BITE SIZED BSA



CLIENT FACT SHEET 3 BUILDING SAFETY DIRECTOR

INTRODUCTION

The purpose of this fact sheet is to give an overview of the proposed role of the building safety director.

ORIGINS Building Safety Act 2022

FURTHER READING

<u>Rendall & Rittner</u> <u>Broadcast Video</u>

DISCLAIMER

This fact sheet is intended as a summary of our understanding of this matter as at the time of publication and does not constitute advice.

Information correct as at 17.01.2024

REQUIREMENTS

The Building Safety Act 2022 (The Act) places an obligation on both the Accountable Persons and the Principal Accountable Person to manage structural and fire safety in higher-risk buildings during occupation.

The government recognises the directors of resident-led organisations may not have the required skills or knowledge to mee the new responsibilities as an accountable person. They opened a consultation on 1 December 2022 to seek views on enabling Resident Management Companies and Right to Manage Companies (where they are an accountable person) to appoint a professional Building Safety Director (BSD) to support them in meeting their new responsibilities. The appointment will <u>not</u> be mandatory under the proposals of the consultation.

Before the appointment of a BSD, all qualifying leaseholders for the building must be notified and can make observations about the appointment.

Resident Management Companies (RMCs)

The consultation proposes an amendment to articles of association for an RMC. The proposed amendments will establish that a person is eligible to be appointed as a BSD if that person:

- a) Is willing to act as a director; and
- b) Is permitted by law to do so; and
- c) Has declared all conflicts of interest.

There are several considerations that must be made including the likely cost of the BSD (payable by the RMC via the service charge) and the interests of the BSD if different from the RMC.

Right to Manage Companies (RTMs)

Provisions include enabling any person who is willing to act as a director and is not barred from doing so, to be eligible. The BSD must declare all conflicts of interest and the RTM must consider conflicts as set out above for RMCs.

The costs of the appointment of the BSD are to be recoverable by service charge.

KEY DATES

The commencement regulations came into force on the 16th January 2024.