



Council of Social Service of New South Wales Insurance Program

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Insurance Information Sheet

Public Liability Insurance

Public liability insurance provides cover where a third party is killed, physically injured or their property damaged due to the NEGLIGENCE of the insured.

For example, say a Community Centre advertises its local festival by placing a banner on its building. The banner falls, knocking a member of the public over which causes them to break their leg. That person could claim for their injury under the Centre's public liability showing that the Centre was negligent as they did not tie the banner on to the building properly.

There have been massive increases in public liability premiums recently as a consequence of several factors occurring over the past two years. These include the declining international share market, World Trade Centre bombing, HIH collapse, increase in public liability claims and payouts, no win no pay advertising, and the merging of several insurance underwriters leading to a lack of competition.

Several initiatives have been implemented in response to the public liability insurance situation including changes to the law of Negligence which aim to bring more individual responsibility for actions, restrictions on plaintiff law firm advertising, caps on damages, reductions on insurance stamp duty, new capital adequacy requirements for underwriters and the approval of an alliance between QBE, NRMA and Allianz underwriters which has developed to provide public liability insurance for the not for profit sector.

In addition, the Council for Social Service of NSW (NCOSS) has received funding from State Government to implement a two-year Insurance project that involves establishing a bulk-buying insurance scheme, providing ongoing information to assist non-government organisations identify their insurance needs and providing risk management training and information.

NCOSS Insurance is accepting Expression of Interest Registrations for its bulk buying scheme at www.ncoss.org.au/insurance.