

Building Safety

After the Grenfell tragedy in 2017, where tragically 72 families were affected following a high-rise fire that broke out in the tower, it became apparent after that people were living in unsafe apartment blocks, and still are living in unsafe apartment blocks due to fire safety defects.

Fire safety defects can range from cladding issues (external) and non-cladding issues (internal). Non-cladding issues can include compartmentation (stopping fire from moving from one flat to the next), lack of fire safety breaks/sprinkler systems and the implementation of waking watch. Leaseholders across the UK are being asked to pay for fire safety remediation works.

I write to you as a leaseholder owning an apartment in Cardiff situated in a building deemed to be a fire-safety risk as a result of fire-safety defects asking Welsh Government (WG) to bring forward a timely resolution to the building safety crisis in Wales. Leaseholders are being asked to pay exorbitant fire-remediation costs and are billed in accordance with the square footage of the demised premise and are facing bills up to £50,000 for duplex apartments. Leaseholders are facing bankruptcy and losing their homes with landlords/freeholders having a right to re-entry or forfeiture if payments are not met. My estimated bill for fire safety remediation is £25,000 over 4-5 years which contributes to an overall building bill of £2.5 million per year from 2022-2026. I received an invoice in December for £2,521.33 to be paid by 1st January (less than a 28 day's notice in line with the Landlord and Tenant Act 2007). These bills are issued six-monthly in addition to the 'normal' service charge costs (see Appendix). In addition, leaseholders are being asked to pay for the increased building insurance premiums which has increased by 40% for our building. Across the UK, there are [reports](#) on building insurance premiums exponentially increases of up to 1000%.

These are having huge effect on leaseholder's mental health due to stress of living in an unsafe home and pressures on finding this money at short-notice. A mental health study conducted by the UK cladding Action Group (UKCAG) reports the 23% of social and private sector leaseholders felt suicidal or had a desire to self-harm, 94% reporting anxiety and worry and 32% turning to alcohol as a coping strategy to deal with the situation in their building¹.

A recent study carried out by the UK Collaborative Centre for Housing Evidence where 32 leaseholders in different cities in England and Wales were asked about the impact of the building safety crisis on their lives². The financial impacts were one the biggest drivers of mental harm for leaseholders. These kinds of issues are likely to have a long-lasting impact on leaseholders, irrespective of any policy change on the part of Government as the choices that individuals have had to take or have been unable to make will have a profound impact on the shape of their life in the future. The report makes a number of recommendations including:

1. Government should take responsibility for recouping costs (where there is a reasonable chance of success and this is a suitable course of action). Leaseholders want to see individuals and organisations held to account where failures have been identified.
2. Remediation should be underpinned by comprehensive funding which is not limited by building height, or solely to materials integral to a cladding system.

Amendments to the UK Building Safety Bill currently going through the House of Lords, for example to extend the right to homeowners to challenge defects under the Defective

Premises Act 1972 in homes that are up to 30 years old, will apply in Wales as well as England as will a proposed civil cause of action where defective mis-sold construction products render a dwelling unfit for habitation. In addition, amendments to protect leaseholders if passed by parliament will be brought into law stating that no leaseholder living in medium or high-rise buildings will have to pay a penny for the removal of cladding and protections for leaseholders extended to cover other fire safety defects with leaseholders expected to pay a capped amount towards non-cladding costs only. Leaseholders are expected to pay a capped amount of £10,000 towards non-cladding costs as a last resort if funding is not extracted from developers/freeholders. Any costs already paid by the leaseholders to date that covers fire remediation defects will contribute to the cap.

Michael Gove, the UK Secretary of State for Levelling Up, Housing and Communities announced on 10th January 2022 that residential property developers will be asked to

- make financial contributions to a dedicated fund to cover the full outstanding cost to remediate unsafe cladding on 11-18 metre buildings, currently estimated to be £4 billion
- fund and undertake all necessary remediation of buildings over 11 metres that they have played a role in developing
- provide comprehensive information on all buildings over 11 metres which have historic safety defects and which they have played a part in constructing in the last 30 years³.

Previous funding for leaseholders living in England have had access to £1 billion pounds funding since 2020 to support the remediation of unsafe non-ACM cladding system on residential buildings 18 metres and over in both the private and social housing sectors⁵.

Michael Gove announced on 14th February 2022 that new laws will be brought into the Building Safety Bill to protect leaseholders from exorbitant costs and tough new measures that will force industry to pay to remove cladding

- developers and product manufacturers that do not help fix the cladding scandal could be blocked from housing market
- Government puts its guarantee that no leaseholder living in medium or high-rise buildings will have to pay a penny for the removal of cladding into law
- new powers will allow cladding companies to be sued and subject to fines for defective products
- protections for leaseholders extended to cover other fire safety defects⁴.

I welcome the announcements and proposed amendments to the UK Building Safety Bill set out by Michael Gove, as developers and manufacturers have a responsibility to remediate fire defect homes. UK Government acknowledge “It is neither fair nor decent that innocent leaseholders, many of whom have worked hard and made sacrifices to get a foot on the housing ladder, should be landed with bills they cannot afford to fix problems they did not cause”⁶. The announcements and proposals made by Michael Gove on 14th February bring some comfort knowing that amendments to the UK Building Safety Bill will bring protections in law to protect leaseholders from exorbitant costs.

I am supportive of WG proposals on the [Building Safety White Paper](#) which sets out proposals for comprehensive reform in relation to building safety for all multi-occupied residential buildings in Wales and welcome WG collaboration with the department of Levelling Up, Housing and Communities on aspects of the draft Building Safety Bill which will apply in Wales. The Building Safety White Paper highlights that the principle of safety must apply to all buildings within the scope of the proposed Building Safety Regime, regardless of

building type or tenure, for the benefit of residents across Wales. A number of semi-detached homes built as part of the Innovative Housing Programme in Wales are constructed with timber frames and external wooden panels; the principle of fire safety must also apply to these new building constructions.

WG recently announced on the 25th February that independent surveys as part of the Fire Remediation Passport will now start on 1st March and this will help ensure any funding brought forward is within the scope of the modifications and remediation of making buildings safe. I encourage WG to bring forward funding for remediation as soon as reasonably practical. In line with the UK Collaborative Centre for Housing Evidence WG should then take responsibility for recouping costs from developers/cladding manufacturers (where there is a reasonable chance of success and this is a suitable course of action). A freedom of information request in September 2021 highlighted that £11m funding has been spent since June 2017 on fire safety remediation to include cladding remedial works in the social housing sector in Wales but no remediation has been done on private sector buildings to date⁷. I recognise that WG has set aside £375m in capital funding over the next three years to support investment in affected buildings however, this is currently not stopping fire remediation costs being passed onto the leaseholder.

Recommendations:

- Leaseholders in Wales require urgent clarification on the UK Building Safety Bill amendments relating to leaseholder protections. UK Government and WG recognise that leaseholders are innocent and are blameless in this crisis and should not pay to put right defects that are not of their making.
- The principle of fire safety must apply to all current and new building constructions.
- WG to ensure that if developers do not take responsibility for removal of dangerous cladding and non-cladding fire safety issues; restrictions will apply to supply of land, introduction of taxes and developers blocked from the housing market.
- At a time of rising living costs, leaseholders in the private sector risk bankruptcy and losing their homes as they are still paying fire safety remediation costs; amendments relating to leaseholder protections in the UK Building Safety Bill currently going through the House of Lords require urgent consent via the Senedd in Wales.
- WG to take a pragmatic approach to using UK Governments Building Safety Bill legislation in relation to leaseholder amendments which will mean that protections to leaseholders will be earlier than would be a possible for a Building Safety Senedd Bill. Without protections in law leaseholders will still be required to pay for fire remediation costs whilst waiting for surveys and funding to be brought forward by WG which may take a number of years.
- WG to bring forward a timely resolution to this building safety crisis in Wales.

References:

1. Cladding and internal fire safety mental health report 2020; UK CAG, May 2020 [accessed Feb 2022]
[REPORT - DRAFT 33 - POWERPOINT \(leaseholdknowledge.com\)](http://www.leaseholdknowledge.com)
2. Living through the building safety crisis: impacts on the mental wellbeing of leaseholders. UK collaborative centre for housing evidence, University of Sheffield. Preece J. December 2021 [accessed Feb 2022].
["All the other positive things in your life just fall away": leaseholders living through the building safety crisis | Oxford Law Faculty](http://www.oxfordlaw.ac.uk/research-centres/the-building-safety-crisis-project/)

3. Letter from the DLUHC Secretary of State to the residential property developer industry on a new approach to building safety. Secretary of State for Levelling Up, Housing and Communities Michael Gove. January 2022 [accessed Feb 2022].
[Letter from the DLUHC Secretary of State to the residential property developer industry on a new approach to building safety - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/letters/letter-from-the-dluhc-secretary-of-state-to-the-residential-property-developer-industry-on-a-new-approach-to-building-safety)
4. Press Release: Government to protect leaseholders with new laws to make industry pay for building safety; Department for Levelling Up, Housing and Communities. The RT Hon Michael Gove MP. February 2022 [accessed Feb 2022].
[Government to protect leaseholders with new laws to make industry pay for building safety - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/government-to-protect-leaseholders-with-new-laws-to-make-industry-pay-for-building-safety)
5. Guidance: Remediation of non-ACM buildings; Department for Levelling Up, Housing and Communities and Ministry of Housing, Communities and local government. March 2020 [accessed Feb 2022].
[Remediation of non-ACM buildings - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/publications/remediation-of-non-acm-buildings)
6. Letter to Residential Property Developer Industry from Department for Levelling Up, Housing and Communities. Michael Gove MP. January 2022 [accessed Feb 2022].
[Letter from the DLUHC Secretary of State to the residential property developer industry \(publishing.service.gov.uk\)](https://publishing.service.gov.uk/letter-from-the-dluhc-secretary-of-state-to-the-residential-property-developer-industry)
7. Welsh Government. Freedom of Information request. ATISN 15382 - Fire safety remediation work. September 2021 [accessed February 2022].
[atisn15382.pdf \(gov.wales\)](https://atisonline.wales/atisn15382.pdf)

ISSUE DATE: 07 December 2021
INVOICE REFERENCE:XXX
DEMAND DATE: 01 January 2022

INVOICE:

Description	Value
Repair Fund 2022 (50%) due 1 January 2022	£2,521.33
Invoice Amount	£2,521.33
Total Amount Due	£2,521.33

Payment may be made to:

Bank Details: