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PIF 2026 - Artificially negligent?

AI developments over the last two years and what the future holds for professionals and their insurers

Meet your speakers:

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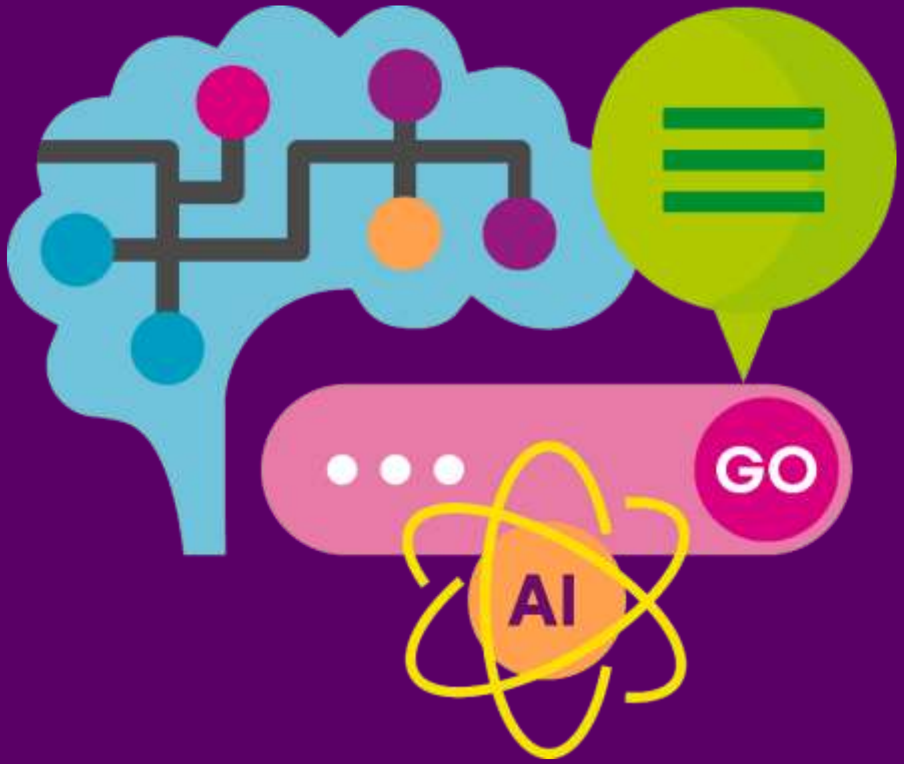

Introduction

The AI Shift

Where We Were

AI experimentation

Early adoption by professionals

Where We Are

AI is mainstream

Embedded in business and personal life

What's Next

Agentic AI

Legal and regulatory challenges

Emerging risks for PI insurers

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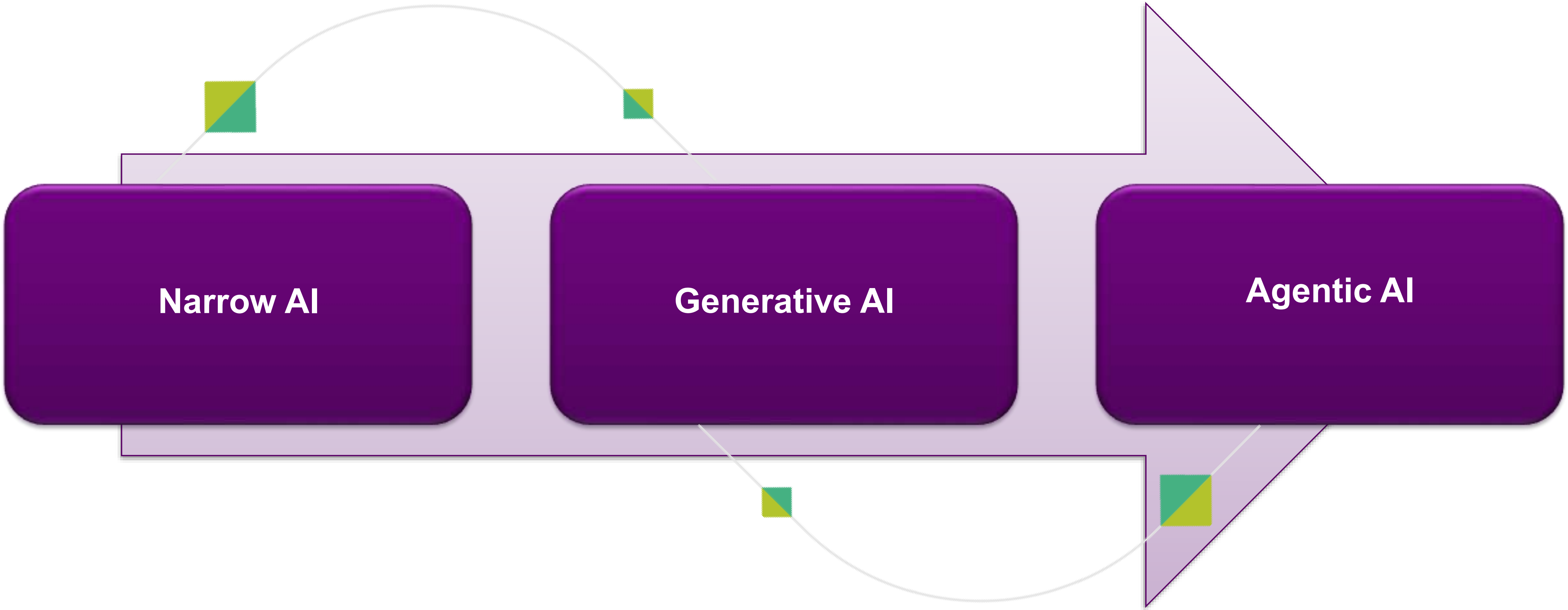
Developments over the last two years

AI usage by professionals



Key Stats

Law firms

- **14% 2024 usage - 41% 2026 usage**
- 18% central to workflows
- 15% using agentic AI, 53% plan to by 2028

Tax & Accountancy

- **8% 2024 usage - 34% 2026 usage**
- Regular Gen AI use since 2024
- 13% central to workflows
- Research & summarisation

- 60% Expect greater embedding

Architects

- **41% 2024 usage - 74% 2026 usage**
- AI in Project work
- 56% Visualisation
- 24% Technical design
- 6% environmental modelling

Adoption is growing rapidly, but AI is not yet fully embedded

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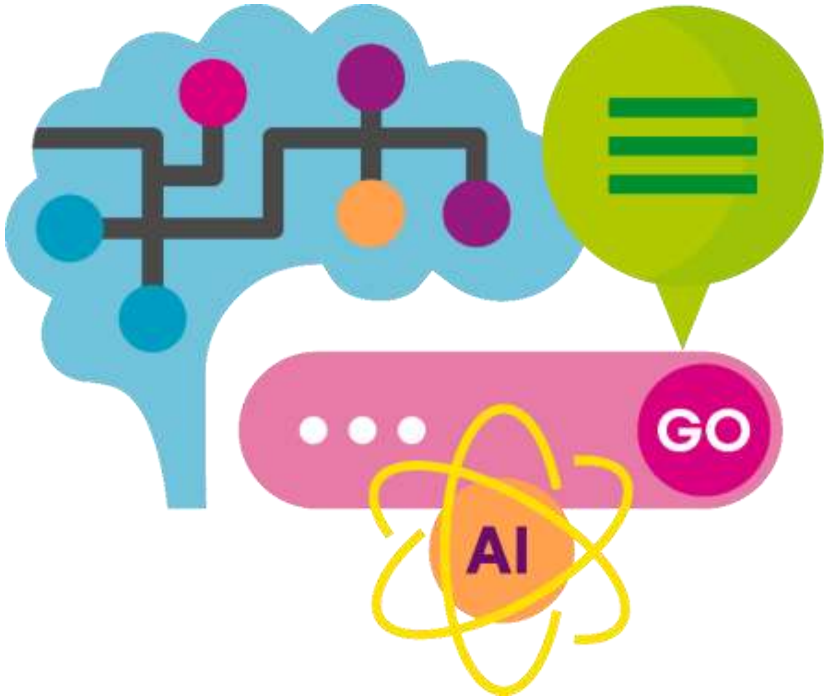
Recent cases

- [Ayinde v The London Borough of Haringey [2025] EWHC 1383 (Admin)]
- Al-Haroun v Qatar National Bank QPSC & Anor [2025] EWHC 1383 (Admin)
- Ndaryiyumvire v Birmingham City University [2025] 10 WLUK 719
- Re A, B, C, D (Extension of assessment; Use of AI: hallucinations) [2026] EWFC 71 (B)
- D (A Child) (Recusal) [2025] EWCA Civ 1570
- UK v Secretary of State for the Home Department [2026] UKUT 81 (IAC)
- Cork v Smith [2026] EWHC 1199 (Ch)
- Rodney v Gee'z Micro Bar [MooDD215]



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Cork v Smith [2026] EWHC 1199 Ch

"I cannot find the words quoted in the letter in IR 12.37 at all, nor in any of the other rules dealing with block transfer, and a word search suggests that those words do not appear in the Insolvency Rules at all, so it does not appear that the reference to the rule number is a typo"

Cork v Smith [2026] EWHC 1199 Ch

“However, I want to be transparent with you — whilst I have quoted this provision in the letters we have been drafting, and it accords with my general knowledge, ***I am not able to verify the precise wording*** of the current version of the rule from a primary source here. Given that this is the central plank of your argument to the Court, ***I would strongly recommend that you***: 1. **Verify the wording directly** against the current version of the Insolvency (England and Wales) Rules 2016..’

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Regulatory Developments

Understand

- Know how AI works
- Recognise its limitations

Govern

- Risk assessments
- Policies and controls

Verify

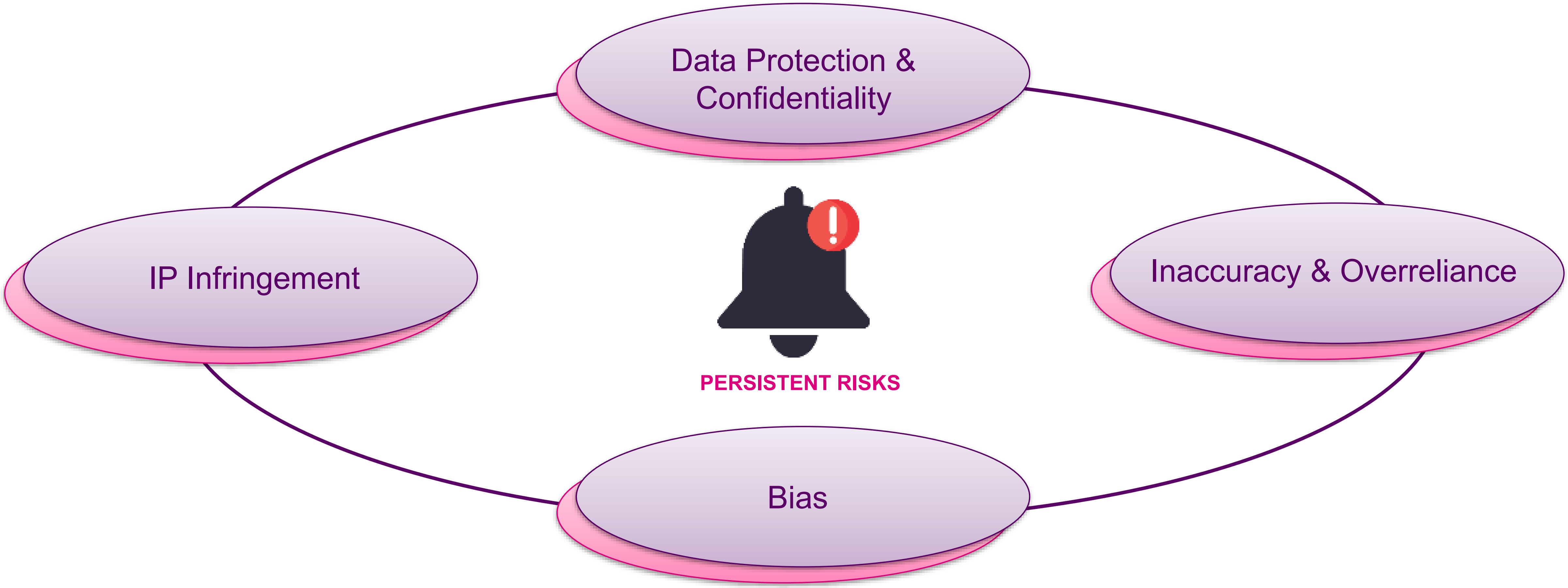
- Human review
- Check accuracy and sources

Explain

- Client transparency
- Explain how AI is used

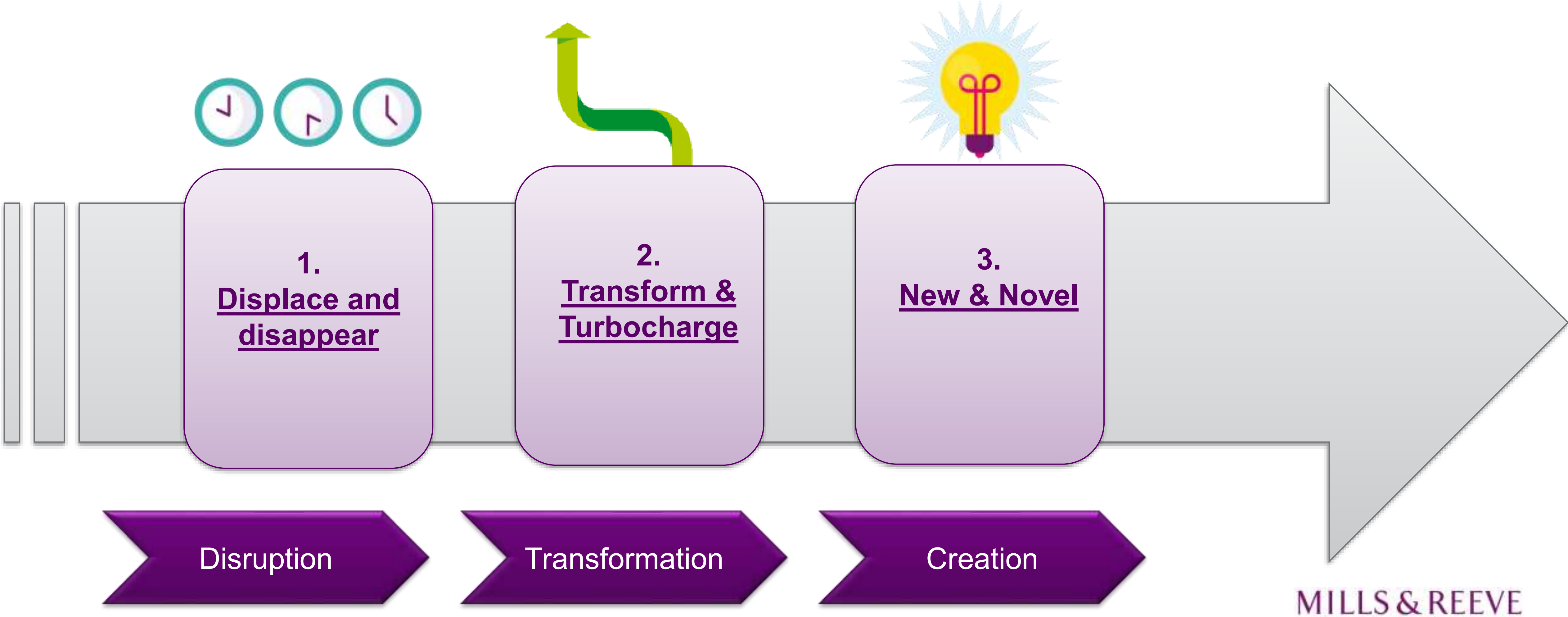
Where are we now?

The key risks to professionals remain the same



What does the future hold?

The Three Horizons of impact



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The UK Jurisdiction Taskforce

Categories of AI related negligence:
- Failing to exercise reasonable skill and care when using AI
- Failing to exercise reasonable skill and care when considering whether to use AI

Court approach – courts will likely look at expert evidence and regulatory guidance etc

Reasonable care and skill factors to consider:
- Was proper due diligence done on the AI system before it was used?
- Did the professional understand (at least in basic terms) how the AI worked? the AI
- Were clients told how and why AI was used and (potentially) warned of potential risks?
- Did the use of AI compromise client confidentiality?
- Was the AI system tested properly to check it was suitable?
- Was there sufficient oversight of the AI systems outputs?

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Could a professional be negligent for failing to use AI

Too much AI

Overreliance

Too little AI

Non adoption

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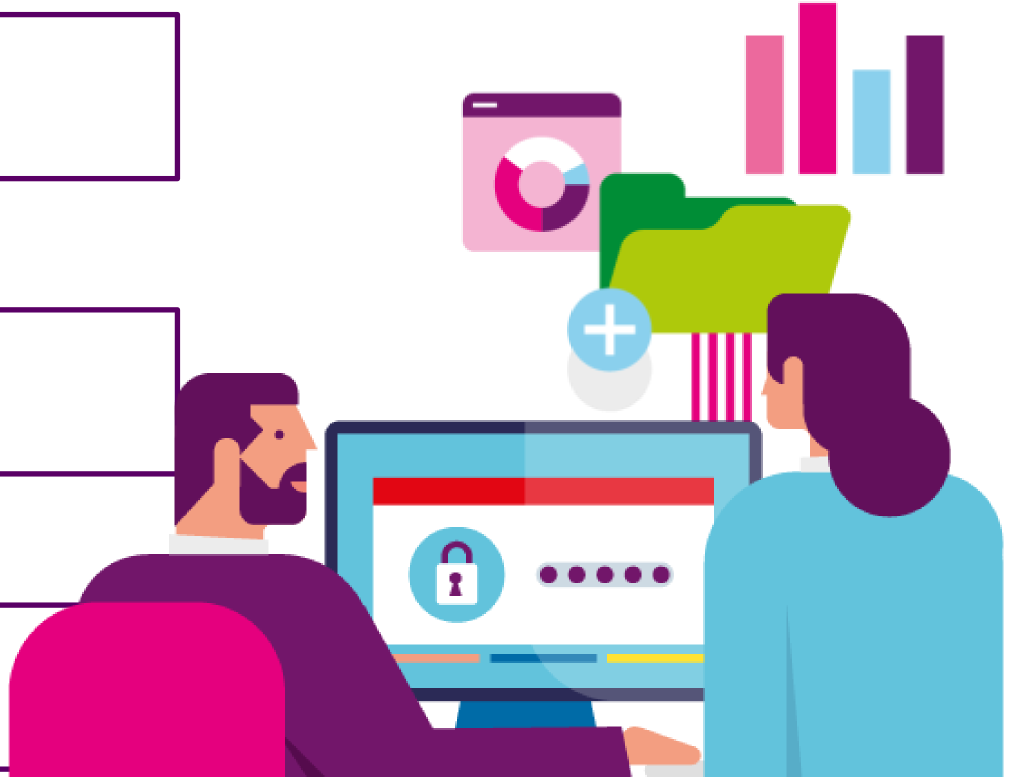
What happens if the AI (not the professional) is at fault?

Professional – Acted reasonably

AI System – Tool failed

Client - £1m Loss



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Causation

Alternative

What should the professional have done?

Checks

What would reasonable verification have found?

Prompts

Would a better prompt have changed the output?

Evidence

Can the original AI response be recreated?

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Can professionals exclude or limit liability arising from their use of AI?

Regulation

Statutory compliance

Fair

Reasonable

Transparent

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Key takeaways

Adoption is happening but not yet fully embedded

Major failings continue to rest not with the technology itself, but lack of human oversight on outputs.

Senior professionals remain responsible and court leniency for mistakes is likely to lessen as time goes on. Regulators are also taking a more hard-line approach.

The pace of change will see a shift in work-types.

Causation and exclusion clauses are becoming key

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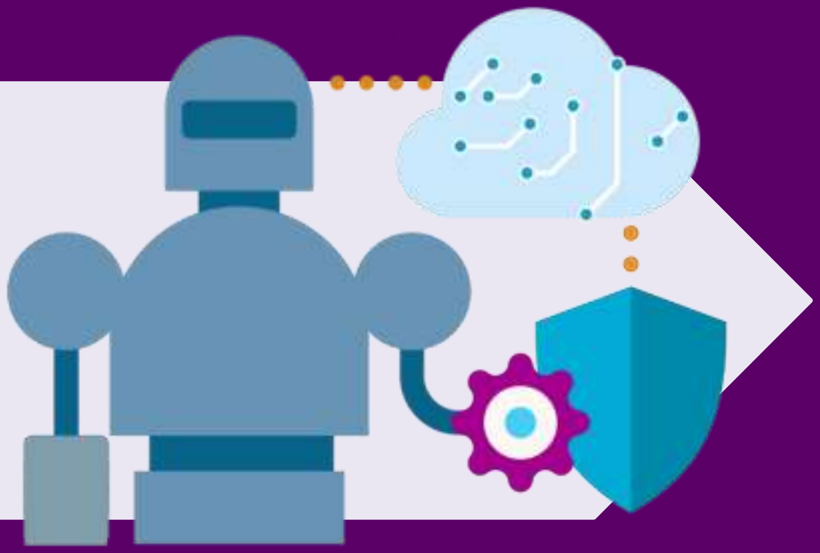
Thank you!



FutureProof

Our thought leadership campaign exploring how AI is reshaping professional indemnity insurance, from emerging risks to evolving roles for professionals and insurers.

Insightful articles, events and expert views.

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