

# **The Chairman of the Liaison Committee to the Construction Industry Annual Report 2020**

## **1. The Committee**

The Liaison Committee (LC) is comprised of the following Constituent Bodies:

- Association of Consulting Engineers of Ireland (ACEI)
- Construction Industry Federation (CIF)
- Engineers Ireland (EI)
- Royal Institute of the Architects of Ireland (RIAI)
- Society of Chartered Surveyors Ireland (SCSI)

EI and ACEI are to nominate 2 members of the Committee while the other bodies are to nominate 4 members, giving a total membership of sixteen. During the year there were 7 meetings of the Committee with an average attendance at those meetings of 11.

## **2. Committee Membership**

Engineers Ireland held the Chair of the Committee for 2020 and this position was filled by Mr Gerard Monaghan. CIF will hold the chair for 2020 and Mr Paul Sheridan has been nominated at the incoming Chairman. During the year Ms Una Merriman (SCSI) stood down from the Committee was replaced by Mr Joe Boyle. Mr Liam Boylan (SCSI) also stood down after many years of service and was replaced by Ms Claire Cullen Crowley. During his time on the Committee, Mr Boylan was Chair of the Liaison Committee on two separate occasions and put Trojan effort into the Edits Sub Committee which he also Chaired for a considerable period. Also, Mr Danyal Ibrahim (RIAI) left the Committee and was replaced by Ms Eilis O'Donnell. Mr Ibrahim has since been engaged by the RIAI to co-ordinate efforts to reach agreement between the bodies on the new RIAI Form of Contract; as well as to liaise with McCann Fitzgerald - the law firm responsible for the drafting of the document. In addition to this, he continues to play a primary role in the completion of the 2020 version of the Code of Practice.

## **3. Code of Practice for Tendering and Contracting Matters**

A large body of work has taken place on the 2020 version of this document which is close to completion. This task has fallen to members of the Sub Committee which consists of Mr Ibrahim, Ms Alison Irving and Mr Joe Miller. On behalf of the Liaison Committee, I would like to extend my sincere gratitude to these individuals for their unwavering dedication to getting this task complete.

Once this document is complete it is intended that there will be an official launch which will also encompass the launch of the new website which was completed at the beginning of the year. Discussions are currently taking place in relation to how this document will be accessed; and it is intended that hard copies will be available for sale and soft copies will be downloadable from the LC website.

## **4. Edits to RIAI Forms**

An Edits Sub Committee was formed in 2019 to deal with the overhaul to the current 2017 versions of the RIAI Form of Contract. This Committee is Chaired by Mr Mark McGreevy and during 2020 six meetings took place, one of which was a half day workshop. In addition to

these meetings numerous bilateral meetings have taken place between those bodies whose membership is affected by the suggested changes.

I am pleased to note that agreement has been reached in relation to a number of issues where varying opinions had been expressed; however, some issues remain outstanding principally around the introduction of the concept of Selected Sub Contractors and the loss of the provisions for Nomination in the form. The CIF's position is that the Nomination process is retained in the contract and while there are differing views to overcome, I remain confident that consensus will be reached between the parties. A number of other issues remain outstanding particularly in terms of the period for defects liability and BCAR.

I would like to express my gratitude to members of this Sub Committee who have repeatedly shown their dedication to the LC, their own body and the industry as a whole. I would also like to particularly thank Mr McGreevy as Chairman of the Sub Committee for the role he has played in getting consensus to date as well as for his ongoing determination to get this task complete.

## **5. Alternative Form of Contract**

The new Private Sector Contract was officially launched on 15<sup>th</sup> September. A Standing Committee comprising of representatives from CIF, Engineers Ireland, SCSi and the Law Society has been put in place to deal with issues pertaining to the contract as they arise. These representatives include: Ciaran Fahy (Chair); John Curtin; Conor Hogan; Anthony Hussey; Tony McCauley; Gerard Monaghan; and Paul Sheridan.

## **6. Cap on Liabilities / Net Contribution Clause**

Following discussions within the Edits Sub Committee it was agreed that the LC was the most appropriate forum within which to discuss cap on liabilities / net contribution clause, particularly in relation to services agreements for professionals. Following extensive analysis and discussion, it was agreed that the new RIAI Form of Contract will introduce a cap with the intention and hope that this will become the industry norm. The importance of a provision of a similar cap in terms of corresponding design consultant liabilities was accepted by all.

## **7. Availability of Insurances**

The limited availability of PI insurance and / or at commercial terms in the current market is a major threat to all stakeholders of the construction industry. Due to its importance, this issue has been discussed within the Liaison Committee to ensure members are aware of updates. The CIC is also monitoring this area and are involved in conversations with the GCCC with the direct support of the LC.

## **8. Brexit**

During the year, a Sub Committee was formed to ensure members are up to date in relation to developments surrounding Brexit. Members of the Sub Committee includes Mr Toal O'Muire as convenor, Mr Damien Owens and Mr John Kelly. Before Christmas 2020 there was still a high level of uncertainty in relation to what the final Brexit agreement would comprise of; however, it was felt appropriate that documents from the NSAI and the Department of Housing and Local Government would be added to the LC website. I would like to thank Mr O'Muire for the effort he has made to ensure members of the Committee are informed as well and Mr Owens and Mr Kelly for the contribution of their expertise.

## 9. COVID

This last year has been a year like no other in terms of our professional and private lives. Thankfully through the good work of the CIF and other stakeholders, the impact of repeated periods of lockdown on the construction industry has been kept to a minimum to the greatest extent possible and certainly by comparison to other industry sectors. That is not to say that real difficulties and challenges do not exist in terms of productivity, disruption, supply chain and ongoing effects to name but a few.

Whilst expressions of solidarity and the need for collaboration from employers, funders, government agencies and the like are very welcome, as we all know sentiment is easy and costs nothing and thus it is my fervent wish as outgoing Chairman that this expressed spirit of collaboration is realised in real terms by way of the unwinding of delay, increased cost and productivity claims that will inevitably need to be dealt with for a considerable time to come. With good will and pragmatism on all sides I am confident that this can be achieved. Nonetheless as a committee, and fully conscious of our remit, I believe that we along with the CIC and others will have a role to play in remaining alert to the challenges that may ultimately arise in the unwinding process and be unafraid to tackle and call out any “*head in the sand ism*” that may prevent true collaboration and pragmatism towards satisfactory outcomes. It may well be the case that we may see merit in working with others such as the CIC to prepare recommendations or guidance in this area, perhaps along the lines of those already produced by the Construction Leadership Council (CLC) in the UK, but these are all issues for future committees to consider.

## 10. Secretariat

The administration of the LC was provided by CIF and I would like to express my gratitude on behalf of the Committee. I would particularly like to thank Ms Denise Tuffy for her tireless efforts in assisting both the LC and the Edits Sub-Committee in preparing and circulating the agenda and minutes for each meeting, all of which bar 2 had to be held remotely due to the pandemic.

## 11. Conclusion

I also wish to thank all members of the Committee for their help and support during the year and wish the new Chairman, Mr. Paul Sheridan every success in 2021.

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Gerard Monaghan, Chairman

### Outgoing Committee

ACEI / EI	CIF	RIAI	SCSI
Eddie Comerford	John Curtin	Joe Miller	Claire Cullen Crowley
Joe Hogan	Alison Irving	Eilis O'Donnell	Dermot Durack
Gerard Monaghan	John Kelly	James O'Donoghue	Mark McGreevy
Damien Owens	Mel O'Reilly	Toal O'Muire	Joe Boyle