

# Church Insurance Made Simple



## Valuing Churches

A simple **guide** for PCC members

### Introduction

In the event of a catastrophe like a major fire happening to your church, it is essential that your sum insured is adequate to support the necessary repairs. Because of this, our expert Risk Management Surveyor or Appraiser Teams conduct a church insurance valuation without charge to make sure that the amount of insurance cover meets your needs.

Using this information and data from our unique valuation system, our team of specialist surveyors or appraisers calculate the cost of restoration, repair or rebuilding your premises. We also provide bespoke risk management advice.

Here you'll find our answers to the most common questions about surveys and valuations:

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

**[churchteam@ecclesiastical.com](mailto:churchteam@ecclesiastical.com)**

For more information and guidance, go online at

**[www.ecclesiastical.com/church](http://www.ecclesiastical.com/church)**

## What role do PCC members have in arranging insurance for the Church?

Existing PCC members are the guardians and trustees of a church and all it contains, and are responsible for arranging insurance cover. Although we provide valuation advice, it is ultimately the responsibility of the PCC to decide the sums to be insured and the risks to be covered.

## How is our church valuation calculated?

Churches are not like ordinary buildings; many are historic and use a complex range of materials which require specialist expertise to value. To ensure the valuation is correct, our surveyors or appraisers use their unique specialist knowledge and experience to update valuations to make sure they reflect the latest restoration and repair costs. Churches vary in age, accessibility, size, style of construction, and location. This is an exclusive service Ecclesiastical provides to customers so they have peace of mind that church buildings and contents will be adequately protected in the event of a claim if our valuation is accepted (subject to the normal terms and conditions of the insurance policy).

## Are there other special factors to consider when calculating sums insured?

Even though two churches may at first glance look similar, on closer inspection there can be many differences between them. We have a unique valuation system and the factors we consider include:

- The costs of the specialist craftsmanship and materials often required for churches
- Recent regulation such as higher environmental standards for cases where buildings need to be rebuilt or substantially altered
- Whether a church is a listed building or is situated in a conservation area.

## What do we mean by repair and restoration?

We value 'traditional' build churches based on what we consider it would cost to repair and restore them rather than the full cost of reconstruction from the ground upwards. Based on our experience, even after a severe fire the main structural features such as walls should still be left standing, so we allow for the cost of repair and restoration to the surviving structure. This means the sum insured and hence the premium you need to pay will be less than if we valued your church for the cost of reinstatement or full replacement.

Modern church buildings are, however, valued on the cost of a full rebuild as they are likely to be totally destroyed in a serious fire.

## What documents should I have after a survey?

**Shortly after our surveyor or appraiser has been in touch, we will send you the following:**

Customer Report - Detailing the requirements and recommendations for your Church made by our surveyor or appraiser. Also, this report will include a section on valuation advice that recommends the minimum sums insured that the buildings and contents should be insured for.

Revised schedule of cover.

- Risk management report – detailing the requirements and recommendations for your church made by our surveyor
- Revised schedule of cover.

## How does Ecclesiastical obtain data on rebuilding costs?

We obtain our rebuilding cost data from various sources:

- Actual claims costs incurred in rebuilding or restoring churches following fires
- Consultation with external Quantity Surveyors
- Regular monitoring of actual building costs from new-build churches we visit
- Analysis of rebuilding cost trends identified from external professional organisations such as the Royal Institution of Chartered Surveyors.

## What happens to our sum insured after a survey?

If your valuation increases, we will uplift your sum insured automatically without additional charge until your next renewal. At your next renewal you will receive a new policy schedule, which may show the same or an increased loss limit, if your underlying sum insured has moved this to the next level. Your renewal premium is based on the revised sum insured and not on the value of the loss limit.

The loss limit is there to protect PCC's against unforeseen changes in rebuilding costs and valuation methodology in the time between our valuations.

## What else is included in the valuation?

All figures we provide will be inclusive of architects', surveyors' and consulting engineers' fees and will include VAT where applicable. All portable items are included as well as provision for other additional costs such as debris removal, access challenges and other anticipated costs including site administration, scaffolding etc that are likely to be incurred.

## Do you take asbestos into account?

Even historic churches may have extensions or internal alterations/fittings containing asbestos. Buildings that contain asbestos (which was widely used as a building material in the UK from the 1950s to the 1990s, typically for fireproofing and insulation) require special consideration as in the event of a serious fire or structural damage the whole of the debris is likely to be declared contaminated. Disposal will be required under licence, which increases costs significantly. Our valuation advice will take this into account this and the recommended sum insured will include any potential increased costs your church may face.

## What is risk management?

Risk management is about identifying potential risks in advance, assessing their likely effect or impact and taking proportionate precautionary steps to reduce the risk. We ask that the PCC takes an active role in the risk management of your church and all its activities.

### To give you an example:

Are the paths and walkways around your church used by visitors? If so, is there a risk someone could slip, trip, or fall and injure themselves? If there is a risk – what is causing it and what can you do about it?

Let's say the risk is caused by moss or leaves. In this case, the steps you take to mitigate or reduce the risk could be regular checks of the paths and cleaning them periodically. As you can see from this example, risk management is generally straightforward – it is about looking at the risk, taking steps to reduce it and importantly recording what you have done.

**Our website contains helpful guidance and tools to help you do this**  
[www.ecclesiastical.com/risk-management](http://www.ecclesiastical.com/risk-management)

## Is risk management important?

Yes, it is important. Managing the risks at your Church could protect it from damage or those that use it from serious injury. Having well documented risk management in place can help you defend a claim should an incident occur.

## What is a risk requirement?

Should our surveyor identify a risk in your church, they will inform you in the Customer report that you must take certain steps to apply control measures.

For example, if the fixed electrical wiring has not been tested during the last five years, we will ask for this to be completed. We will give you a timeframe in which to make the necessary changes. It is important to note that you must ensure that you have met the risk requirements within the timeframe we give you.

## What happens if we cannot meet a risk requirement?

If you have any concerns about risk requirements, contact us for help and advice or visit our website where there are many documents that can help you. We may remind churches of the need to complete the risk requirements. If you are not able to meet the timescales, we may impose terms and conditions limiting your cover until the requirement is met.

## What happens when we complete the risk requirements?

Assuming the requirements are completed by the date we ask, your policy will continue unchanged. Please remember to contact us as soon as a risk requirement is completed.



## Are there any statutory or legal requirements?

Churches are subject to regulatory requirements like any other building open to the public – we may highlight some of these requirements as part of our survey report, particularly those which have relevance to the insurance contract.

### **For example, you must complete a fire risk assessment.**

If you employ five or more employees you must have a written health and safety policy. If you employ fewer than five you must provide them with basic health and safety information. This could be included with any contract of employment, job description or as a simple pamphlet. Where you have no employees you do not need to prepare a policy. However, you still have a responsibility to protect others from danger. Where there is an accident and a claim results, you may need to show that you have taken this responsibility seriously.

**Further information is available at: Church Health & Safety Policy | Risk Management.**

## What is a Condition Precedent?

Some policy conditions may be classed as a Condition Precedent. These set out the terms which you must comply with for the insurance to remain valid. For example, that you must tell us as soon as possible when a property becomes unoccupied.

Failure to comply with these conditions, provided it is material to the loss, could mean that a claim may not be paid, so it is important that you read and understand your policy and risk requirements. Please contact us if you have any questions about these.

## What is a risk recommendation?

A recommendation is advisory – we believe you should comply in the best interests of your church.

**For more information, see our website [www.ecclesiastical.com/risk-management](http://www.ecclesiastical.com/risk-management)**

## To help you to manage risks



Keeping a church safe is no easy matter. You have to be sure you have done everything you can to minimise the risks to your church, church workers, volunteers and visitors, and that everyone knows what to do if anything goes wrong.

We have produced a range of helpful guidance to make sure everything is running safely and smoothly on our website [www.ecclesiastical.com](http://www.ecclesiastical.com)



# 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)

## What do we need to know about safeguarding?

PCCs need to ensure that they have adopted and applied the recommendations contained in the Church of England policies on safeguarding. Your Diocesan Safeguarding Adviser can provide further guidance.

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

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

**0345 266 0029**

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

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

**churchteam@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.