

## 30+ years of paying all legitimate claims

The Wren Insurance Association Limited (Wren) is an Architects' Professional Indemnity Insurance Mutual. It was established in 1987 and is owned by its insureds (Members). It has over 60 Members, including many of the largest and best known practices in the UK, with a combined annual fee income that exceeds £560 million. It is committed to providing its Members with the widest scope of cover that is sustainable in the long term so that all legitimate claims can be paid.

Wren is a non-profit-making company and its Members share their risk so there is no commercial motive for it to restrict cover or decline claims in order to maximise profits for shareholders. It engages an independent firm (the Managers) to perform the functions of a regulated insurance company. The overall policy, strategy and financial control of Wren is determined by the Board of Directors, which is comprised of Wren Members, and to whom the Managers report.

## What is different about buying your professional indemnity insurance from a mutual?

### Shared Knowledge and Reduced Problems

The Members of Wren recognise that the best way of avoiding problems is to do the job right first time. All take part in a continuing Risk Management Programme whereby they receive feedback, recommendations and guidance on how to manage risk, avoid mistakes that can lead to professional indemnity claims and run projects effectively and profitably. The Managers publish regularly updated Risk Management Guidelines designed to assist Members to achieve good practice and project administration.

### Consistent Reliable Long-Term Cover at Cost

Liabilities arising under architects' appointments exist for many years, yet professional indemnity insurance is renewable annually. Professional indemnity insurance is provided on a "claims-made basis", so it is the policy in place at the time that a problem arises and a claim is made that responds. In the commercial market it is possible that when a claim is made the terms of cover, or even the provider of cover, is different from that in place when the insured practice entered into its appointment or carried out its services.

### Not for profit insurance

Because Wren is a "not for profit" organisation, once all claims relating to a particular policy year have been paid or can be quantified with certainty, any surplus funds are returned to Members or added to the Association's reserves, or a combination of these. Wren's total reserves exceed £80M and are invested on behalf of the Association to earn investment income to the benefit of the Members.

### Certainty of Cover

It is fundamentally important for Members and their clients (and others that may be affected) to have the security of knowing that the Member's contractual obligations are covered. The Managers review Members' appointments and ancillary documents in detail and if these are worded to bring them within cover the Managers are able to confirm in writing that all civil liabilities arising from the appointment are covered. This gives ultimate peace of mind to Members, their clients and other interested parties that, if there is a problem, the Member's professional indemnity insurance will respond. The Managers present, on behalf of all Members, a consistent approach to contractual risk and negotiate "standard" forms of appointment with many key industry clients.

### Technical Forum

Members share information and technical solutions at regular Forum meetings for the benefit of the membership as a whole. Topics covered include legislation, standards and BIM.

### Social Events

Bi-annual Committee Meetings provide senior principals from Member practices the opportunity to meet with their peers from like-minded practices and discuss industry-related issues.