

Terms of engagement

Supporting guidance for the Architects Code of Conduct and Practice

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Introduction

The Architects Registration Board (ARB) has developed this guidance to support architects in complying with Standard 4 of the Architects Code: *Architects must carry out their work effectively, exercising skill and diligence*

Standard 4 explains that architects will meet this standard when they provide clear, understandable written terms of engagement to their client before commencing work.

This guidance is not mandatory, but any architect departing from it must be prepared to justify why they did so, after using their professional judgment.

The formalities of contract exist within a framework of statutory and common law. This guidance does not repeat that law, and architects should seek formal advice from legal advisors, insurers or other experts on any particular matters.

Why terms of engagement matter

Providing clear and adequate terms of engagement before undertaking work is essential to maintain transparency, build trust, and uphold professional standards.

Clear terms of engagement benefit both architects and their clients. They:

- Establish a shared understanding of the project's scope and objectives.
- Provide clarity on fees, payment schedules, and other financial arrangements.
- Define responsibilities and expectations on both sides.
- Offer a basis for resolving misunderstandings or disputes.

A failure to provide adequate terms of engagement can lead to disputes with clients and to difficulties in architects getting paid for the services they have provided. It is the most common cause of complaints about architects to ARB.

Requirements of terms of engagement

There is a range of standard contracts available for architects to use, depending on the scope and type of appointment. Experts have carefully drafted these documents, so architects should only amend them if they are sure about the potential consequences.

Many architects will choose to create bespoke terms of engagement that meet the requirements of their practice and their clients. All terms of engagement should include, either within the document or supplied as additional information:

- Details of the contracting parties
- The scope of the services to be provided
- The fee, or method of calculating it
- The architect's and client's responsibilities
- Any limitations or exclusions of liability
- Procedures resolving disputes and terminating the agreement
- Confirmation that professional indemnity insurance is held
- That there is a complaints-handling procedure, available on request
- How data will be handled (in accordance with data protection legislation)
- The name of the architect in control and management of the architectural work, and that they are regulated by the Architects Registration Board

Architects must not seek to enter into any agreement which would prevent someone from raising concerns about their conduct or competence with ARB.

Formalising terms of engagement

Architects should always record terms of engagement in writing and provide their clients with a copy. It is important to receive confirmation from a client that they have understood and agree with the terms proposed. A new commission will require new terms to be agreed, even if the parties have previously contracted on other projects.

Amendments to the initial terms of agreement should be recorded in writing by the architect, with a copy being provided to the client.

All communications should be written in a way that will be likely understood by the recipient. Architects should ensure that terms of engagement avoid technical jargon, and they should be prepared to guide clients through the document, particularly if they are unfamiliar with architectural services.

Principal Designer

Architects appointed as a Principal Designer under the CDM Regulations or Building Regulations have a duty to advise their client of their legal obligations under those regulations.

Those duties should be advised of in writing before an appointment is accepted. Architects should seek written confirmation from the client that they are aware of those duties.

Additional resources

For further information and support, architects can:

- Access templates or examples of terms of engagement from professional bodies
- Contact ARB for advice on meeting professional standards
- Seek advice from professional indemnity insurers or legal advisors