

Safety in your building

2 August 2021

Gowers Walk, Whitechapel, E1 8GL

Dear residents,

EWS1 form update and summary video

At our resident webinar earlier this year, we said we would write to you with an update on the building safety situation at your building in three months' time.

Government EWS1 announcement

An EWS1 form is a certificate which states the risk level of a building's external wall system. This must be completed by a qualified fire engineer and many lenders require this in order to offer a mortgage on a property.

The government announced last week that EWS1 forms 'should not be requested' for buildings below 18 metres. They have said there is 'no systemic risk of fire' in blocks of flats under 18 metres and has called for a more proportionate response. This could include alarm and sprinkler systems being installed and they say buildings under 18m with cladding and may not require expensive remediation. You can read the full announcement here: https://www.gov.uk/government/news/major-intervention-from-government-and-lenders-to-support-leaseholders.

What does this mean for you?

While this does sound positive, we need to wait and see how the sector reacts. It does not automatically mean that you will be able to sell, remortgage or staircase your home. We wanted to let you know this important news, but at the moment we aren't able to guarantee what that means for your building.

Each lender will have its own policies and requirements for offering a mortgage and we must wait and see how they react to the government's announcement. We have asked an independent financial advisor to investigate the position of lenders and once we know how it will affect you, we will write to you again.

Will my building still need investigating?

We have told you that you have been placed into our Medium prioritisation, and that we wanted to investigate your building due to its construction type or materials. That is currently still the case and we will continue working towards providing you with a date for an investigation.

If something changes as a result of the sector's reaction to the government's announcement, then we will reassess our position and let you know if an investigation is no longer required.

Will my building still need remediating?

If we investigate your building and find a problem, then we will work with our fire engineer to come up with a solution. Safety is our top priority, so we need to ensure the building has a low enough risk of fire spread. This announcement does not mean we will ignore a building if we have a concern.

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A summary of this letter

The government has announced that EWS1 forms 'should not be requested' for buildings below 18 metres and that installing sprinklers or fire alarms could be a more proportionate response than expensive remediation.

This does not mean you will now be able to sell, remortgage or staircase.

We must wait and see how the sector and lenders react.

We may still need to investigate your building and carry out remediation work.

We'll update you when the sector has had time to respond and we know more.

We've also produced a summary video of the webinar we held earlier this year to support your understanding or remind you of what was discussed.

It may be that as a result of the announcement above, installing sprinklers and/or a new fire alarm system will be sufficient. Or it may be that we still need to remediate the issues we find. Until we investigate your building and know more about how the sector is reacting to the announcement, we will not be able to make that decision.

I know this might not be the good news that you would expect following this government announcement, but we want to be clear on how we are responding to this and what it could mean. We will continue to keep you updated and we will write to you again within three months, or sooner if something changes or we confirm an issue with your building following our inspection.

Who pays for it?

As we have said in our webinar, recovering costs from leaseholders through the service charge will always be a last resort. Tenants' costs for building safety work will be paid by Network Homes. We will always pursue any available courses of action including insurance policies, warranties, original contractor or government funding before we would consider recovering costs from leaseholders.

If we do need to recover costs, the government has a loan scheme for buildings below 18 metres which will be charged at £50 a month – further details are yet to be released. We have also received authorisation from the Financial Conduct Authority for Network Homes to offer interest free credit on building safety charges.

Below 18 metres situation – summary video

We know not everyone was able to attend our webinar that we held in April. And while we sent over a summary of the presentation and questions asked, it was quite a long document.

As a result, we have also produced a new summary video of the presentation which will hopefully support your understanding of this situation if you were unable to attend, or as a quick reminder for those who did attend. You can watch the video on our website – it's about seven minutes long: https://www.networkhomes.org.uk/your-home/building-fire-safety-and-cladding/buildings-below-18-metres/.

As the EWS1 form situation is still developing, this video does not go into detail about it – instead it describes the background of the building safety crisis and our prioritisation programme.

Further support

If you need further support, you can:

- Visit our website where we have a building safety section with lots of information and frequently asked questions: https://www.networkhomes.org.uk/your-home/building-fire-safety-and-cladding/.
- Check our document library for a reminder of the letters we have already sent out: https://www.networkhomes.org.uk/your-home/my-building-fras-documents-and-newsletters/. It may take a little while to load as there are lots of documents on there.
- Get in touch with us on <u>customerservice@networkhomes.org.uk</u> if you have any other questions.

Best wishes

Graeme Manley Head of Building Safety