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NZACS IS ALL ABOUT SUPPORTING ARCHITECTS

Alan Purdie writes

Since its formation in 1972, **NZACS** has been providing a group professional indemnity insurance facility, claims management assistance and support, together with risk management education to architectural practices nation wide. From modest beginnings there are now **712** Member firms with a **38%** growth in Membership over the past ten years.

When formed the key tenet underlying the founding of **NZACS** was that it would be managed by architects for architects as a co-operative and this still holds firm today.

All the Directors are experienced and well regarded practitioners from across the country and have gained considerable experience in the operation of **NZACS** and the world of professional liabilities.

Added to this is the extensive experience of Messrs Graham Strez & Colin Orchiston, the Claims Directors, in the management of claims for and in support of Members when claims arise, a particularly valuable and unique service offered to **NZACS** Members.

The Directors have worked hard to ensure that the Professional Indemnity & the Companion Liability policies offered to Members provides the best cover available at any particular time. Economic conditions and commercial pressures come into play when negotiations are undertaken with co-insurers, but the quality of the policy agreed is the most important criteria rather than cost, although cost remains a factor.

To emphasise this point I refer to the new concession negotiated under the “*Wet Buildings*” Exclusion for the **2008/2009** insurance year, as advised in the November 2008 issue of Communiq e.

NZACS has been active in the support of the profession on issues affecting architects and advocated very strongly for the 10 year long stop period incorporated in amendments to the Building Act.

By maintaining the founding tenet of **NZACS** the Directors have demonstrated their absolute and ongoing commitment to Members and they very much appreciate the loyalty shown by Members in return over the years.

When Members review what **NZACS** stands for, delivers, and achieves, it is clear no other offerings in the market in the market can match **NZACS** and its services to Members - **712** practices certainly cannot be wrong.

REVIEW OF SERVICES – NEW LOGO & BRANDING

As further demonstration of the Director's long term commitment to Members you will be aware the Directors have, over the past twelve months or so, been reviewing how *NZACS* can better present itself to and inform members of the services it offers.

This commenced with the November 2008 issue of Communiqué where the new logo and branding was presented. This branding will now appear on all documents issued and on the *NZACS* website.

Considerable work has recently been undertaken to update the presentation of the *NZACS* website, incorporating the new graphics, and this is ongoing. All risk management material currently posted on the website is being reviewed and will either be deleted or updated, as appropriate, progressively into next year.

GUIDE TO BETTER AGREEMENTS FOR ARCHITECTS

A new document is being distributed with this issue of Communiqué entitled "*Guide for Better Agreements for Architect's Services*". *NZACS* is issuing this as a further new risk management tool for Members. It is available in hard copy if requested, and will also be web based.

The introduction states "*there are many advantages for Members in ensuring that they have properly negotiated, well drafted contracts of engagement with their Clients that are signed by both parties.*"

"Written Contracts are the good news; oral contracts are bad news."

This guide is an excellent working document for Members to use and has a very useful "*Checklist*" at the rear to complete. Members are urged to read this document with care and have it handy when completing any new contract for architectural services.

Another *NZACS* service to Members

CAUTIONARY NOTE: NOW IS NOT THE TIME FOR FEE CUTTING

In the current financial climate with the potential for reduced workloads, there can be a tendency for some practitioners to cut fees well below that which they would normally charge for their service. *This is not a good strategy!*

Why would you suddenly under value your own and you firm's professional expertise when times are difficult? Surely the standard and quality of your professional service is not going fall as well?

You are certainly not doing you or your firm's reputation any good. In fact you are putting yourself at greater risk as to maintain profit you have far less time to resolve issues of design, materials, and technical issues which can lead to mistakes being made. Also the type of client who has pushed your fee down will no doubt think they then seek more service from you for no increase in fee. Not a good situation to be in as the risk factor increases again.



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Further by cutting fees you are doing the profession and colleagues a great disservice as well. The profession will lose standing and recognition when some firms are seen by the client community as a soft touch and thus the status of architects is diminished in their eyes.

So maintain your standards, remain professional at all times, and resist cutting fees just to achieve a loss making work load.

UPDATED WEBSITE IS COMING

As reported earlier much work has been done to upgrade the *NZACS* website to make it more modern and user friendly. There will be a number of links provided to make finding the material you need easier to locate. On the opening page there will be a Member's Log In panel.

Above the "LOG IN" panel will be a new feature panel entitled "*Cautionary Tale*" which will bring information to Members on issues that the Claims Directors have come across from the claims files. A short sharp Risk Management alert and lesson for Members to take note of. The cautionary tale content will change on a regular basis. The updated website is expected to be up and running shortly.

OUTSTANDING RENEWAL PROPOSALS

For those who have yet to complete their renewal proposals for the *2008/2009* insurance period ahead, and there are some of you currently in this position, *now* is the time to urgently get that job done as your practice is currently "*off risk*" and continuity of your cover cannot be confirmed.

CHRISTMAS GREETINGS

The Directors and Editor extend to all Members their best wishes for an enjoyable and relaxing Christmas so that you will be well rested and ready to face the challenges that 2009 will bring.

COMMUNIQUE

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*We welcome any contributions from readers,
on how they manage risk.*



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