

Case Study –The Architect and the Unpaid Bill

Background

This case study relates to a sequence of events that resulted in an unpaid bill - unfortunately not that uncommon although the circumstances change slightly from claim to claim. In this case the Architect was instructed to carry out some straight forward diagrams for an extension. These were duly completed and used for the planning application and approved.

The client instructed his own builder to do the work but during the course of construction there was a dispute with the neighbour which started off as a Party Wall problem and ended up as a full blown boundary dispute.

During the course of the work, and to appease the neighbour, the client asked the builder to change the height of one of the walls on the approved drawings. There were further problems resulting in the Builder walking off site after having been struck by the neighbour and refusing to come back to complete the work.

Circumstances

Some months after the work was completed (and three years after the drawings were originally prepared) the neighbour had notified the council that the building did not comply with the approved plans. The council refused to sign off the building with the wall in its completed state and the client approached the Architect to redraw original plans for a retrospective planning application.

The Architect provided the redrawn plans and these were submitted to the planners for approval. The planners initially turned down the retrospective application and after much to-ing a fro-ing the wall eventually had to be pulled down and rebuilt in a different format. The client was unhappy about the time that this took and the fact that the altered wall had to be taken down and rebuilt. He refused to pay the Architects bill and threatened to sue the Architect for the extra costs of taking down and rebuilding the offending wall.

How PI Expert helped

The Architect was furious – this was a problem that did not arise from his negligence, and he felt strongly that this was a case where the client was looking for an excuse not to pay rather than a situation where there was a genuine grievance. PI Expert spent a sometime talking to both the Architect and the Insurers. We helped draft a number of letters to the client to try to help resolve the situation and get the Architects invoice paid. We put the Architect in touch with a debt recovery specialist, but in the end the client decided to let matters rest with the bill unpaid.

Some months later the Architect received a notice of claim from the small claims court alleging that the work that he had done was inaccurate. Insurers were again involved and were minded to settle the claim due to the potential cost of defending the action. PI expert pointed out to insurers that there was

a bill outstanding for the Architect and that to pay the claim would leave the Architect out of pocket in a case where he was really not to blame and with a claim on his record.

PI Expert negotiated a compromise with insurers whereby they offered to either settle the claim and the Architects outstanding fees or to defend the case in full. The Architect chose the latter course of action – the fees were not the issue here, but he did feel strongly that the claim should not be paid.

Result

Insurers defended the claim in the small claims court and won a victory for the Architect. Evidence was gathered from the Builder and a number of trades (who had also not been paid) and the neighbour that reinforced the Architects evidence that the client was behaving unreasonably and an order was made against the client to pay the Architects fees in full.



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