

POLICIES FOR RESIDENTIAL BODIES CORPORATE

Section 192(2) of the 1987 Act provides that a licensed insurer (Nominal Insurer) will send any Policy of insurance or renewal notice (or any notice under any Policy of insurance) direct to the Employer concerned and not to an insurance broker, agent or intermediary. Section 192(3) provides that in turn, the Employer shall pay any Premium under a Policy of insurance direct to the licensed insurer (Nominal Insurer) and not to an insurance broker, agent or intermediary.

However, WorkCover is aware that the majority of residential bodies corporate are managed by licensed strata managing agents.

To assist the Scheme Agent in the issue and renewal of these policies, and the collection of Premiums in relation to residential bodies corporate, WorkCover gives approval under Section 192(4) of the 1987 Act for:

- (a) a Scheme Agent to send a Policy of insurance or renewal notice (or any notice under any Policy of insurance) for an Employer that is a residential body corporate (constituted under the Strata Schemes Management Act 1996) to a strata managing agent (licensed under the Property Stock and Business Agents Act 2002) that is managing the residential body corporate
- (b) an Employer that is a residential body corporate (constituted under the *Strata Schemes Management Act 1996*) to pay any Premium under a Policy of insurance direct to a strata managing agent (licensed under the *Property Stock and Business Agents Act 2002*) that is managing the residential body corporate.

This approval is subject to:

- (a) a Scheme Agent not paying any amount by way of commission or other remuneration to a licensed strata managing agent in relation to the issue or renewal of a Policy of insurance in accordance with section 192(1)
- (b) a separate Policy being issued by the Scheme Agent for each Employer
- (c) a separate completed Wage declaration being obtained where any regular Wages are paid or a Wage roll is declared
- (d) clear arrangements for the collection of Premium and the subsequent remittance to the Scheme Agent.

Where the Workers Compensation insurance Policy is issued as part of a 'package policy' by the Scheme Agent's associated general Insurance Company, there can be a delay in the Scheme Agent receiving and entering details of the Workers Compensation cover. In these circumstances, WorkCover will not deem the Workers Compensation cover to be back-dated provided that the other sections of the 'package' policy have the same inception date. The Scheme Agent's proposal files must therefore contain sufficient documentary evidence to enable this position to be verified.

References

Workers Compensation Act 1987, section 192

Deed, Schedule 1, clause 5.4.1; Schedule 2, clauses 2.1.1, 2.1.3

Document name: Operational Instruction 2.5	Prepared by: Premiums Group
Version: 2.0	Issue date: October 2005
Revision: 0	Review date: September 2007
Page 1 of 1	TRIM file: 2005/047720 File no: D05/056433