



## The Presbyterian Church Property Trustees

### Does your parish rent out a residential property?

#### Insulation & Smoke Alarm Requirements for Tenanted Residential Properties

If a parish is renting out a residential property e.g. a manse, it must comply with the legislation requiring the installation of smoke alarms and insulation.

- **Insulation** must be installed in all tenanted residential properties by 1<sup>st</sup> July 2019. Landlords are responsible for ensuring that insulation is installed and meets the requirements of the Residential Tenancies Act. From 1<sup>st</sup> July 2016, landlords have also been required to provide a statement on new tenancy agreements about the location, type and condition of insulation in the home for any new tenancy. Further information is available at [Insulation » Tenancy Services](#)
- **Smoke alarms** have been a legal requirement in all tenanted residential properties since 1<sup>st</sup> July 2016. It is the landlord's responsibility to ensure that smoke alarms are in good working order and meet the Residential Tenancies Act requirements. Tenants are also required to replace expired batteries and to advise the landlord of any problems with the alarms. Further information is available at [Smoke alarms » Tenancy Services](#)

### PIF Interest Rate Reduction

We have been fortunate that since September 2017, the Trustees have been able to hold the PIF interest rate steady at 3.50% pa.

That the Trustees have been able to maintain the interest rate at a significant premium above the Official Cash Rate, and well above other on-call rates, is due to the engagement of a professional fund manager, Harbour Asset Management, and by drawing on reserves to subsidise investment returns.

As signalled by the recent OCR cut to an all-time low of 1.5%, the outlook for interest rates is not positive. Also, the PIF reserves are not bottomless and need to be maintained at a prudent level.

Therefore, **from 1<sup>st</sup> July 2019**, the PIF interest rate will reduce to **3.25% pa**. Further reductions may be necessary depending on future market conditions.

While we appreciate this will put added pressure on parish budgets, the reduced rate still compares more than favourably with bank on-call rates, which are typically running between 0.10% and 2.00% pa.



## Pentecost "winter check list"



While the coming of the Holy Spirit at Pentecost, accompanied by tongues of fire and fierce winds, occurs late this year, we doubt that the winter weather will hold off until June. Now is an opportune time to ensure your buildings are protected from fierce winds and other winter weather challenges by remedying any defects before winter sets in. Below is a short checklist to get you started.

- Roof inspected and any defects fixed
- Gutters and down pipes clear from leaves and debris
- Storm water drains clear
- Rubbish bins secured away from the building to reduce risk of arson
- Doors and windows water tight
- Adequate ventilation throughout the interior and under the building
- Smoke alarms and other firefighting equipment in good working order
- Bookcases and all equipment on shelves or hanging from the ceiling secured
- Grounds including paths, steps and stairs tidy
- Building Warrant of Fitness current

Further information on property maintenance can be found at:  
<http://www.presbyterian.org.nz/for-parishes/church-property-trustees/the-property-handbook>

## Presbyterian Church Insurance Collective (PCIC)

The Church operates an insurance collective known as the Presbyterian Church Insurance Collective (PCIC) for the placement of all insurances applicable to congregations and the Church.

The PCIC is managed by a registered charitable trust, Presbyterian Bureau Services Trust (PBST), whose trustees are appointed by the Church Property Trustees. PBST operates under the oversight of the Church Property Trustees and an Advisory Group appointed by the General Assembly.

### The benefits of belonging

The PCIC provides congregations with access to insurance on terms acceptable to the Trustees and at competitive rates, due to the purchasing power of the Collective.

Participation by congregations in the PCIC is not mandatory. The decision as to the cover to be taken and the insurer lies with the Church Council (subject to satisfying the Trustees that the cover taken is adequate).

However, participation in the Collective is strongly recommended and the majority of congregations do participate. The "one for all" ethos underpinning the PCIC allows congregations to obtain insurance cover on good terms overall. This is particularly important in the current insurance environment, where insurers are limiting their exposure and even declining to provide new cover in some areas of the country.

### Natural disaster insurance

Following the Canterbury earthquakes, there was a significant increase in the premiums for natural disaster insurance and many parishes cancelled this cover due to the cost.

However, natural disaster premiums have settled back and parishes that have dropped this cover are encouraged to reconsider their position. Not having natural disaster insurance means there would be no resources to replace a building in the event of a major earthquake, flood or other natural disaster. This is a major decision, and one that is only appropriate for buildings that have no ongoing value to the Church's mission.

Parishes also need to be aware that having no natural disaster insurance exposes them to the risk of having to pay out significant sums to clear a site if a building is severely damaged. The demolition payment included in the fire insurance only applies if the damage is caused by fire.

### Modal Valuation Tool

Crombie Lockwood, the Church's insurance broker since 2013, has developed a Modal Valuation Tool which has been commissioned by PBST specifically to assist with the prohibitive cost of regular revaluations.

This is a cost-efficient alternative to a professional valuation as a means of calculating an appropriate sum insured to reinstate a similar sized property using modern techniques and building materials.

Parishes insured through Crombie Lockwood can access Modal Valuation free of charge online at <https://pbstmodal.crombie.co.nz>

A full user guide can be accessed online under the "Guides and Resources" section at <http://www.crombielockwood.co.nz/presbyterian/insurance>

**Does your minister need a holiday...  
Does he or she know about  
Glen Innis...**

Glen Innis is a working sheep & beef station south east of Waipukurau in Central Hawkes Bay administered by the Church Property Trustees. It was gifted to the Church to provide free holiday accommodation just for ordained ministers of the Presbyterian Church.



There are two comfortable homes, both with all modern conveniences and outdoor BBQ spaces, set in park-like grounds in a superb rural landscape. Tennis court, swimming pool, games room - it's all there. From Glen Innis, your minister and his family can explore Hawkes Bay's beaches and bush walks, go fishing, visit the wineries and generally enjoy all the region has to offer.



Both homes have good heating, so a that even a winter holiday is appealing. The Maud Hooper House was upgraded a few years ago and the James McNutt House (the original homestead) is undergoing renovations during the winter months, which will include a new, modern, warm bathroom.

Managers, James & Stephanie Carter continue the long tradition of welcoming both active and retired ministers as guests of Glen Innis.

**Have look at the story of Glen Innis on the website and perhaps pop a brochure into your minister's sermon notes !**

<http://www.presbyterian.org.nz/for-ministers/glen-innis-ministers-holiday-home>