

CITY OF LONDON LAW SOCIETY – CONSTRUCTION LAW COMMITTEE
Minutes of Meeting held on Wednesday 13 March 2024 via Teams

Attendees and Apologies/non-attendees

See Agenda for 12.6.24 meeting with rolling attendees.

Minutes of last meeting

The minutes of the last meeting had been distributed; no comments and therefore approved.

Update on CLLS activities

Kevin Hart provided an update on Committee activities including the new AI Committee event to be hosted at Simmons.

There was a further proposal for there to be a LinkedIn Committee page. There was a suggestion of a working group being needed: it was later discussed that there is not anticipated to be a priority for this Committee, given available resource and preference to commit to this proposal. To be kept under review if that view changes.

The Court & Committees Dinner is for 20 March 2024 (oversubscribed).

Insurance market update

The Building Safety Act is gaining familiarity in the insurance sector. Insurers are generally welcoming these regulatory changes. If there had been any anticipated concerns from the PI insurance market, that has not materialised to date; that includes the new Principal Designer (BSA) dutyholder.

AI and related insurance matters are topically relevant for insurers

On a related discussion as to the new Principal Designer (BSA) dutyholder role, this appears to be generally accepted by those already acting as Principal Designer (CDM) and also various architects. There are anecdotal examples of PD's (BSA) seeking support in this role and relevant to Building Regulations matters.

Finally, the performance bond market is still under watch, given heightened perceived risks of contractor insolvency and/or other triggers for security.

Associate Committee

The working group gave an update on progress. Next steps are for nominees to be provided for Associate Committee membership. The goal to have the Committee constituted and an event planned before Summer 2024 was rehearsed.

Committee Training Series

Final details of the 2024 programme were confirmed and Eventbrite is to be enabled to help with attendance, including the prior list of attendees. First in series for 21 March.

Other Current Committee activities

- (a) TPR's and CIGA: An update on progress and next steps was given, including sharing of emails between relevant Committee members. The Working Group composition may need further consideration.
- (b) Letter of Intent and guidance: This is to be published.
- (c) Novation Agreement and guidance: To be progressed after training and LOI publication.
- (d) Escrow Account Agreement: It was discussed that in addition to firms not generally acting as agents given changes in regulation, the CLLS published form is not preferred either by escrow account providers. There is common use of joint-signatory requirements or on-demand mechanisms, neither of which are suitable for payment security under construction contracts. There was recognition that shortcomings in this may be useful to air.

AOB

None.

Date of next meeting – 12 June 2024