

ANGLICAN INSURANCE BOARD REPORT TO 2026 GENERAL SYNOD

Introduction

The Anglican Insurance Board (the Board) is constituted under Canon XXXII Title B which outlines the purpose, responsibilities and authorities of the Board.

The Anglican Insurance Trust is a registered charitable trust, number CC40696.

The main purpose of Trust operations is to bring together the constituent New Zealand bodies of the Anglican Church in order to access economies of scale in relation to Church insurance programmes. The Board manages the Trust. The Board is not an insurance broker.

Membership

Currently the Dioceses of Christchurch and Auckland and some eligible schools insure outside of the Anglican Church Master Insurance policies operated by AIB.

The combined membership holds material damage and business interruption (MDBI) cover worth more than \$2.8b. Natural disaster cover is taken up by many members, with premium rates varying by region.

Members also take advantage of a full range of liability and motor vehicle cover as required.

It is worth noting that because the risk is spread over a greater number of members, the impact of multiple claims is much less than if concentrated within just one diocese or any individual school's insurance portfolio.

Insurance Environment

Material Damage and Business Interruption

- During 2025 worldwide capacity increased which created more reinsurance competition. This coupled with our self-insurance model resulted in a significant reduction in costs. Comparatively, many local insurers did not pass on the full effect of these savings as they were still recovering from the 2023 weather events.
- Challenges remained for members in higher risk earthquake and flood prone zones.

Motor vehicle contracts and liability contracts continue to be priced according to claims exposure and actual claim servicing costs.

Legislation

Fire Service Levies - The new legislation changes the basis of calculation of the levy from indemnity sum insured to replacement sum insured. This means that there is an even more significant benefit in operating a single Anglican Church MDBI policy where fire service levies can be paid based on a single policy and paid in relation to the largest risk, the assumption being that all assets would not be lost in one fire event.

Natural Disaster – The EQC has been renamed to the Natural Disaster Commission, retaining its current function but being more targeted about information gathering and sharing regarding risks other than earthquake.

AIB Risk Management Limited (AIBRML)

Our last report stated that we had established our own captive insurance company (AIBRML). As AIBRML matures, it is expected to provide increasing benefit to insured members and the Church. The following are some areas where gains will be made:

- Cost Savings: Captives eliminate commercial insurer overhead, profit margins, and broker commissions on the retained self-insurance risk.
- Improved Cash Flow and Investment Income: Self-insurance premiums will be retained by AIBRML rather than paid to the reinsurers, keeping underwriting profits and investment income within AIBRML.
- Direct Access to Reinsurance: AIBRML can access the wholesale reinsurance market directly, reducing costs and providing more flexibility in risk transfer.
- Enhanced Risk Management: It is important that AIB controls the claims and underwriting process. This means that AIB retains the financial incentive to implement better loss control programs, which, in turn will result in AIBRML insureds benefiting directly from lower losses.

Governance

AIB as an entity needs to operate at the highest level of scrutiny and integrity because of the services it provides for its members. All Trustees have some governance training and/ or professional qualifications, a summary of which is available on the website – www.aib.org.nz/about.

Since our last report +Andrew Hedge and Viliami Folau were appointed to the Board, Viliami Folau replacing inaugural board member Don Baskerville. Don Baskerville was appointed to the risk committee.

The Board positions are:

Nominated/appointed by	Name	Date first elected/appointed	Expiry of current appointment
Tikanga Māori	Andrew Tamihere	2020	2028
Tikanga Pakeha	Colleen Kaye	2018	2028
Tikanga Pasifika	Viliami Folau	2024	2026
House of Bishops	+Andrew Hedge	2024	2026
Appointed by GSSC	Darrin Goulding	2021	2028
Appointed by GSSC	Ira Wilkinson	2014	2026
Appointed by GSSC	Jonathon Hensman	2022	2026

The AIB board generally meets four times per annum. In order to keep costs down two meetings are electronic. At least one meeting is hosted by a member so that board members have the opportunity to engage directly with insured members.

Administration

The NZ Anglican Church Pension Board staff support AIB's work through day-to-day financial management and financial reporting to the AIB board. AIB is very grateful for the financial expertise and helpfulness of the Pension Board staff.

AIB's cloud-based administration system has been a success. Members have on-line access to insured assets, financial status and reports via the AIB website.

Risks

AIB's risk and issues register is comprehensive, including legislative and political changes, personnel and financial risks, as well as risks associated with the insurance environment. The risk register is reviewed at each Board meeting.

Vision

AIB Trustees continue to hold to the vision, that by saving time and money on insurance related matters, the Anglican Church is able to spend more of its resources to see God's kingdom flourish in Aotearoa, New Zealand and Polynesia.

Dave Peters
Executive Director
May 2026

Colleen Kaye
Chair