

ARCHITECTS & ENGINEERS

PROFESSIONAL INDEMNITY

Brilliant Architecture Needs Bold Risk Management

By Alexander Liu of Allied World

In the last few years, Singapore has gained a reputation as a centre for innovative, iconic architecture, with unmistakable structures like the Marina Bay precinct and the Artscentre Museum, recognised around the world as symbols of Singapore's modernity and ambition. But all of this activity is costly and underpinned by regulation, planning and legal negotiations, with large amounts of investment at stake. In recognition of this, what do Architects and Engineers need to know to ensure they're protected against risk?

Singapore's Legacy of Thriving Through Change

When it comes to innovative, groundbreaking design and construction, Singapore is coming into its own — from materials, to engineering and use of space. From the earliest colonial times, planning, development and construction have been driven by Singapore's inherent constraints: space, natural resources and a hot, humid climate. Add to this the rich mix of cultures that have come together over the centuries, bringing languages, religions and businesses, Singapore was always bound to produce diverse and vivid architecture.

I grew up in Hong Kong, lived in New York, Chicago and Sydney, and have travelled to many more centres noted for their architecture — so I appreciate Singapore's unique mix of styles and spaces. It's an ever-changing tapestry where construction projects, new office towers, commercial complexes and public spaces constantly remake the skyline.

Risk Is A Distraction That Can't Be Ignored

However, Singapore is the fourth-most expensive city in Asia to build in, with about SGD \$20bn in construction demand annually — a significant proportion of the country's economic activity.

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In light of this growth, the industry is faced with an increasing complex risk management landscape and set of legal obligations. For example, architects and engineers must ensure workers' health and safety while on the job — as well as their own. They must also provide a duty of care to ensure the work doesn't impact other people's safety, including residents and visitors when work is under way. If the building will be used as a workplace, it must be designed while taking into account health and safety risks and the ability to conduct ongoing testing and analysis. All buildings require maintenance in the future, so the design must provide safe access to machinery rooms and roofs for cleaning and maintenance.

With all this to consider, it's sometimes challenging for architects and engineers to focus on their craft. Many operate as small businesses — in single practice, partnerships, or private limited companies — balancing the demands of running a business with the time and focus needed to develop truly innovative solutions for clients.





Enabling Architects And Engineers To Do What They Do Best

In the context of these challenges, risk transfer solutions like insurance have an important role to play. Our expertise enables talented individuals to secure cover for the liabilities involved in projects of all sizes. We understand that to a specialist like an architect or engineer whose business is to design and build, risk is a distraction that could threaten to cut into the time and investment needed to devote to client projects.

This is where an insurance partner can help — with solutions to navigate the many civil and regulatory risks, by providing appropriate cover to suit a range of profiles and assignment types. For example, Allied World's Architects and Engineers Professional Indemnity policy gives protection for a range of risks such as injury, property damage and loss of documents. Additional optional benefits are also available to suit individual projects, including coverage for legal defense costs and the flexibility to accommodate country-specific conditions, rules and regulations.

With the right protection in place, architects and engineers can focus on what they do best.

Looking at the ever-changing Singapore skyline, I get great satisfaction from knowing that behind the city's iconic architecture lies an unseen panorama of well managed risks — taking care of the possible, so architects and engineers can create the impossible.

ABOUT THE AUTHOR

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Alexander has held various Professional Lines roles with leading international insurance companies in Singapore, Hong Kong, Australia and the US. He has over 16 years of experience managing teams responsible for underwriting all classes of Professional Lines products.

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