



PROFESSIONAL INDEMNITY

ARCHITECTS — PROFESSIONAL INDEMNITY INSURANCE

Architects Professional Indemnity Insurance (PII) is important for architects in the UK to help protect against claims arising from the provision of architectural services. This insurance is designed to cover legal costs and damages, enabling architects to work with confidence, knowing they are protected against excessive liability.

WHY ARCHITECTS NEED PROFESSIONAL INDEMNITY INSURANCE

- **Risk management:** Mitigates the financial risks associated with potential legal actions arising from architectural services.
- **Client contracts:** Many clients and projects mandate that architects have PII.
- **Regulatory compliance:** Required by the Architects Registration Board (ARB) and Royal Institute of British Architects (RIBA) for chartered members.

Ensure you thoroughly review contract and regulatory requirements to confirm if professional indemnity insurance is required, and if so, under what specific conditions.

COVERAGE DETAILS

Coverage limits:

- Regulatory requirements in the UK mandate that architects hold a minimum coverage limit of GBP250,000 per claim under a comprehensive Civil Liability policy.
- Small and mid-sized practices typically maintain coverage limits ranging from the minimum requirement up to GBP10 million per claim.
- Higher limits can be arranged based on specific needs and project requirements.

Excess:

- Minimum excess starts from GBP750 per claim, increasing in excess of GBP20,000 for larger practices.

Typical coverage inclusions:

- Civil liability arising from the provision of architectural services.
- Defence costs and expenses.
- Breach of professional duty.
- Limited cladding combustibility/Fire safety coverage.
- Pollution usually on an aggregate basis.
- Asbestos, usually on an aggregate basis.

Potential coverage extensions:

- Unintentional breach of intellectual property rights.
- Libel and slander.
- Court attendance.
- Loss of documents.
- Criminal prosecution defence costs.



Typical exclusions:

- **Intentional misconduct:** Claims arising from intentional acts or fraud.
- **Contractual liabilities:** Liabilities assumed under contract beyond standard professional duty.
- Claims related to employment practices such as wrongful termination, harassment, etc.
- Bodily injury and property damage not arising from professional services.
- Known claims at policy inception
- Claims arising as a result of war and terrorism

This document is a guide to coverage provided under a typical professional indemnity policy. This is not an exhaustive list or policy-specific but is intended to provide you with a guide to common coverage under professional indemnity insurance. The applicability of cover will be determined by the actual policy terms, conditions, exclusions, and limitations in force at the time of a claim notification to insurers.

WHY GALLAGHER

Gallagher is a global insurance broker providing comprehensive PI insurance for architects in the UK and internationally. Gallagher offers specialist advice, services, and products for risk management and claims handling. Gallagher is the only appointed broker of RIBA, giving a unique insight into challenges faced by architects and experience in placing insurance.

LET'S TALK

T: +44 20 7234 4025

E: uk.pi@ajg.com