Liability and Personal Accident Insurance
What is covered by Personal Accident (PA) and Public and Employers liability (PL/ EL).

The "insured persons" are generally the same for liability and PA, i.e. clergy, employees, authorised volunteers, etc; and both cover "accidental bodily injury". However, there is a blurring when it comes to paying a claim for an insured person, which could be paid under PA or EL/ PL. For example, a loss of limb or disablement from carrying out the claimants' normal duties,

The simplest way of clarifying the difference between Liability and PA is the question of negligence. With Liability we cover bodily injury, accidental damage to property and any nuisance or trespass, usually arising out of some form of negligence or failure to act by the insured. Common examples are slippery paving stones outside the church, poor lighting in and around the building, particularly where there are steps, leading to falls. Also a failure to utilise safe procedures when working at height. Whereas with PA the insured may have managed all these things as far as possible, yet the incident still occurred. So for example, the employee is changing a light bulb up a ladder, the ladder is correctly supported and suitable for the purpose, an appropriate risk assessment has been done and safe working at height procedures are being followed. Yet the employee still falls and breaks their leg due to overbalancing on the ladder. There has been no negligence on behalf of the church, they have done everything possible to minimise the risk. However, an accidental bodily injury has still occurred. Here a claim could be bought under PA and the appropriate benefit paid accordingly.

Another example of a PA claim would be if the employee is taking the churches' money to the bank and is robbed and assaulted on route. If the church has taken all reasonable precautions regarding the transport of money, such as varying the route, having a sufficient number of people to transport the money, and this is a simple random act of robbery and assault then again there could be a valid PA claim.

There are no hard and fast rules here and these scenarios may still result in a valid PL or EL claim.

Liability claims tend to have a much higher profile than PA with churches and the general public. Also PA is limited to bodily injury or the claimants' inability to carry out their normal duties. Whereas a liability claim can incorporate all of these elements but has a much wider scope of cover.

Personal Accident insurance is sometimes linked in the insurance market to Sickness insurance. We don't write Sickness Insurance, whereas under an EL/PL policy we may pay for liability arising out of any illness that can be shown to have arisen directly as a consequence of the action (or inaction) of the Insured (e.g. Asbestosis/ Legionella).

Finally, PA has fixed benefits, limiting the amount that can be claimed for a particular event, whereas on Liability the limit of indemnity is much greater and claims payments more variable, depending on the circumstances.

The main point is that any payment under an Liability policy can only arise out of a legal liability, whereas any payment under a PA policy (being a benefit policy rather than one of indemnity) simply arises out of the Insured person being injured under the terms of the policy. The insured does not have to pass on the claim payment to the injured person following a PA claim and can use this for whatever they wish, such as to employ someone else to do the role.

We do exclude under 3's and the 80+ from PA, as we don't expect them to be climbing ladders or undertaking roles unsuitable to their age. Plus, the capacity for injury, broken bones, etc is greatly increased at an older age as well as the recovery time. However, Liability has no age restriction, and they would be covered either for anything happening to them as a result of negligence on behalf of the church or its employees/ volunteers or as a result of any negligence they cause in their capacity as an authorised volunteer, which causes damage to a third party.

Ultimately the PCC or those responsible for a particular activity have to risk assess whether what the person is being asked to do is suitable for their age and ability. You can't then stop them from climbing ladders, etc, but if you have tried to stop them and they act against your wishes at least there is a defence against any potential claim that they might bring in that they have taken responsibility for their own actions.

Our standard response to anyone on how to manage these scenarios is.

- Risk assess
- Risk manage
- Document what you've done/ agreed.

This helps us greatly in the event of any claim or incident.

Marcus Booth
Church Underwriting Manager
21/12/25

DRAFT