

# BRIEF CaSE

## Abuse Cover

The way insurers provide abuse cover is changing...

### What's the best way to insure against abuse claims?

Historically, abuse has been dealt with as a Public Liability issue.

Most policies are 'silent'; that is they do not mention abuse and although it may not be specifically excluded, the trigger for cover remains 'accidental bodily injury' which leaves cover dependent on how insurers interpret intent. This isn't the same as saying it is definitely included.

Some Public Liability Insurers provide cover on an 'occurrence' basis which means the relevant insurance policy is the one in place when the abuse that triggers a claim first took place.

So a claim made 30 years later means the charity would have to find the insurance policy from 30 years ago - and if the charity frequently changes insurer, as many do, this increases the challenge. Then they have to hope the insurer is still in business and hope too that the limit of cover remains appropriate despite the effects of inflation and an increase in awards.

Overcome all these obstacles and then you just have to deal with the 'silent' issue; does the insurer accept the claim?

### A New Approach

Some more recent, specialist charity policies are not silent. Instead they provide explicitly stated abuse cover. Some also offer cover on a 'claims made' basis.

If a charity switches from an 'occurrence' to a 'claims made' policy, then nothing changes in terms of historical cover. A claim for abuse that took place in the pre 'claims made' period still means finding the original policy document.

But going forward, things do change...

### "Claims Made" Cover

Abuse cover under a 'claims made' policy is provided by the current provider of Public Liability insurance.

So, a charity will always know who is insuring them, the policy will always be up to date and the amount of cover will reflect current needs (because you regularly review the policy and sums insured every year).

Please note however that it is vital that the charity continues to renew its 'claims made' policy every year

If you're in doubt about what cover is most appropriate, you're not alone; this is a widely-misunderstood area of insurance. Even insurance brokers will argue as to which provides the best cover.

But at least knowing that the argument exists means you can raise the subject with your insurer or broker at each renewal.

### Available Resources

You can find a general introduction to insuring charities and voluntary organisations on our website at [www.caseinsurance.co.uk/charity-guide](http://www.caseinsurance.co.uk/charity-guide).

The charity commission website has a [selection of useful documents here](#).

#### Need help or advice on insurance?

Call us on **0333 800 9838**

Email us at [enquiries@caseinsurance.co.uk](mailto:enquiries@caseinsurance.co.uk)

Our website is: [www.caseinsurance.co.uk](http://www.caseinsurance.co.uk)