PROFESSIONAL NEGLIGENCE AND INDEMNITY AS AFFECTING QUANTITY SURVEYORS

The first important meeting to be held in the branch in this session was the Prestige meeting arranged on the 21st September 1978 at the Royal Hotel, Bristol. The style and subject matter for this meeting was a technical lecture followed by a branch dinner. The meeting and dinner was attended by representatives of the local branches of the Royal Institution of Chartered Surveyors, and the Institute of Building. The branch was also very pleased to welcome Mr. E. W. Ashford, Senior Vice President of the Institute.

The choice of subject for the meeting was "Professional Negligence and Indemnity as affecting Quantity Surveyors" – a paper presented by Mr. S. K. MacMillan, MA, FIArb, Barrister at Law. Mr. MacMillan has practised in Canada dealing principally with wills and estates and in England at the Bar principally in civil law, including Landlord and Tenant, Contracts and Employment Law. He is on the practising panel of the Institute of Arbitrators and lectures at Bristol Polytechnic as well as being a visiting lecturer to the South West Regional Council of Local Authorities. The subject was extremely interesting and as a result was very well attended by more than 60 persons.

Introduction

The first part of this paper deals with the subjects referred to in the above title in general terms. The second part of the paper deals with caveats and exemptions as affecting liability for professional negligence and the effect of the Unfair Contract Terms Act 1977 upon such caveats.

Part I

Professional Liability: in Contract or Tort?

I should like to begin by discussing the quantity surveyor's liability for negligence arising under the law of tort in contrast to liability arising out of his contract with his client.

Requirements of the tort of negligence

First, it may be helpful to give a reminder that in order to establish liability for the tort of negligence, the plaintiff must prove that:

(a) the defendant owed the plaintiff a legal duty of care, and
(b) the defendant was in breach of that duty and, as a result,
(c) harm was caused to the plaintiff.

The significance of requirement (a) is that it does not depend upon the existence of a contract between the parties but is based upon a duty owed to one's neighbour, in the Biblical rather than the topographical sense of that word. This neighbour concept first received general recognition as a result of the speech of Lord Atkin in the most famous of all negligence cases – *Donoghue* v *Stevenson* (1932) (AC 562) – when he defined neighbours in this context as people "so closely and directly affected by my act that I ought reasonably to have them in contemplation as being so affected when I am directing my mind to the acts or omissions which are called in question". Lord Atkin's statement is a good introduction to discussion of the client or outsider who wishes to sue a quantity surveyor or other professional man in reliance upon the law of tort instead of upon breach of contract. I am referring here to the situation where the quantity surveyor has a client with whom he has a contractual relationship but where the alleged negligence either:

(1) cannot give rise to a successful claim for breach of contract by the client against the professional man even though the client has suffered loss, or
(2) where the harm in question has not been suffered by the client but by some outsider with whom the professional man has no contract.

Therefore, since the prospective plaintiff is unable in each instance to rely upon a contract, he must look to the tort of negligence. An example of the first situation is where the client asks the quantity surveyor to give informal advice about a project upon which the latter is not employed. An example of the second situation is where a sub-contractor, who has no contractual relationship with the client, asks the quantity surveyor to give advice on the specifications of particular materials. So far as both situations are concerned there has been a wind of change over the last fifteen years which has caused an unpleasant draught for the professional man and from which, to continue the metaphor, he is in constant danger of catching cold.

Extra-contractual claims by the client – the cold wind of change

Before the changes arose the professional man was in a more favourable position in the first of the above situations than the lay defendant. This point is illustrated by *Bagot* v *Stevens, Scanlon* (1964-3 WLR 1162) in which architects were sued for alleged negligent failure to competently supervise drainage works. Under the contract terms, the architect's duty of supervision had ceased more than six years before the legal proceedings were taken. However, the damage to the client's property resulting from the drainage defects only appeared within the six year period before the proceedings were begun. The legal position was, therefore, that the client's contractual claim was statute-barred under the Limitation Acts but that an action in tort would not be statute-barred if "time ran" from the appearance of the defect. Diplock LJ, sitting as a Judge of the High Court, held that the relationship between client and architect arose solely out of their contract with each other and, therefore, that the client was not entitled to an alternative claim for the tort of negligence. He also stated that time ran, in relation to the tort of negligence, from the date of construction of the defective drains and not from the date of the appearance of the defects, so that, in any event, a claim in negligence would have been statute-barred. In relation to the client's claim against the professional man being in contract only, the wind of change gathered fury in *Esso* v *Mardon* (1976 – 2 AER 5) and reached gale force in *Midland Bank* v *Hett* (1978 – 3 WLR 167). In Esso liability in both contract and tort was held to exist by the Court of Appeal in relation to a negligent statement by a valuer employed by Esso, Lord Denning, M.R. doubting the principle relied upon by Diplock LJ in Bagot.

In Hett, Oliver J. directly disavowed that principle, in holding that a solicitor who had failed to register a land charge could be sued by the client in tort not contract.

Limitation: Can the professional hatchet be buried?

The other branch of Diplock LJ's statement in Bagot, as to the moment at which time begins to run in the tort of negligence for limitation purposes, has also been struck down by later climatic changes. In *Sparham* v *Souter* v *Town and Country Development* (1976 – 2 WLR 493) the Court of Appeal took the view that, in relation to latent structural defects caused by negligence, the limitation period in tort only began to run either from the point in time when the defects were discovered or, if appropriate, from the earlier point in time when the defects could have been discovered by the exercise of reasonable diligence. This decision, which has caused great concern to professional men and contractors in the construction industry, was later approved by the House of Lords and followed in subsequent cases (See *Anns* v *Merton LBC* 1977 – 2 AER 492 and *Batty* v *Metropolitan Property*, 1978 – 2 WLR 500). It raises the possibility that allegations of negligence may spring up long after work has been completed, and the ancient justification of the Limitation Acts as providing "an end to litigation" loses much of its conviction in this context.

Claims by outsiders – further draughts

The remaining point for consideration is where the prospective plaintiff is an outsider with whom the quantity surveyor or other professional man has no contractual relationship.

To change metaphors, the rot may be said to have set in, from the point of view of the professional man, with the dissenting judgment of Denning LJ (as he then was) in *Chandler* v *Crane, Christmas* (1951 – 2 KB 164). The majority of the Court of Appeal took the then traditional view that no liability existed in the tort of negligence for negligent statements which caused purely financial loss (as opposed to death, personal injuries or damage to property). Denning LJ, however, took the then heretical view that such a restriction upon the "neighbour" concept of Lord Atkin was unjustified and that a duty of care might exist in such circumstances. The benefit of the traditional view as to advice by professional men, was, of course, that it restricted responsibility for extra-contractual advice to situations in which it was reasonably foreseeable that the advice might result in, for example, damage to property, and in which, in addition, such harm did in fact result from the advice being relied upon.

However, in *Hedley, Byrne* v *Heller* (1964 – AC 465) Denning LJ's former heresy was accepted by the House of Lords, thus converting it, at a stroke, into the established orthodoxy. In the words of Lord Morris in Hedley, "If someone possessed of a special skill undertakes quite irrespective of contract, to apply that skill, a duty of care will arise. The fact that the service is to be given by means of . . . words can make no difference. Furthermore, if in a sphere in which a person is so placed that others could reasonably rely upon his judgment or his skill . . . a person takes it upon himself to give information or advice to, or allows his information or advice to be passed on to, another person, who, as he knows, or should know, will place reliance upon it, then a duty of care will arise . . .".

In both Candler and Hedley, the defendants had a client-adviser relationship but were sued by an outsider who relied upon information given by the defendants which arose out of the relationship with the client. However, in Hedley, despite the establishment of the new orthodoxy, the plaintiff failed by virtue of a caveat contained in the document in which the negligent advice was given. This is, for that reason, an appropriate moment to consider the subject of caveats and exemptions.

Indemnity

In making a very brief venture into the subject of indemnity, I should first raise a possible source of confusion between the lawyer and the quantity surveyor as to the "indemnity" itself.

From the lawyer's viewpoint, the word is likely to suggest the legal right of one party to legal proceedings, "A", to recover from another person, "B", part or all of the sum which "A" is liable to pay to another person, "C" (Note that in s. 4, Unfair Contract Terms Act 1977 (by virtue of which a consumer may be saved from an unreasonable indemnity clause in a contract) "indemnity" is used in this sense). For example, in *Greaves* v *Baynham, Meikle* (1975 – 1 WLR 1095, CA, further discussed in the second part of this paper), proceedings against consulting engineers were brought by the client-contractor in order to indemnify the latter against the high cost of remedial work for which the contractor was absolutely liable to the employer.

Again, if an employee of, say, a quantity surveyor negligently makes an error in a Bill which results in the latter being liable to the client for additional costs incurred, the quantity surveyor would have a right of indemnity or contribution against the employee.

However, in relation to the quantity surveyor, I believe that mention of the term "indemnity" makes him reach, as if by reflex action, for his professional negligence indemnity insurance policy in order to check that his current premiums are fully paid. Of course, it is quite possible for the lawyer's interpretation and the quantity surveyor's interpretation to converge in a given situation. For example, it is possible that insurers might require the insured professional man to take legal action in order to obtain the benefit of some indemnity (in the legal sense) from a third party. My next point is that, in the context of indemnity insurance, an express exemption is given in the Unfair Contract Terms Act 1977, discussed in the second half of this paper, in favour of contracts of insurance (Paragraph I, Schedule I, Unfair Contract Terms Act 1977).

In consequence of this exemption, insurers might, in theory at least, be able to enforce provisions which would be regarded as "unreasonable" within the meaning of the 1977 Act subject to any reliance which might be put by the insured upon the provisions which were in force prior to the 1977 Act and which are also discussed in the second part of this paper. Perhaps surprisingly, contracts between the insured and insurance brokers are apparently outside the scope of the exemption with the odd result that the broker would be unable to rely upon an "unreasonable" restriction as against his client although the insurers themselves would be able to do so.

As far as the likelihood of a quantity surveyor needing to rely upon his indemnity policy is concerned, statistics of the RICS Insurance Services Ltd., relating to claims notified in 1977 indicates only one area in which claims have been made against quantity surveyors, namely "over-certification". The statistics also indicate that less than 4% of total claims received involve quantity surveyors, so apparently quantity surveyors are entitled to sleep more soundly than members of the other divisions of the profession.

However, *Tyrer* v *District Auditor of Monmouthshire,* discussed in the second half of this paper, does show that quantity surveyors are not completely immune from liability and, although there is no need for me to proselytise on behalf of professional indemnity insurers, there is no harm in completing this brief excursion into the topic of indemnity with a reminder, should any be necessary, first, that it is possible to obtain indemnity insurance for all the areas of liability in contract and tort which are discussed in this paper and,

second, that decisions of the courts such as *Sparham-Souter* v *Town and Country Developments,* discussed in the second part of this paper, vastly increase the period during which the professional man is at risk in respect of professional negligence claims.

Part II

The first part of this paper dealt with the subjects, referred to in the above title, in general terms. This part of the paper deals with caveats and exemptions as affecting liability for professional negligence and the effect of the Unfair Contract Terms Act 1977 upon such caveats.

Caveats and Exemptions

The basic rule of English Law has traditionally been that those who make contracts have complete freedom to enter into any obligations upon which the parties may decide. For example, in *Cutter* v *Powell* (1795 – 6 Term Rep. 320) an eighteenth century court took the robust view that a ship's mate who contracted to act as such throughout the whole of a voyage but who inadvertently died before its completion was in breach of his contract of employment and, therefore, that his widow was entitled to no part of his wages for the voyage in question. This concept is, of course, familiar to the construction industry in the guise of the "lump-sum" contract under which the contractor must complete his work before any payment falls due.

However, the concept of freedom of contract suffered inevitable changes over the years to take account of the unequal bargaining power which existed between contracting parties, and this shift in the balance of advantage has now reached the opposite extreme as a result of the Unfair Contract Terms Act 1977. (The Act came into force on 1st February, 1978 and applies to contracts made on or after that date).

The position as to caveats, etc., before the 1977 Act

The Act is by modern standards very short, consisting of a mere thirty-two sections and four short schedules. Unfortunately, it is difficult to appreciate its impact without having in mind the general rules as to caveats which were in existence before the Act. The position on, say, 31st January, 1978 was broadly as follows:

(a) A caveat which was intended to affect a contractual relationship (e.g. between client and professional man) was only effective to do so if it had become a part of the contract itself (i.e., was a contractual "term" in contrast to a statement made outside the bounds of the contract proper).

(b) Such a "contractual" caveat, contained in a contract (say, between a client and professional man) which was not only in writing but signed by the client, could be relied upon by the professional man as an effective defence to an action by the client for breach of contract unless either the effect of the caveat had been misrepresented to the client or the breach was of such a fundamental kind as to amount to non-performance of the contract by the professional man.

(c) Such a contractual caveat as described in (b) which was contained in a contract which was written but not signed by the client was effective (except in instances of misrepresentation or of fundamental breach as in (b)) provided that, at the time of his entering into the contract, the client either actually knew of the caveat or, at least, that an ordinary person in the client's position could have discovered its existence (known to lawyers as "constructive notice").

(d) Such a contractual caveat as described in (b) which was contained in an oral contract was probably effective in the circumstances stated in (c), although dicta of Lord Devlin (In *McCutcheon* v *David MacBrayne* – 1964 1 AER 430) indicated a greater burden upon the person relying upon the caveat to show that the other party had expressly stated that he considered himself to be bound by the caveat.

(e) The previous points were concerned with restrictions upon contractual liability. This final point relates to attempts to restrict liability for the tort of negligence (as, for example, a caveat in a building surveyor's report that only the client himself may rely upon the accuracy of its contents). In that event, the effectiveness of the caveat depended at the least upon proof that the aggrieved person (as for example, a purchaser who had relied upon the report of the vendor's building surveyor, and who then sued the surveyor for negligence as to the contents of the report) had agreed, whether expressly or by his conduct to be subject to the caveat in question prior to his alleged reliance upon the professional man's advice. (It appears possible that the courts might have refused to allow any reliance upon a caveat in these circumstances, i.e., even prior to the 1977 Act; See *Scrutton* v *Midland Silicones* – 1962 AC 446).

The effect of the 1977 Act

With this broad statement of the position prior to the 1977 Act in mind, we may now return to the Act itself. (The following commentary is, of course, made solely in the context of professional negligence. An illuminating general commentary is given by R. Milstone, *The Quantity Surveyor,* March 1978, at pp. 122 ff). In one commentary on the Act, Lord Denning's description of it as being one of the most important innovations of our time in the sphere of civil law is given, but this description is then capped by an anonymous comment that, although Lord Denning's judgements in the law reports often read like Acts of Parliament, this Act reads like a judgement of Lord Denning (*The Sunday Times,* 29th January, 1978).

However merited this comment may be in relation to Lord Denning's role as a law-making judge who has been responsible for important changes in our civil law without reliance upon legislative intervention, the remark does less than justice to the clarity of Lord Denning's judgements, since a reader of the Act is required to perform the mental acrobatics familiar to statute law addicts, as he passes from one section to another in search of further statutory definitions and, hopefully, eventual enlightenment.

The most important provision of the Act in the context of professional negligence is that a potential defendant may, in appropriate circumstances, ". . . exclude or restrict his liability for negligence . . . in so far as the (contract) term or notice satisfies the requirement of reasonableness". (Section 2 (2), 1977 Act. Note, also, Section 13, 1977 Act, which further defines "exclude or restrict"). Circumstances in which this provision will apply include, for example:

(i) disputes as to the effectiveness of caveats between parties who have no contractual relationship (See (e) above);

(ii) disputes as to the effectiveness of contractual caveats between the contracting parties (See (a) to (d) above);

(iii) disputes in which financial loss or damage to property is alleged, in contrast to allegations as to personal injuries or loss of life, the latter being generally outside the scope of section 2 (2).

The sixty-four dollar question as to Section 2 (2) is, however, the scope of "reasonableness". In that context there are a number of statutory definitions which call for mention, in deference to Humpty Dumpty's dictum that "Words mean what I (or in this instance, Parliament) say they mean".

In relation to contract-term caveats, reasonableness is (Section 11 (1), 1977 Act) related to the term being ". . . a fair and reasonable one . . . having regard to the circumstances . . . known to . . . the parties when the contract was made".

In relation to extra-contractual caveats by notice, reasonableness is (Section 11 (3), 1977 Act) related to it being ". . . fair and reasonable to allow reliance upon (the notice) having regard to all the circumstances when the liability arose". A particularly important definition in the context of professional negligence is, I would suggest, the provision (Section 11 (4), 1977 Act) that where "by reference to a contract-term or notice a person seeks to restrict liability to a specified sum of money and the question arises . . . whether the term or notice satisfies the requirement of reasonableness, regard shall be had to . . .", mention then being made of:

(a) the potential defendant's ability to meet the maximum potential financial liability, and
(b) whether insurance is feasible.

This provision is further discussed below. However, it would be wise, perhaps, at this point to pause and consider the impact of Section 2 (2) upon the position, summarised above as on 31st January, 1978.

The first point is that the provisions of Section 2 (2) are in addition to, not in substitution for, any rights which the potential plaintiff would otherwise have and which were summarised earlier. For example, if the client sues the professional man for breach of an oral contract and the latter relies upon a caveat which was only communicated to the client after the contract was made, such a caveat is a nullity by reason of points (a) and (b) of the summary. It is therefore unnecessary for the client to dispute the "reasonableness" of the restriction for the purpose of Section 2 (2). Incidentally, even were this not so, it may be seen from the above 1977 Act definition of reasonableness in relation to contract-term caveats that there is a necessary implication that the potential plaintiff knows the terms of the caveat at the time when the contract is made.

I can advise you without reservation that 'reasonable' means 'reasonable'.

The practice of some building surveyors of including caveats in their reports to the client without having notified the client of such caveats at the time when the surveyor accepted instructions (and, therefore, the contract was entered into) would, I believe, result in the caveats being totally ineffective.

To pass on to the definition of reasonableness for the purpose of extra-contractual caveats (above), it will be noticed that, in contrast to the definition just mentioned the circumstances relevant to reasonableness are those existing at the time when liability arose. In most instances, this point of time will be when the negligent act or omission occurred, but, for instance, in deciding whether a consulting engineer's caveat is "reasonable", the circumstances taken into account would be those which existed, for example, when sub-contractors relied upon the particular defective design which the engineer had prepared and not the time at which the consulting engineer actually prepared the design in question. In most instances, there will be little change of circumstance at different points in time but it is at least conceivable that change might occur. For example, would a "reasonable" caveat at the time of the above design being prepared become "unreasonable" by the time of its implementation because much cheaper professional indemnity insurance had by then become available? Finally, and appositely in view of the previous sentence, a brief comment upon the above provision as to restriction of liability to a specified sum the rationale of this provision is the difficulty which may arise in obtaining insurance cover by reason of the size or unpredictability of the potential liability. This provision has, I would suggest, great relevance to the quantity surveyor who is required by his professional code of conduct to accept unlimited personal liability for professional negligence, and who yet may find that there is a limit, imposed either by his own resources or by the specialist insurers in the field of professional indemnity insurance, to the amount of cover which he can obtain. Incidentally, the fact that this sub-section refers specifically to resources and insurance, whereas the other sub-sections do not, should not be interpreted as restricting the scope of the "circumstances" in those other sub-sections. In other words, even where a caveat does not attempt to restrict liability to a defined maximum, nevertheless the subjects of the defendant's resources and the ease of insuring economically may be relevant.

I should like to turn now to another provision of the Act (Section 3, 1977 Act) which at first blush might appear more relevant to caveats which limit the professional man's potential liability to his client than Section 2 (2). However, this initial impression is, I would suggest, misleading because the scope of the provision is restricted to "contracting parties where one of them deals as consumer or on the other's written terms of business". Since a consumer is then (Section 12, 1977 Act) defined in terms of one "who does not make the relevant contract in the course of a business whereas the other party does", I would suggest that it is unlikely to apply to the majority of quantity surveyor and client relationships, since, normally, the client will be making the contract in the course of a business, although, of course, a client building on a "one-off" basis for his own occupation would be a consumer.

"Written standard terms" of business is undefined and, therefore, the courts will have a wide discretion to determine the scope of the phrase, but I would again suggest that it is only in rare instances that a quantity surveyor will be found to have offered such terms to a client.

However, should this provision be applicable, it requires that a caveat should satisfy the same test of reasonableness as has been outlined in relation to Section 2 (2), but, unlike

that provision, it is restricted solely to contractual relationships.

Standards of professional skill and competence

I should now like to finish by considering the degree of skill and care to be expected of a quantity surveyor, both in contract and tort.

In the normal course, the standard to be expected from the professional man is the same whether the professional negligence which is alleged is based upon breach of an implied or express term of the contract with the client or upon the tort of negligence. That standard is, of course, that expected of a competent member of his profession. However, before examining this statement in more depth, it should be pointed out that occasions may arise in which an express or implied contractual term imposed a greater duty upon the professional man than the ordinary standard of skill and competence which applies normally. In *Greaves* v *Baynham, Meikle* (1975 – 1 WLR 1095, CA), consultant structural engineers, employed to design a warehouse, were informed by the client before commencing the design that fork-lift trucks were to be used by the occupant on an upper floor after completion. It was held that their subsequent design was in breach of an implied warranty that the floor should be fit for the specified purpose. The Court of Appeal emphasised that such a warranty was not absolute in the sense of guaranteeing that the engineer would produce a given result and did not impose a greater burden on him than the ordinary duty of care in negligence.

As to the ordinary standard of the competent member of the profession, there is useful comment upon the relevant criteria in the judgement of McNair J. (*Bolam* v *Friern Barnet Hospital Management Committee* – 1957 1 WLR 582) when, after stating that "When you get a situation which involves the use of some special skill or competence then the test as to whether there has been negligence or not . . . is the standard of the ordinary skilled man exercising and professing to have that particular skill. A man need not possess the highest expert skill; it is well established that it is sufficient if he exercises the skill of an ordinary competent man exercising that particular art". McNair J. continues, "A man is not negligent if he is acting in accordance with . . . a practice (accepted as proper by responsible members of the profession) merely because there is a body of opinion which takes a contrary view. At the same time that does not mean that a . . . man can obstinately and pigheadedly carry on with some old techniques if it had been proved to be contrary to what is really the whole of informed opinion."

It will be noticed from the above quotation that the individual quantity surveyor or other professional man who holds himself out as such cannot raise the absence of any formal professional qualification as a defence to a claim based upon his professional negligence. (See, for example, *Freeman* v *Marshall*– 1966, 200 EG 777: unqualified building surveyor sued for negligence).

One of the rare examples of a quantity surveyor's professional capacity being called in question in the courts (*Tyrer* v *District Auditor for Monmouthshire* – 1974, 230 EG 973), involved a local authority quantity surveyor's appeal against a surcharge of over £12,000 imposed on him by the district auditor, as a result of overpayments of £29,000 to a contractor in consequence of over-certification by the surveyor in question. In dismissing the appeal, the Divisional Court found that the quantity surveyor had accepted rates which he must have known to be ridiculously high, and, in one particular contract, had made a simple mathematical error in issuing an interim certificate, and then had failed to make an adequate check as was required by his duty of competence. Lord Widgery, LCJ, in giving the judgement of the court, agreed with the auditor's view that the standard of care exercised by the appellant fell far below what the council was entitled to expect from a man of his professional qualifications. The appellant had been negligent over and over again.

I hope that this decision will not be considered as an excessively gloomy end to my consideration of these issues of professional negligence and caveats.

BRANCH NEWS

EAST ANGLIA BRANCH

A combined meeting between the East Anglian branches of the Royal Institution of Chartered Surveyors, The Institute of Building and The Institute of Quantity Surveyors was held at the Norwich City College on 23rd October 1978 at which Mr. M. Raven, Group Chief Quantity Surveyor of R. G. Carter Limited gave an introduction to the 6th Edition of the SMM.

Mr. Raven, who was a member of the Standing Joint Committee of the SMM 6th Edition, began with a brief clarification of duties of the SJC compared with those of the JCT illustrating that the decisions affecting the principles of measurement for the 6th Edition were based on a consensus of opinion.

The main difference between the existing SMM and the new 6th Edition were outlined by Mr. Raven, under the groupings of general clauses clauses, main contractors carcassing trades and domestic sub-contractors finishing trades. At the end of his address, Mr. Raven answered several specific questions on the interpretation of the new document.

The meeting which was attended by approximately 100 members and guests from all three bodies, was chaired by Mr. M. Cable, Chairman of East Anglian Branch of the RICS, Mr. A. L. S. Marriage proposed the vote of thanks on behalf of the IQS.

NORTHUMBERLAND AND DURHAM BRANCH

The Annual Dinner is the most popular event on the Branch's calendar. It was held at the Ramside Hall Hotel, Durham, in October, and it would be difficult to beat the standard of the dinner and surroundings. A record number of just over 200 attended and Headquarters was represented by the Vice President, Mr. C. F. J. Webb and the Director, Mr. P. G. South.

A Toast to the Institute was proposed by Mr. D. C. Pickup,