

Guidance Note on Bar Mutual Insurance for BSB Authorised Bodies and Licensed Bodies

1. This Guidance Note explains the policy which will be adopted by Bar Mutual Indemnity Fund Limited (“**Bar Mutual**”) when considering applications by Bar Standards Board (“**BSB**”) Authorised Bodies and Licensed Bodies for professional indemnity insurance (“**PII**”). The Guidance Note will be used to consider any new or renewing applications for PII for Bar Mutual’s 2026/27 policy year and onwards. All BSB Authorised and Licensed Bodies who have PII with Bar Mutual as at the date of this Guidance Note will therefore continue to be insured with Bar Mutual to 31 March 2026. As a result of the policy explained in this Guidance Note, some BSB Authorised and Licensed Bodies will need to obtain insurance from another insurer as PII may not be available from Bar Mutual for the policy year commencing 1 April 2026.
2. Bar Mutual provides PII to Single Person Entities (“**SPE**”), Multi Person Entities (“**MPE**”) and Alternative Business Structures (“**ABS**”). Bar Mutual defines SPEs as BSB Authorised Bodies with a single owner who is also the sole fee earner, and a barrister with a current practising certificate issued by the BSB. It defines MPEs as BSB Authorised Bodies with more than one owner and/or more than one fee earner, all of whom are lawyers with current practising certificates. It defines ABSs as BSB Licensed Bodies with more than one owner and/or more than one fee earner, managed jointly by a lawyer or lawyers with current practising certificates and others who are not authorised individuals.
3. All SPEs will be treated as self-employed barristers and therefore entitled to PII from Bar Mutual as of right where the owner fee earner; (a) holds a current practising certificate as a barrister issued by the BSB; (b) is not, at the same time, an authorised person by any other approved regulator listed in Schedule 4 of the Legal Services Act 2007; and (c) proposes to continue to hold that practising certificate as a barrister throughout the policy year for which insurance is sought.
4. Where the owner and fee earner of an SPE is at the same time authorised to practise by the BSB and any other approved regulator referred to at paragraph 3 above, there is no entitlement to PII as of right. Bar Mutual will instead consider applications for PII on a case-by-case basis, and exercise its discretion in relation to the provision of PII.
5. In the case of MPEs and ABSs, there is no entitlement to PII as of right. Bar Mutual will consider applications for PII on a case-by-case basis and exercise its discretion in relation to the provision of PII.
6. In exercising its discretion to provide PII, the factors Bar Mutual will take into account will include, but will not be limited to, the following:
 - a. Whether the claims risk presented by the SPE, MPE or ABS is similar to the claims risks presented by self-employed barristers.

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- b. Whether all fee earners have higher rights of audience.
 - c. Whether, in the case of MPEs or ABSs, there is at least one owner who holds a current BSB practising certificate as a barrister and who proposes to continue to hold that practising certificate throughout the policy year.
 - d. Whether there is a minimum ratio of barristers holding current BSB practising certificates to solicitors/non-barristers of 1 in 4 e.g. for every 4 fee earners at the entity at least one of those should be a barrister with a BSB practising certificate. For every 8 fee earners, at least two should be barristers with BSB practising certificates.
 - e. Whether the barrister's proportion of the MPE's or ABS's income is reasonable to justify Bar Mutual's provision of insurance. This will be revisited on an annual basis with retrospective effect (i.e. taking the 12 months prior to the application for cover into consideration).
7. If additional guidance on applications for PII is required, assistance can be sought by contacting Bar Mutual at info@barmutual.co.uk.

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