

Property Owners Liability Guide

Do you own land? Arrange the right insurance!

If you own land, perhaps a plot awaiting a house to be constructed or a field you have purchased to stop developers from building and obstructing your view, it is possible that a person may enter it and hurt themselves. The law requires you, as the owner, to keep the land safe and will hold you responsible for any injuries.

This type of insurance is called “Property Owners Liability” and is usually provided free of charge with a buildings policy. However, if you don’t have a building to insure (or perhaps the land is adjacent to your home but on separate a deed), you will need to buy a “stand-alone” policy.

A frequent question I receive in my business, is that if the injured person was on the land illegally, then surely there wouldn’t be any negligence on the owner’s part? Sadly, this isn’t correct and a trespasser has as much right to compensation as anybody else.

Additionally, please bear in mind that many of the claims that we receive are not where there has been any real fault at all, but simply an alleged incident that has been exaggerated because the third party has managed to find a “no win, no fee” legal service to pursue an action for them.

Property Owners Liability insurance also covers your legal costs in defending these cases. If you didn’t buy insurance, a typical solicitor could charge you £150 per hour or more, and so one hour of advice would actually exceed the typical annual cost of an insurance policy for a small piece of land!

You have to buy some insurance policies because the law says so (such as for a car) or because you are contractually obliged to do so (such as your house when you have a mortgage). Although there is no doubt that property owners liability is not a high priority to purchase, the cost is relatively low and provides excellent peace of mind.

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