputation of Insureds.
- Long term reduction in claims per insured practitioner.

To ensure these outcomes are achieved, Law Mutual will require Insureds to:

- Provide reasonable disclosure of risk management practices when requested.
- Provide disclosure of turnover, numbers of employees and areas of law practiced by the insured practice.
- Submit to random audits to verify questions of fact concerning their risk management practices.