

# Church Insurance Made Simple



## Your Responsibility when Planning Building Works

A simple **guide** for PCC members

### Introduction

Welcome to our short guide to what you need to consider when planning building works at your church. It is very important that you understand the insurance implications of building works and when you should contact Ecclesiastical.

In this guide, we take you through the main areas you need to consider, including what information we might need and when, so that we can ensure that you have cover for the duration of the works. In certain cases, you will be automatically covered under your policy, but depending on the extent and cost of the works, we may need to arrange additional insurance for you.

For help, call our dedicated customer services team (please have your policy number available) on

**0345 777 3322**

(Monday to Friday 8am-6pm excluding bank holidays)

Email us at

**churches@ecclesiastical.com**

For more information and guidance, go online at

**www.ecclesiastical.com/church**

# Building works contracts

## Building and contract works

Where we refer to building works, this relates to the actual work being done to your church. When we talk about contract works, this relates to the insurance policy.

## What is faculty approval and do we need this?

A faculty is permission to carry out work on a church or its churchyard, or to introduce or dispose of items. Alternative uses of parts of churches can be authorised by a licence under faculty.

Every diocese has a Diocesan Advisory Committee (DAC) for the care of churches. It is this committee that can advise whether you need faculty approval or not. If you are in any doubt whether faculty approval is required, please contact your DAC or Archdeacon.

If your DAC needs confirmation that you have insurance cover in place for the works, they will ask you to get a letter confirming this from us, which we are happy to provide. In that case we will need to know from you the following information to confirm your cover:

- The anticipated start and completion dates
- The total cost of the work including VAT and fees
- A description of the scope of the work.

**You can request Confirmation of Cover for Faculty Approval by completing our form:**  
[www.ecclesiastical.com/church/insurance/faculty-approval](http://www.ecclesiastical.com/church/insurance/faculty-approval)

## What types of contract are there?

There are different types of contractual arrangement for building works and we set out here what these are and when we need to be informed.

### Non-formal contract (exchange of letters)

Many small works are completed under an informal written agreement, known as an exchange of letters, which details the work in broad terms, with reference to the approved plans and drawings, possibly a specification, and the price to be paid. We do not need to be told

about an exchange of letters for minor contract works where it has been established that the contractor is responsible for loss or damage to the contract works and site materials.

It is better to seek confirmation at the outset that the contractor will be responsible for insuring the contract works and the site materials.

It is important that, prior to the work commencing, you obtain written evidence from the contractor that the necessary insurance arrangements are in place. The cover should be in place until the date of practical completion or handover of the property to you, whichever is the earliest.

If the contract works and site materials are not the responsibility of the contractor, you will need to contact us to confirm the following:

- The anticipated start and completion dates
- The total cost of the work including VAT and fees
- A description of the scope of the work.

**You can submit this information in our Non-Formal Contract form:** [www.ecclesiastical.com/church/insurance/non-formal-contracts](http://www.ecclesiastical.com/church/insurance/non-formal-contracts)

### Formal contracts

A formal contract will normally be a JCT contract, which means it is based on industry-standard contract templates. A formal contract, unlike a simple handshake or exchange of letters, covers in detail the arrangements of a building project - for example, the stages at which you should pay the builder (and, of course, how much), along with procedures for how to deal with extra costs, project scheduling, potential overruns and many other things such as purchasing materials, site safety and so on.

### Other contracts

There are various contract works templates other than JCT. If you are using a non-JCT template, please forward a copy of the insurance element of the contract to us, so we can comment on any insurance implications.

The type of building contract you have entered into will determine whether the PCC is responsible for the insurance. If you are responsible for the insurance, we can provide you with a quote to cover the contract works and site materials.

# Insuring your building works

## Entering formal contracts

Your policy provides automatic cover in respect of the contract works and site materials, for contracts not exceeding £150,000 (including VAT and fees). In all other circumstances we will need you to complete a building works questionnaire so we can understand exactly what work is involved and then quote for suitable insurance cover for you. Some of the questions may be difficult for you to answer but your architect or contractor should be able to help you and we are happy for them to complete the form on your behalf.

**You can download a building works questionnaire from our website: [www.ecclesiastical.com/documents/building-contract-works-questionnaire.pdf](http://www.ecclesiastical.com/documents/building-contract-works-questionnaire.pdf)**

## Act of terrorism

Our customers regularly inform us that they have signed a contract for repairs or alterations to their property. In most cases the contract used is a standard JCT form and the insurance clauses it contains require you to cover your existing structure and contents (and in some circumstances the works and site materials) in joint names with the contractor. Acts of terrorism (terrorism) is one of the specific types of insurable damage included in the wording of the contract as standard, unless it has been specifically written out. Where the contract used is not the standard JCT form, please contact us as we would need to look carefully at the insurance elements in order to understand your obligations.

Ecclesiastical can provide a quotation for terrorism insurance to ensure you comply with the contract entered, but there are certain rules around the provision of terrorism cover. One of the main principles is the 'Adverse Selection' rule whereby any customer arranging terrorism cover cannot insure just some of their properties – they must insure all of them for terrorism or none at all. This means that, if you insure your church and church hall with us or with another insurance provider and there are building works at the hall for example, you must arrange insurance for terrorism on both properties.

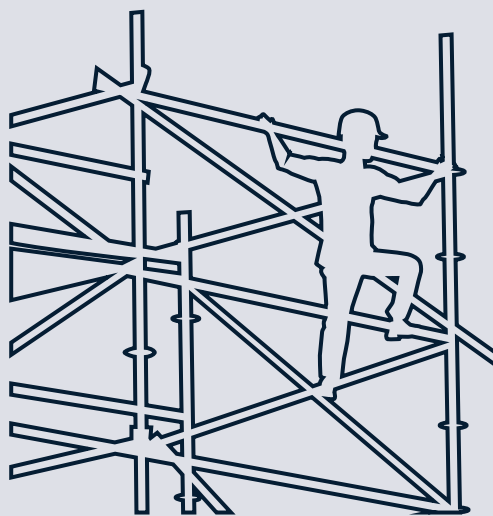
Where terrorism cover is arranged, it must be in place for the period of the building works. Ecclesiastical is unable to offer guidance on whether insuring against terrorism should be included in the contract terms.

# Scaffolding

## What do I need to do if we have external scaffolding erected?

The following is applicable in all cases unless otherwise agreed by us in writing:

- All lower-level ladders including access ladders to any scaffolding must be removed from the site, or rendered inaccessible at the end of each day's operations.
- The base of the scaffolding must be enclosed in either metal or solid timber sheeting to a minimum height of 3 metres.



**It is important to note that cover for theft of parts of the building or its fixtures (including external metal) is excluded whilst any external scaffolding is erected at the premises.**

However, in some circumstances, we may be able to provide cover subject to you being able to meet certain security conditions. We have compiled a checklist to help determine if we can provide cover, which you will need to discuss with your architect or contractor. It is best to discuss this checklist before any project starts as it is easier to build in security measures at the outset than to try to add them later.

**You can download our scaffolding checklist from our website: [www.ecclesiastical.com/documents/scaffolding-checklist.pdf](http://www.ecclesiastical.com/documents/scaffolding-checklist.pdf)**

# Other considerations during building works

## What are 'hot works'?

Every year, there are numerous fires on construction sites and in buildings undergoing refurbishment, many caused by 'hot works', i.e. welding, grinding, the use of open flames or the application of heat.

When hot works are present, certain procedures must be followed and we'll need your contractor to complete a hot works permit.

You can download our hot works permit from our website: [www.ecclesiastical.com/documents/Hot-Work-Permit.pdf](http://www.ecclesiastical.com/documents/Hot-Work-Permit.pdf)

## What do we need to do if volunteers are involved in the works?

Often, especially for small works such as painting and decorating, church volunteers may be helping. As with any users of your premises, you have a responsibility for ensuring that they are kept safe. Our Made Simple guide to Your Responsibility for People on Church Premises gives you a summary of what you need to consider.

You can download our Made Simple Guide from our website: [www.ecclesiastical.com/documents/people-on-church-premises.pdf](http://www.ecclesiastical.com/documents/people-on-church-premises.pdf)



## Protecting your church during building works

Building works can increase the risk of damage to your existing buildings and this increased risk can arise in many forms; for example, where extensive roof works are being carried out, the roof may be removed for a period of time, which could expose your building to damage by water ingress.

Depending on the nature of the works, an additional premium may be required to reflect this increased exposure.



## What happens if the church needs to close during building works?

Please be aware that we do not consider a church undergoing building works as being unoccupied. However, if there is a period of unoccupancy prior to commencement or following completion of the contract works, please contact us as soon as possible as it may be necessary for us to amend your cover.

### For help, if any of the following apply, please call us:

- Your church is closed during the works
- Scaffolding will be needed
- Hot works are involved, e.g. welding
- You have limited cover for your buildings

## What happens if our building works overrun?

If the works are scheduled to overrun the original anticipated completion date, please contact us with the following information before the original completion date, so that we can ensure adequate cover remains in place:

- What is the reason for delay in works, e.g. inclement weather or additional works?
- Has the contract price changed?
- Does the specification of works remain as originally declared?
- What is the anticipated completion date of the works? (Please consult with your architect.)
- What value of the works remains outstanding?

Depending on the revised anticipated completion date, an additional premium may be required.



## What do we need to do once the building works have completed?

Where the contract works include capital additions (for example, an extension or a separate new building), please contact us to review your building sum insured.

In the case of church halls, your architect may be able to advise an appropriate adjustment to the building sum insured.

## Construction Design and Management (CDM) Regulations 2015

As someone for whom construction work is carried out, you have duties under the Construction (Design and Management) Regulations 2015. The Regulations aim to protect the health and safety of people working in construction and others who may be affected by their activities.



Find out more about:

- client responsibilities under CDM at

[www.ecclesiastical.com/risk-management/cdm-regulations](http://www.ecclesiastical.com/risk-management/cdm-regulations)

- managing contractors at

[www.ecclesiastical.com/risk-management/managing-contractors-church](http://www.ecclesiastical.com/risk-management/managing-contractors-church)

- health and safety during building work at

[www.ecclesiastical.com/risk-management/church-building-works](http://www.ecclesiastical.com/risk-management/church-building-works)

# How to contact us

## How do we make an insurance claim?

Please call **0345 603 8381** to speak to our claims team. You can also email **churchclaims@ecclesiastical.com** or visit our website to request or download a claim form.

### For property claims, we'll need to know:

- Your policy number
- What loss or damage has occurred
- When, how and where the loss or damage occurred
- Your VAT status (if applicable)
- Your bank details for settlement, if applicable.

### If your claim involves theft, malicious damage or accidental loss, we'll also need to know:

- When you notified the police
- Your crime reference number (where issued)
- Details of the police station that's dealing with the incident.

[www.ecclesiastical.com/claims](http://www.ecclesiastical.com/claims)

## Personal injury claims – what do we need to know?

Any organisation runs the risk of having a claim for personal injury brought against it. At Ecclesiastical, we can help you make sure your church is prepared for any claims, and that you know exactly what to do should it happen to you. Please do not wait for a claim to be made. If you are aware of a serious injury occurring for which you may be responsible, please tell us about it as soon as possible as there are strict time limits for handling these claims – as soon as someone makes a claim, it needs to be acknowledged within 24 hours. So please pass any claim on to us immediately.

**If you need any help or advice, please contact our claims team on 0345 603 8381.**

[www.ecclesiastical.com/personal-injury](http://www.ecclesiastical.com/personal-injury)

## How do we make a claim for legal expenses?

The insurance is arranged by us in conjunction with DAS Legal Expenses Insurance Company Limited. You must contact the DAS Commercial Claims Department before taking any action. DAS can be contacted on

**0345 266 0029**

[www.ecclesiastical.com/legalexenses](http://www.ecclesiastical.com/legalexenses)

For further information, call us on

**0345 777 3322**

(Monday to Friday 8am-6pm excluding bank holidays)

We may monitor or record calls to improve our service.

You can email us at

**churches@ecclesiastical.com**

Or visit

**www.ecclesiastical.com/church**

## Other useful contacts

Ecclesiastical Financial Advisory Services

**0800 107 0190**

**www.ecclesiastical.com/getadvice**

Ecclesiastical home insurance

**0800 917 3345**

**www.ecclesiastical.com/churchworker**

Risk advice line

**0345 600 7531**

**risk.advice@ecclesiastical.com**

Benefact House, 2000 Pioneer Avenue,  
Gloucester Business Park, Brockworth,  
Gloucester GL3 4AW



Ecclesiastical Insurance Office plc (EIO) Reg. No. 24869. Registered in England at Benefact House, 2000 Pioneer Avenue, Gloucester Business Park, Brockworth, Gloucester, GL3 4AW, United Kingdom. EIO is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Firm Reference Number 113848.