Safety in your building

14 January 2022

Townsend Mews, Stevenage, SG1 3BQ

Dear residents,

Government announcement on building safety and cladding costs

Firstly, can I wish you and your friends and family a Happy New Year. In this letter I have summarised Network Homes' understanding of the recent government announcement on building safety and what it means for you, as far as we can tell from the detail that has been confirmed to date.

What is the latest government position on building safety?

The Secretary of State for Levelling Up, Housing and Communities, Michael Gove, said on 10 January that in buildings between 11 and 18 metres, leaseholders will not have to pay for costs related to cladding remediation. Instead, developers will be asked to pay to remediate cladding with a March deadline to produce a fully funded plan of action. It is not yet clear how this will work, when any such measures would be introduced or even that an agreement will be able to be reached.

It was clear from the announcements that other costs such as **remediation of fire doors, fire stopping and balconies are not covered** by the above announcement.

If you'd like to get some more information, here's a variety of links:

- Department of Levelling Up, Housing and Communities' announcement
- BBC Newsnight 10/01/22, cladding coverage starts at around 29.30 and lasts 10 minutes
- Leaseholders will not have to pay to fix any fire risks, government pledges The Guardian.

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A summary of this letter

Secretary of State for Housing Michael Gove has announced that leaseholders in buildings between 11 and 18 metres will face no costs for building safety **cladding** costs. He is hoping to reach a funding agreement with developers by March, but it is not guaranteed.

Other costs such as balconies and fire doors are currently not covered.

New guidance has been published by the British Standards Institute and we're assessing how it may impact our programme and if your building will still need an investigation.

Until we know whether it is necessary to investigate/remediate your building, our fire engineer won't be able to issue an EWS1 form.

There were a few other specific announcements which will also have an impact on your building:

- The £50 a month leaseholder loan scheme for building safety service charges at buildings below 18 metres has been scrapped.
- The consolidated advice note published in January 2020, which brought buildings below 18
 metres into scope for fire safety remediation, has been removed. It has been replaced by
 PAS9980 from the British Standards Institute.
- An additional £27m will be added to the Waking Watch Relief Fund to install fire alarms in buildings that have fire safety defects.
- Government will look at a package of mental health support for those experiencing difficulties due to the cladding crisis, as well as those with additional disabilities.

In summary, the government is addressing the impact its previous advice has had on buildings under 18 metres and is now recommending a risk-based approach. Clearly this is a welcome change of direction, however the announcement is just the first step. Much remains to be done and this is likely

to take time. Until the government confirms its proposals in more detail, we will not know how this is going to work in practice. Once things are clearer, we will write to you with more information.

Will my building need to be investigated?

We are unable to say at this stage. Our technical team and our consultants are reviewing the new guidance and will determine what it means for your building. This will take some time so we will write to you again in three months with a progress report.

Who will pay for the cost of the remedial work?

The government had previously announced a loan scheme for buildings below 18 metres to pay for building safety work. Now developers are being asked to pay for the cost of remediating cladding, the loan scheme has been scrapped and will hopefully be replaced with the funded developer action plan.

When the details of funding are announced, we will take note of any deadlines for applications and factor our investigations into that. We will also pursue all other third-party routes to recover costs.

However, any new funding will not cover all costs that may arise from investigations. If any investigations confirm additional work is required, and we must recover them through your service charge, we will consult with you. We also have authorisation from the Financial Conduct Authority to offer interest free credit terms for those affected by building safety service charges¹.

What about the EWS1 certificate for my building?

Many lenders require an EWS1 form for buildings below 18 metres before they will offer a mortgage. This may affect your ability to sell, remortgage or staircase your property. We will not be able to provide you with an EWS1 form for your building until we have considered the further government guidance referred to above, and if necessary carried out any investigations/remediation.

Where can I get support?

If you are finding the current position distressing, you may want to visit the resident-led End Our Cladding Scandal website, which lists some useful organisations that may be able to help you: https://endourcladdingscandal.org/get-support/. We have also listed other organisations that can offer support on our website: https://www.networkhomes.org.uk/buildingsafetyresources/.

Further support is also available at:

- The London Fire Brigade's website, which has a free online tool which guides you through a fire risk assessment of your home (home visits are available for more vulnerable residents): https://www.london-fire.gov.uk/safety/the-home/home-fire-safety/
- Our website has a building safety section with lots of information and resources including a
 document library where you can download letters and documents available for your building:
 https://www.networkhomes.org.uk/buildingandfiresafety/
- Alternatively, please feel free to get in touch with us on customerservice@networkhomes.org.uk if you have any questions.

What happens next?

We will write to you again when we have had an opportunity to consider the new government guidance and assess how it affects your building. You can expect to hear from us every three months or sooner if we have something confirmed which we need to tell you.

Best wishes

Raj Gandecha Head of Resident Management (Building Safety)