

DIOCESAN INSURANCE STATUTE 1988

BE IT ENACTED by the Bishops, Clergy and Laity of the Diocese of Auckland in Synod assembled:

1. The short title of this statute shall be "**DIOCESAN INSURANCE STATUTE 1988**".
2. Each ministry unit (which for the purpose of this statute shall include mission ventures) shall insure and at all times keep insured, all churches, halls, vicarages and other buildings together with stained glass windows, musical instruments and moveable furniture and fittings belonging to such ministry units against loss or damage by fire or other causes in an insurance office nominated by the General Trust Board of the Diocese of Auckland or the local ministry unit trust board (hereinafter called "the trustees"). The amount of cover and type of insurance shall be specified by the trustees in accordance with the provisions of this statute and clause 14 of Title F Canon III.
3. Without limiting the provisions of clause 2 above, each ministry unit, when called upon by the Diocesan Council shall classify each building within its boundaries under one of the following three classifications:
 - a. **Category A:** buildings which are essential to the life of the ministry unit and for which replacement at least equal to the existing specifications would be required in the event of its damage, loss or destruction;
 - b. **Category B:** buildings which are essential to the life of the ministry unit but which in the event of damage or destruction by the perils insured would not be replaced with buildings of existing size or quality; and
 - c. **Category C:** buildings which would not be replaced or repaired in the event of damage or destruction by the insured perils.
4. Notwithstanding the classifications selected by each ministry unit or mission district, the Diocesan Council shall have the power to re-classify any building in any case where it considers that the ministry unit classification is inappropriate having regard to the needs of the ministry unit.
5. The classification of the buildings within each ministry unit having been determined in accordance with clauses 3 and 4 above, the trustees shall arrange insurance for such buildings as follows:
 - a. **Category A:** buildings classified under category A shall be insured under replacement insurance conditions (i.e. to replace the existing building), for all the perils insured by the policy, except in respect of earthquake and war where the insurance shall be limited to the indemnity value of such buildings unless specific cover is required and arranged with insurers for earthquake reinstatement conditions.
 - b. **Category B:** buildings classified under category B shall be insured for such sum as shall be adequate to reinstate the building to such an agreed standard or format as may be appropriate for future or present use. This value, as decided by the ministry unit shall be called, functional replacement value and will, in most cases, be more than indemnity value but less than the sum insured required to replace the existing structure.
 - c. **Category C:** buildings classified under category C shall be insured either for the cost of demolition and debris removal or under indemnity conditions as decided by the ministry unit or mission district.
6. Each ministry unit shall pay the annual or other periodical premiums for such insurance immediately the same shall become due and payable, to the Auckland Anglican Insurance Fund as constituted by the Diocesan Council and in the event of any default in paying such premiums the Diocesan Council may, in its discretion pay the same and recover the cost from the ministry unit together with interest at the rate to be determined by the Diocesan Council from time to time computed from the date of payment of the premium until the date on which the premium is recovered from the ministry unit or mission district.

7. The provisions of this statute relating to insurance shall also apply to any buildings held in the name of the trustees, on behalf of any joint use co-operating parish or venture.