

DIOCESAN INSURANCE POLICY

1. Basic Insurance approach

Act 17 of the Acts of the Diocese of Natal states that “The insurance of all insurable property owned by or held on behalf of this Diocese against loss or damage by fire, storm or tempest shall be effected by the Board of Trustees.

This includes other perils inter alia wind, water, hail, impact (trees, vehicles, aircraft etc.) malicious damage not linked to a burglary. This also means that all insurance cover has to be effected by Insurance Brokers who shall be appointed by the Diocesan Trustees from time to time and not through anyone else.

2. The following items and categories of property must be insured and catered for by the selected Diocesan Insurance Brokers

- 2.1 Church buildings and halls.
- 2.2 Contents of church buildings and halls.
- 2.3 Church offices.
- 2.4 Contents of church offices up to a limit of R15000 for theft unless any parish wishes to apply for higher cover.
- 2.5 Goods in transit i.e. household effects involving clergy moves/transfers provided contents are insured by the Diocesan Insurance Brokers.
- 2.6 Glass cover. This must include stained glass windows, internal and external building glass and must include mirrors.
- 2.7 Money or Cash in transit. Cash that is retained on the premises i.e. in the church vestry or church office must be kept in a broker approved safe.
- 2.8 Public liability for each parish up to a limit determined by the Diocesan Board of Trustees.
- 2.9 Commercial Property i.e.
 - 2.9.1 Buildings, contents and loss of rental.
 - 2.9.2 Sugar cane plantations (not covered by public liability)
 - 2.9.3 Timber plantations (not covered by public liability)

Note: Under no circumstances should a parish plant sugar cane or timber on their properties because of the enormous risk involved. It is imperative that this land is leased out where the Lessee must bear the insurance risk.

- 2.10 Electronic goods such as laptop computers, desktop computers, photo copiers, printers, cameras and fax machines must be specified. Goods can be moved but must be in the boot of a sedan vehicle or adequately concealed in any other type of vehicle.
- 2.11 All Risks Cover. This must cover items such as Clergy vestments, Chalices and silverware, other adornments etc. which must enable Clergy or staff to move such valuables from where they are normally kept.
- 2.12 Special events such as fetes, concerts, musical evenings etc. arranged by parishes or the Diocese.
- 2.13 Motor vehicles are to be comprehensively insured i.e. Diocesan vehicles and privately owned clergy or staff allowance vehicles. Insurance cover must allow for a voluntary excess waiver option if so desired.
- 2.14 Personal Accident Insurance. All clergy and certain Diocesan staff enjoy 24 hour death and permanent disability cover amounting to a minimum of R300 000. Insurance cover for staff at Parish level must be made available should a parish wish to apply for it for their staff.

3. Duty of Churchwardens relating to insurance

It is the duty of all Churchwardens to ensure that replacement values are placed on all insurable items at parish level to avoid being under-valued in the event of a claim.

4. Insurance Values

The following are recommendations to assist with the obtaining of current insurance values.

- Valuations
Registered and qualified professionals such as Quantity Surveyors or Property Evaluators are normally able to assist parishes with the valuation of church buildings, halls and rectories. They will charge for this work.

Note: An Insurance Broker is **not qualified** to do this.

- Movables such as Chalices and other silver or antique furniture are to be valued by a Registered Antique Dealer.
- Building replacement costs
The Diocesan Property Committee will, in conjunction with the Insurance Brokers, make a recommendation with regard to annual building cost increases which will be taken into account when reviewing insurance for the ensuing year.

5. Insurance Fund/Charge out to Parishes

The Board of Trustees shall create an Insurance Fund, to which all moneys received in respect of such insurance shall be paid and from which all premiums and other expenses shall be met Act 17(10). The Board of Trustees shall fix and determine the premium or contribution to be paid for each pastoral charge Act 17(11).

Parishes must pay their premiums into the Diocese of Natal Trust Account. Parishes who pay on a monthly basis will be charged interest at the prevailing prime bank rates.

ADDENDUM TO INSURANCE POLICY DOCUMENT (CURRENT COVER AND EXCESSES)1. Glass Cover

In toto it is currently set at R11 500 000.00 for the Diocese as a whole. It includes stained glass windows, internal and external glass including mirrors.

2. Money/Cash in Transit Cover

Cover up to a maximum amount of R20 000 per week. From 15 December to 3 January it is increased to R40 000 and for Easter R30 000. This will cover direct transfer from church to bank.

3. Public Liability

At the moment Public Liability cover for each Parish and the Diocese is up to R10 000 000. Public Liability is defined as material damage or bodily injury of a 3rd party with negligence.

The Diocese does lease land on which timber is grown and where sugar cane is planted. Under these scenarios it is important that the conditions of lease place the onus of insurance on the Lessee.

4. Insurance Excesses (First Amount Payable)

4.1 Vehicles - Nil if insurance incorporates excess waiver.

For vehicle up to R200 000, 5% of claim, minimum of R2 000.

For vehicle over R200 000, 5% of claim, minimum of R3 000.

Windscreen: 20% claim minimum R500

4.2 Buildings – Churches and Halls

- Buildings excess – R5 000
- Geysers – R500
- Fire and Storm Excess – 10% of claim, minimum R5 000, maximum R25 000

- Contents

Basic Excess – R5 000

Fire and Storm Excess – 10% of claim, minimum R5 000, maximum R25 000

Theft Excess – Flat R500

4.3 Rectories

- Building Excess – R1 000
- Geysers – R500
- Fire and Storm Excess – 10% of claim, minimum R5 000, maximum R25 000
- General Liability – R5 000 000

- Contents
 - Basic Excess – R1000
 - Geysers – R 500
 - Fire and Storm Excess – 10% claim minimum R5000, maximum R25000

4.4 Money

Basic Excess – 10% of claim, minimum R500
Hijack/Holdup – 25% of claim

4.5 Glass

Excess 10% of claim, minimum R500

4.6 Public Liability

Excess 10% of claim, minimum R1 000, maximum R25 000

Diocesan Board of Trustees

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