

## Public Liability Insurance

For businesses and organisations, there is often a long list of risks and loss factors that must be managed. Even small errors can lead to large legal problems, significant financial losses or other irreparable damage. But, with the right insurance policies, these potential pitfalls can be covered.

Public liability insurance is one of the most important forms of cover that your organisation may ever have, and policies are held and utilised by a wide variety of businesses across a large number of industries. But, like any type of insurance, the key to getting the most out of public liability cover is knowing when, and how, it can protect an organisation.

### Covering Costs

Public liability claims are legal claims involving a claimant who alleges that your organisation is liable for an incident that resulted in physical or financial distress. This cover is designed to help your organisation address issues with customers, clients and third parties, such as members of the public. This type of insurance may be particularly valuable if your premises are regularly visited, or if your employees often visit clients or other parties to conduct business or provide services.

Public liability insurance provides financial assistance for policyholders for the following claim-related expenses:

- Medical expenses related to a personal injury for which your organisation is liable
- Property damage related to an accident for which your organisation is liable
- Legal fees

- Other damages that your organisation is ordered to pay, such as compensation for an individual missing work due to the incident

### Common Claims

There are many different types of public liability claims that could be brought against your organisation. One reason that this cover is so important is the wide variety of circumstances that can lead to an allegation.

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Some of the common situations that could result in a claim, and severe financial loss, include:

- **Contributing to personal injury**—If somebody suffers an injury or illness and blames your organisation, a public liability claim may be made. If a customer slips and falls due to a wet floor, or trips over an obstacle left in a walkway, your organisation could be found liable for the resulting medical expenses. You also may have to provide additional compensation if the injured party was forced to miss work as a result.
- **Damaging a client's property**—Employees are often called upon to perform work on the property of customers and clients, but these tasks come with risk. For example, if a luxury car has its paint

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### Provided by MacKay Corporate Insurance Brokers

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scratched while being cleaned, or an electrician fails to rewire a fuse box properly, the resulting damage could lead to a claim.

- **Causing third-party damage**—In the event that an issue results in injury or property damage to someone who was not directly involved in the situation, a public liability claim may be made. One scenario that might lead to this type of claim could be a plumber's work resulting in water damage not only to their client, but also a neighbour.

## Protect Your Organisation

Public liability insurance covers a wide variety of incidents when harm befalls someone else, but it should be noted that a policy does not provide protection or aid for damage to an organisation's own property. Similarly, it will not cover costs related to a claim made by an employee.

Still, with potential costly claims coming from so many different directions and stemming from such a wide variety of situations, your organisation should strongly consider acquiring public liability cover. Without this cover, it is possible that even a small mishap could result in devastating financial loss.

For more information on public liability insurance, contact us today.