



**Australian Government**

**Department of Education, Employment and Workplace Relations**

# **FNSILA501A Plan and implement loss investigation**

**Revision Number: 1**

## FNSILA501A Plan and implement loss investigation

### Modification History

Not applicable.

### Unit Descriptor

<b>Unit descriptor</b>	<p>This unit describes the performance outcomes, skills and knowledge required to use high level analytical, liaison and planning skills to interact with clients, authorities and specialists in coordinating loss investigations that determine the extent of loss, damage or injury.</p> <p>This unit is applicable to individuals working within enterprises and job roles subject to licensing, legislative, regulatory or certification requirements including legislation administered by the Australian Securities and Investments Commission (ASIC).</p>
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### Application of the Unit

<b>Application of the unit</b>	<p>This unit applies to loss adjusting coordination job roles but does not cover assessment and analysis of evidence and data relating to a loss situation. It may be applied within organisations of various sizes and across a range of customer bases.</p>
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### Licensing/Regulatory Information

Not applicable.

### Pre-Requisites

<b>Prerequisite units</b>		

<b>Prerequisite units</b>		

## Employability Skills Information

<b>Employability skills</b>	This unit contains employability skills.
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## Elements and Performance Criteria Pre-Content

Elements describe the essential outcomes of a unit of competency.	Performance criteria describe the performance needed to demonstrate achievement of the element. Where bold italicised text is used, further information is detailed in the required skills and knowledge section and the range statement. Assessment of performance is to be consistent with the evidence guide.
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## Elements and Performance Criteria

ELEMENT	PERFORMANCE CRITERIA
1. Receive instructions from client	1.1. Comprehensive <i>terms of reference or instructions</i> that meet the requirements of the <i>relevant parties</i> are established prior to engagement 1.2. Relevant parties are promptly advised of decisions to accept or reject terms of reference or instructions and the reasons for such decisions 1.3. Acceptable terms and instructions that are within <i>client or organisation policy and legislative guidelines</i> , codes of practice and personal authorities are negotiated, confirmed and clearly documented
2. Establish relevant facts	2.1. Facts, evidence and information relevant to the circumstances of loss, damage or injury, are collected thoroughly, systematically and accurately 2.2. Information deficiencies are identified and additional information is sought from appropriate sources 2.3. Validity of loss situation and/or claim is assessed fairly and impartially against reported circumstances, available evidence, facts and information 2.4. Insurance cover for loss, damage or injury where applicable is determined and policy conditions are reviewed to ensure loss falls within policy coverage 2.5. Contractual and/or other obligations of each party to the circumstances under enquiry are established 2.6. Fraud indicators are identified accurately and consistently 2.7. All relevant facts, evidence and information are organised and documented confidentially into a coherent body of case knowledge
3. Plan and implement loss investigation	3.1. Available facts, evidence and information are analysed to determine viable course of action and appropriate <i>investigative activities</i> 3.2. Investigative activities are assessed for appropriateness to loss situation and compliance with <i>relevant legislation</i> , codes of practice, insurers, client, organisation or other guidelines 3.3. Requirements for urgent action to protect client interests are identified and determined 3.4. Appropriate and confidential channels of communication are established with clients and other relevant parties 3.5. Professional and cordial relationships are established

ELEMENT	PERFORMANCE CRITERIA
	<p>and maintained with all relevant parties during the investigation</p> <p>3.6. Comprehensive records are established and maintained of investigative activities, methodology and time spent during investigations</p>
4. Preserve evidence	<p>4.1. All evidence gathered is progressively collated and recorded promptly and accurately</p> <p>4.2. <b><i>Evidence gathered is preserved</i></b> by appropriate means for subsequent assessment and enquiry</p>
5. Liaise with authorities	<p>5.1. Liaison with all <b><i>appropriate authorities</i></b> is established whenever and wherever required</p> <p>5.2. When and where required, clearance or authorisation for investigative activities is received from appropriate authorities and recorded promptly</p>
6. Verify and document information	<p>6.1. Facts, evidence and information gathered is regularly reviewed and assessed for thoroughness and consistency</p> <p>6.2. All appropriate methods within client, organisation, legislative, code of practice or other guidelines are employed to <b><i>clarify conflicting evidence or information</i></b></p> <p>6.3. Investigative actions, procedures and outcomes are <b><i>documented</i></b> and recorded promptly and accurately</p>
7. Appoint specialists	<p>7.1. The need to appoint <b><i>specialist assistance</i></b> is identified and determined promptly and accurately and conveyed to the client and other relevant parties</p> <p>7.2. Appointed specialists are engaged as required and thoroughly briefed</p>

## Required Skills and Knowledge

### REQUIRED SKILLS AND KNOWLEDGE

This section describes the skills and knowledge required for this unit.

#### Required skills

- well-developed communication skills to:
  - negotiate and interview clients and others
  - determine and confirm information, using questioning and active listening as required
  - liaise with others, share information, listen and understand
  - use language and concepts appropriate to cultural differences
- numeracy and IT skills to:
  - calculate and estimate loss
  - apply data analysis techniques and procedures
  - use computer applications (word processing, spreadsheet, database, specific purpose computer systems) to assist in achieving required outcomes
  - access and update records electronically
  - access web-based information services
- literacy skills to read and interpret documentation from a variety of sources and record and consolidate relevant related information and maintain currency of industry products and services knowledge
- research and analysis for accessing and interpreting relevant information
- organisational skills, including the ability to plan and sequence work
- investigative, analytical, evaluative and deductive reasoning skills

#### Required knowledge

- business mathematics and statistics
- claims management
- data analysis techniques and procedures
- fraud detection, control and prevention principles
- insurable interest
- investigative practices and guidelines
- loss adjusting principles and practice
- policy coverage and requirements
- principles of cost estimating
- relevant contract and commercial law principles
- insurance law
- relevant legislation and industry codes of practice
- roles, responsibilities and jurisdiction of specialists and other authorities
- rules of evidence and information gathering and documenting principles

<b>REQUIRED SKILLS AND KNOWLEDGE</b>
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| <ul style="list-style-type: none"><li>• subrogation</li><li>• types and categories of insurance policies</li></ul> |
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## Evidence Guide

<b>EVIDENCE GUIDE</b>	
<p>The Evidence Guide provides advice on assessment and must be read in conjunction with the performance criteria, required skills and knowledge, range statement and the Assessment Guidelines for the Training Package.</p>	
<b>Overview of assessment</b>	
<b>Critical aspects for assessment and evidence required to demonstrate competency in this unit</b>	<p>Evidence of the ability to:</p> <ul style="list-style-type: none"> <li>• apply loss adjusting principles and practice and investigative practices and guidelines relevant to various types of loss/damage</li> <li>• apply loss prevention principles and practice</li> <li>• use fraud detection, control and prevention principles</li> <li>• apply thorough knowledge of types and categories of insurance policies, industry codes of practice and relevant legislation</li> <li>• roles, responsibilities and jurisdiction of specialists and other authorities.</li> </ul>
<b>Context of and specific resources for assessment</b>	<p>Assessment must ensure:</p> <ul style="list-style-type: none"> <li>• competency is demonstrated in the context of the work environment and conditions specified in the range statement either in a relevant workplace or a closely simulated work environment</li> <li>• access to and the use of a range of common office equipment, technology, software and consumables</li> <li>• access to organisation records</li> <li>• access to organisational policies and procedures.</li> </ul>
<b>Method of assessment</b>	<p>A range of assessment methods should be used to assess practical skills and knowledge. The following examples, in combination, are appropriate for this unit:</p> <ul style="list-style-type: none"> <li>• evaluating an integrated activity, which combines the elements of competency for the unit, or a cluster of related units of competency</li> <li>• observing processes and procedures in workplaces</li> <li>• verbal or written questioning on underpinning knowledge and skills</li> <li>• evaluating samples of work</li> <li>• accessing and validating third party reports</li> <li>• setting and reviewing workplace projects and business simulations or scenarios.</li> </ul>
<b>Guidance information for assessment</b>	





## Range Statement

### RANGE STATEMENT

The range statement relates to the unit of competency as a whole. It allows for different work environments and situations that may affect performance. Bold italicised wording, if used in the performance criteria, is detailed below. Essential operating conditions that may be present with training and assessment (depending on the work situation, needs of the candidate, accessibility of the item, and local industry and regional contexts) may also be included.

<p><b><i>Terms of reference or instructions</i></b> may include:</p>	<ul style="list-style-type: none"> <li>• date and location of loss (local or remote)</li> <li>• estimate of loss</li> <li>• instructions for investigating loss/damage/injury</li> <li>• insurer's reference</li> <li>• name of insured and initial contact</li> <li>• negotiating settlements date of receipt of instructions</li> <li>• other parties involved</li> <li>• period of insurance</li> <li>• policy cover</li> <li>• policy number</li> <li>• type.</li> </ul>
<p><b><i>Terms of reference or instructions</i></b> may be:</p>	<ul style="list-style-type: none"> <li>• electronic</li> <li>• verbal</li> <li>• written.</li> </ul>
<p><b><i>Relevant parties</i></b> may include:</p>	<ul style="list-style-type: none"> <li>• broker or agent</li> <li>• client</li> <li>• consultants</li> <li>• government or statutory authorities</li> <li>• insured</li> <li>• insurer</li> <li>• legal or other practitioners</li> <li>• manufacturers</li> <li>• medical</li> <li>• mortgagee</li> <li>• principal</li> <li>• subcontractor</li> <li>• suppliers</li> <li>• third party</li> <li>• trustee.</li> </ul>
<p><b><i>Client or organisation policy and legislative guidelines</i></b> may include:</p>	<ul style="list-style-type: none"> <li>• Australasian Institute of Chartered Loss Adjusters (AICLA) Charter of Objects and Professional Conduct</li> <li>• claims</li> </ul>

<b>RANGE STATEMENT</b>	
	<ul style="list-style-type: none"> <li>• clerical</li> <li>• codes of practice</li> <li>• complaints and dispute resolution procedures</li> <li>• information technology and administrative systems</li> <li>• loss</li> <li>• loss recovery</li> <li>• policies and procedures in relation to risks.</li> </ul>
<b><i>Investigative activities</i></b> include:	<ul style="list-style-type: none"> <li>• consultation</li> <li>• credit and character checks</li> <li>• desktop and other research</li> <li>• financial</li> <li>• forensic, mechanical, electrical, metallurgical, chemical and other tests</li> <li>• interviews</li> <li>• legal procedures</li> <li>• physical examinations</li> <li>• surveying</li> <li>• surveys</li> <li>• valuations.</li> </ul>
<b><i>Relevant legislation</i></b> may include:	<ul style="list-style-type: none"> <li>• building or construction</li> <li>• Consumer Credit Code</li> <li>• contracts law</li> <li>• environmental</li> <li>• hazardous materials</li> <li>• industry codes of practice</li> <li>• Insurance Agents and Brokers Act</li> <li>• Insurance Contracts Act</li> <li>• motor vehicle</li> <li>• occupational health and safety (OHS)</li> <li>• Privacy Act</li> <li>• secrecy laws</li> <li>• Trade Practices Act.</li> </ul>
<b><i>Means of preserving evidence</i></b> may include:	<ul style="list-style-type: none"> <li>• documentation</li> <li>• electronic</li> <li>• forensic, medical, mechanical, chemical and other means</li> <li>• photographic</li> <li>• physical.</li> </ul>
<b><i>Appropriate authorities</i></b> may include:	<ul style="list-style-type: none"> <li>• fire services</li> <li>• industry and professional associations</li> <li>• local governments</li> </ul>

<b>RANGE STATEMENT</b>	
	<ul style="list-style-type: none"> <li>• medical and legal professionals</li> <li>• police</li> <li>• statutory authorities</li> <li>• unions and union representatives.</li> </ul>
Methods to <i>clarify conflicting evidence or information</i> include:	<ul style="list-style-type: none"> <li>• consultation</li> <li>• credit and character checks</li> <li>• desktop and other research</li> <li>• financial</li> <li>• forensic, mechanical, electrical, metallurgical, chemical and other tests</li> <li>• interviews</li> <li>• legal procedures</li> <li>• physical examinations</li> <li>• surveying</li> <li>• surveys</li> <li>• valuations.</li> </ul>
<i>Documentation</i> may include:	<ul style="list-style-type: none"> <li>• interview records</li> <li>• legal, government, professional, other documents</li> <li>• meeting notes</li> <li>• minutes</li> <li>• official, general, other correspondence</li> <li>• reasons for adopting/incorporating certain evidence/information preferred over other evidence/information</li> <li>• records of telephone conversations</li> <li>• reference to all evidence/information considered</li> <li>• reports from others such as loss adjusters/assessors/insurers/medical providers and others</li> <li>• the basis on which the decision was determined</li> <li>• time sheets.</li> </ul>
<i>Specialist assistance</i> may include:	<ul style="list-style-type: none"> <li>• accountants</li> <li>• arborists</li> <li>• architects</li> <li>• building consultants</li> <li>• chemists</li> <li>• consultants</li> <li>• engineers</li> <li>• forensic</li> <li>• hydrologists</li> <li>• jewellers</li> </ul>

**RANGE STATEMENT**

	<ul style="list-style-type: none"> <li>• legal</li> <li>• medical</li> <li>• metallurgists</li> <li>• meteorologists</li> <li>• private and other investigators</li> <li>• quantity and other surveyors</li> <li>• valuers.</li> </ul>
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**Unit Sector(s)**

<b>Unit sector</b>	Insurance loss adjusting
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**Competency field**

<b>Competency field</b>	
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**Co-requisite units**

<b>Co-requisite units</b>		