

There is a liability on some property owners in England & Wales to fund repairs to the chancel of their local church. This is an ancient liability but which is very much enforceable today.

In a recent case (Aston Cantlow PCC v Wallbank), the property owners were ordered to contribute £220,000 towards chancel repair. Whilst this case sounds extreme, it highlights the potential risks involved.

To avoid unexpected costs it is important to establish when purchasing or mortgaging a property if such a liability exists. It is usual for lawyers to carry out a chancel liability search at a cost of approximately £20 and in the event of the result revealing a potential chancel liability, an Indemnity policy would be put in place where a new mortgage is being completed. The cost of such indemnity policies vary, but seem to start from about £50 and often exceed £100 depending on the property value.

In our experience search results can be incorrect or misleading with indemnity policies frequently being incurred at great expense and sometimes with the consequence of delaying completion of the transaction. We therefore decided to look for a more competitive solution to meet this demand and have a sole agreement with ISIS Conveyancing Insurance Specialists to provide a block policy scheme because they are able to offer comprehensive cover at competitive rates.

The cover being offered avoids both the need to carry out a search and provides indemnity cover in the event that the chancel repair liability exists. The one-off cost for this is just £10.00 per property and this was included in your estimate. This cost is the premium payable to the Insurers and currently we make no charge for implementing this insurance.

We enclose a statutory disclosure document, key facts summary and full policy wording for your information and retention. The property address you are buying or mortgaging will be added to this block policy on completion. It is important that you read the policy documentation and contact us should you have any queries. The decision to take out the ISIS cover, or an alternative course of action such as the search and then any resulting policy must be made by you. No recommendation or advice is given by us that that the offered policy is the best available in the market place to meet your needs.

Unless we hear from you to the contrary in writing, before exchange of contracts in a purchase or completion of a re-mortgage, we will assume that you wish to take up the cover being offered and the cost will be included in your completion statement.

right choice conveyancing

Policy summary:

Block Chancel Repair Liability Indemnity

To the intermediary

This document must be revealed to the policyholder before conclusion of the insurance contract.

If you are a solicitor, this document should be disclosed to your client, their lender and/or the purchaser's solicitors, before conclusion of the insurance contract. If you are an insurance broker, you should disclose this document in accordance with the Financial Services Authority (FSA) rules.

To the policyholder

This document provides a summary of the cover provided under the policy. It does not contain the full terms and conditions of the policy.

You should read this summary in conjunction with the full policy wording to ensure you are fully aware of the terms and conditions of the cover.

Who are the Underwriters?

The Underwriters are Liberty Legal Indemnities at Lloyd's (Syndicate 4472).

What is the type of insurance and cover provided under this policy?

This Block Chancel Repair Liability Indemnity provides cover where a property is or may be within the historical boundary of a parish or district with a potential liability to pay all or part of the cost of repair to a church chancel.

We assume that the need to purchase this policy has resulted from legal advice provided to you. It is designed to ensure you are indemnified against loss arising from a claim under the policy, subject to the policy terms and conditions.

Details of each property completion to be covered by this policy must be submitted in a bordereau to be sent to the administrators, by the conveyancing firm, as set out in the policy.

Are there any significant conditions or exclusions under this policy?

Full details of conditions and exclusions are detailed in the policy, but we would draw your attention to the following:

1. Claims are excluded where the property is known to be subject to a definite chancel repair liability.
2. You, or anyone acting on your behalf, must not:
 - a. disclose the existence of this policy to any third party other than prospective purchasers, lenders, lessees and their legal advisers without our prior consent.
 - b. take or fail to take action which results in a claim as this may prejudice your position and void the policy
 - c. take any steps to settle a claim without our prior written consent.

What is the term of this policy?

The Policy remains in force for a period of 25 years from the policy commencement date or, for any lender, for the full term of any mortgage or charge granted during this period.

Do I need to review and update my policy cover to ensure it remains adequate?

Requests to increase or extend cover, for any property, can be considered. We are not permitted to provide advice or recommend how you proceed. You will need to make your own choice about how to proceed, with guidance from your legal adviser.

What are my rights to cancel the policy?

This is a block policy arrangement used by the conveyancing firm detailed in the policy. However, in respect of any one property disclosed to the administrators, cover can be cancelled by contacting us within 14 days of the date of completion, provided all interested parties (such as lenders holding a mortgage or charge on the Property) consent to cancellation.

If you wish to cancel this policy, please write (quoting your policy number) to The Underwriting Manager, Isis Conveyancing Insurance Specialists Limited, The Royal, 25 Bank Plain, Norwich NR2 4SF.

What if you need to notify a claim under this policy?

You must provide details to us of any potential claim without unnecessary delay.

Please contact the Claims Manager by:

- writing to Isis Conveyancing Insurance Specialists Limited, The Royal, 25 Bank Plain, Norwich NR2 4SF
- telephoning 01603 761515

What if you have a complaint?

Please contact the Underwriting Manager (Complaints) by:

- writing to Isis Conveyancing Insurance Specialists Limited, The Royal, 25 Bank Plain, Norwich NR2 4SF
- telephoning 01603 761515
- emailing complaints@isisconveyancing.co.uk

Are we covered by the Financial Services Compensation Scheme (FSCS)

We are covered by the FSCS. You may be entitled to compensation from the scheme if we cannot meet our obligations. This will depend on the type of business and the circumstances of the claim.

Further information about compensation scheme arrangements is available from the FSCS who can be contacted at:

Financial Services Compensation Scheme, 7th Floor Lloyds Chambers, Portsoken Street, London E1 8BN.

The FSCS website may be viewed at www.fscs.org.uk

Liberty Legal Indemnities

Policy summary:

Block Chancel Repair Liability Indemnity

Policy number	ISIS09601754
Total premium	£10.00 (including Insurance Premium Tax) per Property.
Underwriters	LIBERTY LEGAL INDEMNITIES - Underwritten by Syndicate 4472 at Lloyd's under the Binding Authority Contract Number RNMFP0903840.
Insured	The Purchaser(s) of a Property, successors in title, mortgagees and lessees all of whom shall be bound by the terms, conditions and provisions of this Policy.
Limit of Indemnity	The amount of the market value of the Property at the Date of Completion, as determined by the mortgage valuation or survey report obtained by the Insured in relation to purchase or remortgage of the Property, not exceeding £1,000,000 (One Million Pounds) for any one Property.
Policy Commencement Date	01/12/2010
Policy Term	1. In respect of this Policy - from 01/12/2010 until cancellation in accordance with 'General Condition d.' 2. In respect of each Property - the period expiring 25 years after the Date of Completion or, where the Insured is a mortgagee of the Property, the period applicable shall be co-extensive with the term of that mortgagee's subsisting mortgage.
Property	Each and every one of the properties detailed in the Bordereau submitted to the Administrators and used in accordance with the Insured Use.
Insured Risk	The Property is or may be in a parish or district that continues to have a potential liability to pay all or part of the cost of repair to a church chancel.
Insured Use	Continued use as a single owner occupied or investment residential dwelling as in existence on the Date of Completion.

**Signed for and on behalf of
the Underwriters**



Matthew Moore - Active Underwriter Lloyd's Syndicate 4472

Date policy signed

18/10/2010

Issued by Isis Conveyancing Insurance Specialists Limited on behalf of Liberty Legal Indemnities.
Isis Conveyancing Insurance Specialists Limited, The Royal, 25 Bank Plain, Norwich NR2 4SF.

Liberty Legal Indemnities

Policy wording:

Block Chancel Repair Liability Indemnity

This policy and policy schedule are one contract and any word or expression to which a specific meaning has been attached shall have that meaning throughout.

The law of England and Wales will apply to this contract unless otherwise specifically agreed between the Underwriters and the Insured.

Operation of Cover

- a. A proposal (including any additional information, statements and/or declarations) has been accepted by the Underwriters for this indemnity, and is the basis of this contract
- b. Cover under this policy will only apply to each and every Property disclosed to the Administrators in the Bordereau, sent to the Administrators by the Conveyancing Firm, together with payment of the premium due.
- c. The Insured agrees to comply with the terms and conditions of this policy.

Definitions

Administrators mean Isis Conveyancing Insurance Specialists Ltd of The Royal, 25 Bank Plain, Norwich, Norfolk, NR2 4SF on behalf of the Underwriters.

Bordereau means a report in the form and containing the information required by the Administrators, to be submitted by the Conveyancing Firm to the Administrators within 14 days from the end of the calendar month in which completion takes place.

Conveyancing Firm means Red Legal Limited, Regents Pavillion, 4 Summerhouse Road, Moulton Park, Northampton, NN3 6BJ and associated offices.

Date of Completion means the date of completion of the initial purchase of a Property by the Insured or, for any mortgagee, the date of mortgage.

Cover

In the event of any person(s) or corporation claiming to be entitled to and demanding payment, directly attributable to the Insured Risk, the Underwriters will indemnify the Insured against: -

- a. the cost of defending or prosecuting legal proceedings in a court or tribunal whether the proceedings are brought by the person making the claim or in the name of the Insured
- b. damages, compensation and costs and expenses awarded against the Insured by a court or tribunal
- c. all sums which the Insured is liable to pay with the written agreement of the Underwriters or as required by a court or tribunal

- d. any residual reduction in the market value of the Property, in accordance with the Insured Use, as a direct result of a claim and payment having been made pursuant to clause c. arising upon sale of the Property by the Insured on the open market, the values to be determined by a surveyor with reference to prices current at the date of sale. The surveyor will be appointed jointly by the parties or, in absence of mutual agreement, by the President for the time being of the Royal Institution of Chartered Surveyors
- e. any other costs incurred with the written agreement of the Underwriters for the purpose of settling any claim.

Exclusion

Any claims where, on the date of exchange of contracts for completion of the initial purchase of a Property or on the date of mortgage, the Property was known to be subject to a definite liability to pay all or part of the cost of repair to a church chancel.

Non-Invalidation Clause

The interest in this policy of any Insured will not be invalidated by a breach of the policy terms or conditions by any other party, unless

- a. such party acted on the Insured's behalf or with the Insured's knowledge and consent
- b. where the Insured is a successor in title, they had knowledge of a breach of the policy terms or conditions or of previous non-disclosure or misrepresentation to the Underwriters.

General Conditions

- a. Any act or omission by the Insured, or anyone acting on the Insured's behalf, which in whole or in part induces a claim under the policy may prejudice the Insured's position and could invalidate the policy
- b. The Insured or anyone acting on the Insured's behalf will not without the Underwriters prior written consent disclose the existence of this policy, or any information relating to it, to any third party other than bona fide prospective purchasers, their lenders, lessees and respective legal advisers
- c. The Underwriters may amend, rescind or add to the provisions of this policy by giving not less than 30 days notice in writing to the Conveyancing Firm, but such notice shall not affect any cover in effect prior to the effective date of such notice
- d. This policy may be cancelled by either the Conveyancing Firm or the Underwriters giving not less than 30 days notice in writing of cancellation, to the other. In the event of cancellation: -
 - i. cover for each Property previously disclosed to the Administrators in the Bordereau will remain in full force and effect and the Underwriters' liability in respect of each Property shall be unaffected by cancellation
 - ii. no additional Property will be accepted for cover under this Policy, where the Date of Completion is after the effective date of cancellation.
- e. The total liability of the Underwriters under this policy will not exceed the Limit of Indemnity, in respect of any one Property.

Liberty Legal Indemnities

Claims conditions

1. Duties of the Insured

It is a condition precedent to liability that on becoming aware of any potential or actual claim, the Insured must: -

- a. provide written notice and details to the Underwriters, without unnecessary delay
- b. not admit any liability whatsoever or take steps to compromise or settle the claim, without the prior written consent of the Underwriters
- c. provide all information and assistance that the Underwriters (and/or their agents, solicitors or surveyors) require at the Insured's own expense

2. Rights of the Underwriters

In dealing with the claim the Underwriters will at their discretion be entitled to: -

- a. take or defend proceedings in any court or tribunal in the name of the Insured
- b. exercise, in the name of the Insured, any rights or remedies available to the Insured in any proceedings including the right to abandon or submit to judgement
- c. compromise, settle or compound the claim and deal in such manner as they think fit
- d. pay at any time to the Insured the amount of the Limit of Indemnity or any lesser amount for which the claim can be settled and then relinquish control of and have no further involvement with the claim.

If the Insured shall make any claim knowing the same to be false or fraudulent, as regards amount or otherwise, this policy shall become void and the claim shall be forfeited.

3. Abandonment of the Property

The Insured will not be entitled to abandon the Property to the Underwriters.

4. Other Insurance

If, at the time of the claim, there is other insurance (whether incepted by the Insured or any other party) under which the Insured may be entitled to make a claim, either wholly or partly in respect of the same interest or risk covered by this policy, the Underwriters will not be liable to pay or contribute more than their rateable proportion of the claim.

5. Arbitration

If any difference arises as to the amount to be paid under this policy (liability being otherwise admitted), the difference will be referred to an arbitrator (or in the absence of an agreement, an arbitrator appointed by the President of the Chartered Institute of Arbitrators) in accordance with the law at that time.

Where any difference is referred to arbitration, the making of an award shall be a condition precedent to any right of action against the Underwriters.

Notifying claims and complaints

Claims notification

If anything should happen which might give rise to a claim under the policy, please forward full details to Isis Conveyancing Insurance Specialist by

- Writing to The Claims Manager, Isis Conveyancing Insurance Specialists Limited, The Royal, 25 Bank Plain, Norwich NR2 4SF
- Telephoning 01603 761515

If you do not receive a reply or acknowledgement within 10 working days please forward full details to Liberty Syndicate Management Limited by

- Writing to Liberty Syndicate Management Limited, Fifth Floor, Plantation House, 60 Great Tower Street, London EC3R 5AZ
- Telephoning 020 7070 4472

Enquiries and complaints

Any enquiry or complaint should be addressed in the first instance to the Underwriting Manager by: -

- Writing to The Underwriting Manager, Isis Conveyancing Insurance Specialists Limited, The Royal, 25 Bank Plain, Norwich, NR2 4SF
- Telephoning 01603 761515

If you are unable to resolve your enquiry or complaint, please contact Liberty Syndicate Management Limited by:-

- Writing to Liberty Syndicate Management Limited, Fifth Floor, Plantation House, 60 Great Tower Street, London EC3R 5AZ
- Telephoning 020 7070 4472

If you are not satisfied with the way a complaint has been dealt with you may ask the Complaints Department at Lloyd's to review your case without prejudice to your rights in law by: -

- Writing to the Complaints Department, Lloyd's, One Lime Street, London, EC3M 7HA
- Telephoning 020 7327 5693
- Sending an email to 'Complaints@Lloyds.com'

Complaints that cannot be resolved by the Complaints Department may be referred to the Financial Ombudsman Service. Further details will be provided at the appropriate stage of the complaints process.

In all cases please quote the Policy Number shown in the Policy Schedule.

Statutory Disclosure Document

To the intermediary

This document must be revealed to the ultimate policyholder (including any lender's interest) before conclusion of the insurance contract.

If you are a Broker, you should disclose this document in accordance with the Financial Services Authority (FSA) rules.

If you are a Solicitor, you should disclose this document to your client and/or their lender and/or the purchaser's Solicitors for the benefit of their client and/or lender prior to the conclusion of the insurance contract.

To the policyholder

Who are we?

Isis Conveyancing Insurance Specialists Ltd is a specialist legal indemnity intermediary. We can be contacted at:

Isis Conveyancing Insurance Specialists
The Royal 25 Bank Plain Norwich
Norfolk NR2 4SF.

Whose products do we offer?

We offer a range of insurance products as provided by Liberty Legal Indemnities at Lloyd's (Syndicate 4472).

What services do we provide?

As you are reading this, we are assuming that you have received professional advice that has identified a need for the indemnity cover requested. We are not however, permitted to provide advice on, or recommend how you should proceed. You will need to make your own choice about how to proceed and we recommend this be done with guidance from your professional advisor.

Will you have to pay for our services?

Should you decide to proceed with the insurance you will be charged a premium for the policy you request only. We will not charge you a fee for arranging the insurance.

Who regulates us?

Isis Conveyancing Insurance Specialists is authorised and regulated by the Financial Services Authority.

Our Firm Reference Number is 455994.

Our permitted business is arranging general insurance contracts.

You can check this on the FSA's Register by visiting the FSA's website

'www.fsa.gov.uk/register' or by contacting the FSA on 0845 606 1234.

What is the Financial Services Authority (FSA)?

The FSA is the independent watchdog that regulates financial services (including general insurance sales and administration). It requires us to provide you with this document for your information. We suggest that you use the information provided in this document to help you decide if our services are right for you.

What to do if you have a complaint

If you wish to register a complaint, please contact us by:

- Writing to the following address:

The Underwriting Manager (Complaints), Isis Conveyancing Insurance Specialists, The Royal 25 Bank Plain Norwich
Norfolk NR2 4SF
- Telephoning 01603 761515 and asking to speak to the Underwriting Manager.
- Sending an e-mail to complaints@isisconveyancing.co.uk

On receipt of a complaint, we will send you a copy of our full complaints procedure (which can be viewed on our website www.isisconveyancing.co.uk). If you cannot settle your complaint with us, you may be entitled to refer it to the Financial Ombudsman Service.

Are we covered by the Financial Services Compensation Scheme (FSCS)?

We are covered by the FSCS. You may be entitled to compensation from the scheme if we cannot meet our obligations. This will depend on the type of business and the circumstances of the claim.

Further information about compensation scheme arrangements is available from the FSCS who can be contacted at:

Financial Services Compensation Scheme,
7th Floor Lloyds Chambers
Portsoken Street
London E1 8BN.

The FSCS website may be viewed at 'www.fscs.org.uk'

ISIS Conveyancing
Insurance
Specialists