

Baptist Insurance Services

AFSL # 514857

September 2020

In this edition

INSURANCE RENEWAL

By now all constituents would have received their insurance renewal documentation for our upcoming renewal, 30 September 2020 to 30 September 2021. Whilst there has been an increase in premiums, we have been fortunate to retain cover in a market where many insurers are refusing to continue providing cover, leaving some organisations uninsured.

Our Broker has worked hard to place all classes included in our 'Standard Package' and succeeded although there have been a few changes that are highlighted below:

- * Industrial Special Risks (Property & Contents) – this policy now includes Fidelity Guarantee with a \$1,000,000 limit. This covers the loss of money or other property as a result of fraudulent and dishonest acts from someone employed or working on your behalf, e.g. embezzlement of money. This replaces the Crime component formerly contained in the Management Liability policy.
- * General Liability – Includes cover for claims arising out of Infectious Diseases to a sub-limit of \$10,000,000.
- * Management Liability – This cover is now with CCI. However, Employment Practices Liability, Statutory Liability and Crime are no longer included. See ISR for an explanation on Crime and Corporate Practices Protection below for Employment Practices and Statutory Liability.
- * Corporate Practices Protection – These policies have been negotiated with the Insurer, SUA, for Employment Practices Liability (\$2,000,000 limit) and Statutory Liability (\$2,000,000 limit).
- * Personal Accident – Volunteers & Youth – The extension for parent inconvenience has been excluded from the policy.
- * Corporate Travel – TravelCard has introduced a policy excess of \$500. It is important to remind our constituents that this cover only applies to people who are travelling on behalf of/conducting business for their church/organisation. General participation in conferences may not be covered, unless the attendee is employed by the church/organisation, or actively involved/serving at the Conference. Please contact your local State BIS office to confirm cover prior to travel.
- * Cyber Protection – Due to an increase in claims for online hacking and data breaches, the Insurer has requested that all constituents have a current Business Continuity Plan (BCP) in place that includes a comprehensive cyber component that includes back-ups stored off-site. Claims will not be accepted by the Insurer if no BCP is in place. To assist churches with this, BIS is currently working on preparing a BCP and Cyber policy template. There are still limited online BCP licences available. These are currently free and allow you to create an online BCP. Please contact your local State BIS Manager for more information.
- * Motor Vehicle Insurance – if your constituent's vehicle is insured through our Scheme, we advise that excesses on all buses, including Toyota HiAce Commuters are \$1,000. Third party liability is \$50,000,000 any one event.

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How can BIS assist us when we have damage to our property? Firstly, we do ask that you notify BIS immediately of any property damage. We are here to help and assist you with your claim. We will let you know the process involved and if the claim is more complicated, we can provide you with an Assessor who can attend your property and either handle the claim for you or make relevant recommendations, including the sourcing of suppliers. The sooner we hear about your claim, the more support and resources we can provide.

Do I need to provide BIS with a listing of all our contents? No, all we require is a valuation estimate for your contents. On your Asset Schedule which lists the valuations of your buildings (if applicable) and contents, we can either provide a lump sum figure (as advised by you) or we can break down your contents into various categories to assist you. For example – 'Church Contents', 'Office Contents', etc. We then assign your estimated valuation to each category.

Our Council has asked us for a Certificate of Currency or proof of insurance in order to run an event. Where can I get that? All you need to do is send us an email requesting a Certificate of Currency. We can provide that to you immediately. We can also provide a Certificate on each of the classes of insurance included in your 'Standard Package', if required by a Third Party.

We are wanting to use dogs for 'therapy' eg. for emotional support in one of our ministries. Is there cover included in our package for 'well-being' dogs? Yes, our public liability insurer is happy to extend cover for dogs used for therapy. You would need to have a comprehensive risk management plan in place and the owner of the dog would need to show the dog is properly trained as well as toilet trained. It is important to note that there is no cover for the dogs themselves should they get injured.

Our church wants to start up a cafe. Is that covered? Any new major ministry such as a cafe, community care activities, counselling, op shop, etc would need to be checked with your local State BIS Manager to confirm cover. In many cases, we need to notify the Insurer who requires a comprehensive risk management plan as well as confirmation that the ministry is solely accountable to the church or insured entity. You can find further information on risk management areas on our website, www.baptistinsurance.com.au

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EMPLOYMENT PRACTICES LIABILITY COVER

Employment Practices Liability Insurance is designed to help employers minimise the risk and potential cost of claims taken against them by employees. These actions may be related to such things as alleged discrimination, unfair dismissal and sexual or workplace harassment/bullying.

You would be forgiven for thinking that as our Scheme includes, in the main, churches, employment claims would be very low. Unfortunately, this is not the case. We have seen a real increase in claims coming out of this area over the last couple of years, in particular for unfair dismissals. As a result, our current Insurer has not extended cover to us for our upcoming renewal. This is one of the reasons we have had to source an alternate policy for Employment Practices Liability with a new Insurer, SUA.

Despite the perceived valid reasons an employer/Pastor/Church Board may deem they have every right to terminate someone's employment; unless they follow legislated due process, the church can be sued for unfair dismissal. Unless the termination is as a result of 'serious misconduct,' for example, theft, fraud, assault; an employer cannot fire an employee without a fair process.

On numerous occasions, we have seen churches dismiss an employee, not just without due process but in a way that has seriously aggravated the situation and caused the ex-employee to take legal action in cases where they could have been happy just to walk away.

Some examples of these have been dismissing by a text message or email, inappropriately sharing negative information about that employee with others, attacking their moral character as well as their performance, sending hurtful emails, withholding monies that are rightfully owed, etc.

The fallout from mishandling an employee departure, affects all parties. It can affect the church's reputation, it can cause emotional pain to both parties and it can create internal conflict within the church.

Due process not only respects the individual, it protects the church and its members. At the very least, the process should include a series of warnings with outlined and agreed expectations for improvement. Those warnings must be in writing and kept on record. A reasonable amount of time must be given between warnings to give the employee time to meet the required expectations.

BIS will be looking to run online forums around employment practices. Stay tuned!



www.baptistinsurance.com.au

Don't forget to check out our website. We have extensive information on risk management including downloadable documents, a list of FAQs, claims information and current updates on News. Or you can just type in what you are looking for in our search bar.



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MOLESTATION COVER

Since the Royal Commission into Institutional Responses to Child Sexual Abuse, many Insurers are declining to provide Molestation Cover. Fortunately, our Insurer CCI, is continuing to extend this cover.

However, they are requiring assurance that our constituents are taking appropriate responsibility to mitigate any risk in this area. Hence, they have requested that all our constituents have in place appropriate policies/procedures to safeguard the church and their members from molestation claims.

This is something that all organisations are required to have in place and the Insurer has made this a condition of cover. It is the duty of the church and any organisation for that matter, to make sure that all people, whether they are employees, volunteers or visitors, are safe from any harm. Should a constituent have a molestation claim without these policies/procedures in place for their organisation, there will be no cover.

As it stands, the majority of constituents have signed a Declaration advising they have these policies in place. In the event a sexual abuse/molestation claim is made against one of these constituents, protection to a maximum of \$10,000,000 may be available under the General Liability policy. This is subject to the Known Offenders exclusion detailed below.

It is important to note that there is a 'Known Offenders' exclusion. This means that if there is an incident (sexual abuse/molestation) and the church knew or ought reasonably to have known that the perpetrator of the sexual abuse/molestation had previously committed sexual abuse and/or been convicted of sexual abuse/molestation then there is no cover under the policy. This includes people in the leadership group, any member of the church, visitors, employees and volunteers.



If you have not yet provided BIS with confirmation that the required child safe polices and procedures are in place, please contact your State office to obtain the required templates.

Should you require further clarification, please contact your local State BIS Manager.

BIS Insurance Panel

Below is a summary of your insurance providers for the period 30 September 2020 to 30 September 2021:

Property	CCI
Liability and Professional Indemnity	CCI
Personal Accident (Volunteers and Youth)	Accident and Health
Personal Accident (Pastors and Spouses)	Accident and Health
Corporate Travel	TravelCard
Management Liability	CCI
Corporate Practices Liability	SUA
Cyber Protection	CGU
* Motor Vehicle (Cars, Trailers, etc)	Vero Insurance
* Marine (Canoes, rafts, kayaks, boats)	Vero Insurance

** This is only available for those who have paid an extra premium for this cover*

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COVID-19

As we are all well aware, there will be no quick fix to the situation we find ourselves in with COVID-19. As we write this Newsletter, each State has their own responses ranging from hard lockdown, to border closures, to differing policies on social distancing, etc. Some churches are now able to meet, others aren't.

How does COVID-19 impact the constituent from an insurance perspective?

With the potential of organisations becoming legally liable in the event of someone contracting COVID-19 whilst on their property, we are pleased to advise that our Public Liability Insurer, CCI, has agreed to add an extension to the policy that may include cover should a constituent be sued as a result of an infectious disease claim. It is important to note that most Insurers are not providing this. So we are grateful to CCI for providing this cover.

This means that if your organisation has a policy/process in place that ensures correct protocols in social hygiene and distancing (as per your relevant State guidelines) are being followed and someone attends your property/ministry and contracts the virus; cover will extend subject to policy terms and conditions. Please contact your local State BIS Manager for more information.

With regards to travel, now that COVID-19 is a 'known event' there will be no cover extended for any future travel claims as a direct or indirect result of the virus. This is standard across the travel insurance industry.



IMPORTANT!

Please note that Property Claims need to be notified as soon as possible, ie within 14 days. If claims are not reported in a timely manner after the date of loss/damage and/or the insurer's rights have been prejudiced, your claim may not be accepted. Unless there are extenuating circumstances, claim notification outside 6 months will not be accepted.

Motor Vehicle Insurance

(This relates only to those who have paid an extra premium for Motor Vehicle Insurance)

For those who have their motor vehicle insurance through BIS, if you do have a motor vehicle accident, contact Vero direct to lodge your claim and quote the policy number. The Vero claims consultant will assist you with the claims process and direct you to use their own Repair Centres. Please note that all excess invoices will come through our office. Do not pay any excess you receive directly from the repairer or insurer.

Potential Claims

Please contact your local State BIS office as soon as you are aware of any potential claims, ie where you receive/have:

- A verbal complaint which cannot be easily solved and without expense
- A letter threatening legal action from an individual
- A solicitor's letter threatening legal action
- A writ/summons/subpoena/legal court document
- Have a contentious employee termination

If you have any potential claims that have not yet been reported to us, please advise us immediately.

BAPTIST INSURANCE SERVICES CONTACTS:

Queensland	TBA
New South Wales/ACT	Tim Williams
South Australia/NT	Glen Thornley
Western Australia	Natalie Coulson
Tasmania	Rodney Marshall
National/Victoria	Kym Bennetts Chris Mackenzie Sue Roggero Erica Purcell