

Press information



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Half a million people in danger from unsafe buildings as resident groups and industry call for Government action on cladding

- New industry research suggests half a million people could be living in unsafe buildings
- With government support limited to one specific type of cladding, these residents could be left with excessive bills to make their homes safe
- Resident groups form an unprecedented coalition with managing agents and building owners to call on the new Chancellor to establish a fund to make these homes safe

Following new evidence that the scale of the cladding crisis may affect up to half a million people, cladding campaigners, residents, property managers and the UK's largest freeholders have formed an unprecedented coalition to request a multibillion-pound fund to remediate unsafe buildings.

In an open letter to the new Chancellor, the group has called on the Government to step in following failures in the building safety regime that have dated back decades. Without support, leaseholders may be left having to pay the price, which is likely to run into the billions.

The Association of Residential Managing Agents (ARMA), which represents the largest property managers in the country, has conducted an analysis of apartment buildings in the UK and found that over half a million people may be living in unsafe buildings that passed building control when they were built. Materials now deemed to be unsafe include High Pressure Laminate (HPL) – which has been found to be at least as flammable as the ACM cladding that was used on Grenfell Tower¹ – but the Government's existing fund is limited to ACM cladding.

The freeholder signatories are coordinating remediation work on buildings with ACM cladding in every major city in the UK, but the process has revealed numerous additional safety issues and there are concerns that the cost of fixing these problems will fall on to residents unless the Government steps in.

Given the scale of the task, the group is calling for a multibillion-pound, government-backed fund to be established so that these buildings can be made safe as soon as possible.

¹ <https://www.sciencedirect.com/science/article/abs/pii/S0360132319307528?via%3Dihub>

Nigel Glen, Chief Executive Officer, The Association of Residential Managing Agents (ARMA) said:

“The Grenfell tragedy highlighted the dangers of ACM cladding, but it has also revealed a much wider building safety crisis which could affect over half a million people. These buildings are being fixed by building owners and managing agents as quickly as possible but, without Government support, the process could take decades and leave leaseholders with life-changing bills on top of the anxiety that has already been caused.”

Martin Boyd, Leasehold Knowledge Partnership said: “Nearly 1,000 days after the Grenfell tragedy there is a huge amount of worry among leaseholders that the problems are getting worse, not better. The government must help find solutions rather than just telling everyone these are complex problems.”

Open letter for publication

Dear Chancellor,

We the undersigned represent homeowners, property managers and building owners across the United Kingdom.

The Grenfell tragedy has uncovered one of the biggest safety crises in recent British history. Two and a half years on, people are still living in apartment buildings with dangerous cladding. Building safety policy, dating back decades and overseen by governments of all political colours, has failed in its totality.

Building owners and property managers are stepping in to fix these buildings and ensure the safety of residents. But, where the costs are not recoverable from the original developer, or through an insurance claim, the burden is falling on those who live in these buildings. Why should homeowners pay the price for such a systemic failure?

The Government deserves credit for funding Grenfell-style ACM cladding remediation, but the problem is much wider than this and that funding doesn't go far enough. The list of unsafe materials and hidden safety defects that were never identified when these buildings were signed off, is growing by the day.

This new government now has a golden opportunity to right the wrongs of the past and rescue the hundreds of thousands of worried and vulnerable residents across the country.

On behalf of homeowners, building owners, and property managers, we are urgently calling the Government to establish a multibillion-pound emergency fund and work with industry to unblock the process and ensure the safety of residents up and down the country for generations to come.

Signed

Resident groups and professional/trade bodies	Property managers	Freeholders and building owners
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<i>Association of Residential Managing Agents</i>	<i>Fexco Property Services</i>	<i>Consensus Business Group</i>
<i>British Property Federation (BPF)</i>	<i>FirstPort Property Management Services</i>	<i>Estates & Management</i>
<i>Federation of Private Residents Association (FoPRA)</i>	<i>HML Group</i>	<i>HomeGround Management</i>
<i>Institute of Residential Property Management</i>	<i>Mainstay Group</i>	<i>Long Harbour</i>
<i>Leasehold Knowledge Partnership</i>	<i>Premier Estates</i>	<i>Simarc Property Management</i>
<i>UK Cladding Action Group (UKCAG)</i>	<i>Rendall and Rittner</i>	<i>Wallace Partnership Group</i>
	<i>Residential Management Group</i>	
	<i>Scanlans Property Management</i>	
	<i>SDL Property Management</i>	
	<i>Trinity Estates</i>	

Note to editors

The remediation process

On 9 May 2019 the Secretary of State announced that £200 million would be made available to remove and replace unsafe cladding from around 170 privately owned high-rise buildings. Applications to this fund are limited to Type 3 ACM cladding on buildings over 18 metres despite other forms of unsafe cladding and construction methods emerging as part of the remediation process.

Responsible entities, most commonly the freeholder, are tasked with applying to the fund in order to cover the cost of remediation work. If non-ACM remediation work is required, or if the building is less than 18 metres high, the responsible entities will often pursue claims with the original developer or through a buildings defect insurance claim (such as NHBC). In the absence of such claims, the cost legally falls to the leaseholders. This has been widely accepted as unfair, including by the Housing, Communities and Local Government Select Committee.

About the resident groups

The **Federation of Private Residents' Associations (FoPRA)** represent private residential leaseholders, tenants' and residents' associations throughout the UK. They are frequently consulted by government and offer advisory services to their members. The **UK Cladding Action Group** is a nationwide resident-led group, campaigning on cladding and related issues. The **Leasehold Knowledge Partnership** is a registered charity and the secretariat of the All-Party Parliamentary Group on leasehold and commonhold reform chaired by the MPs Sir Peter Bottomley (Conservative) Justin Madders (Labour) and Sir Edward Davey (Liberal Democrat).

About ARMA

The Association of Residential Managing Agents (ARMA) is the leading trade association for companies that manage private residential leasehold blocks of flats in England and Wales. ARMA's members manage over 50,000 apartment buildings and 1.25 million homes throughout the UK. ARMA produces guidance materials for leaseholders and residents' management companies whilst campaigning for improvements in legislation governing the leasehold sector. More information on the Association can be found at: www.arma.org.uk

ARMA have conducted an analysis of the buildings managed by their members. Using a sample of the largest portfolios, ARMA has ascertained that, on average, 25% of apartment buildings (with 50 units or more) have an issue with unsafe cladding.

Across the entire portfolio, this equates to 1,375 buildings across the UK with an average of 100 units and 400 people per building, meaning that around 550,000 are living in buildings with unsafe cladding.

For more information or to arrange an interview please contact:

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