

RE: [EXT]:Meeting request between building safety team / End Our Cladding Scandal campaign



Inbox x



General Enquiry

Thu, 11 Jan, 18:27



to me, Project: ▾

Dear Jennifer,

Thank you for your email and for reaching out to share your observations regarding our ongoing work to meet the requirements associated with the Developer Remediation contract.

As you'll be aware, we've always maintained that leaseholders should not be held responsible for the cost of remediation works and we signed the Developer Remediation contract last year. We've also established a dedicated team that works with the Government and building owners to assess and work on any remediation works that we might be responsible for.

Your insights and analysis regarding the pace of remediation and communication issues are valuable, and we recognise the significance of addressing these matters promptly. Throughout the following paragraphs we'll respond to the points raised in your email.

- Around half of the buildings that we've assessed have been newer buildings developed and built by Lendlease. All of them have compliant External Wall System fire review (EWS1) and Fire Risk Assessment (FRA) certificates and will not require works. The remaining buildings, where the majority of works may be required, were acquired as part of our acquisition of the Crosby portfolio from Berkeley Homes in July 2005. Around half of that Crosby portfolio was completed prior to our acquisition of it. However, as the developer remediation contract assigns remediation responsibility to the last Development entity, we are required to take responsibility for buildings completed prior to that acquisition as they formed part of the Crosby entity structure.
- The provision we set aside at both our half and full year results was before any recovery of costs and, when preparing our half year results at the end of 2022, that figure was primarily based on information provided by the Government for buildings that were part of the Building Safety Fund. As set out in the terms of the remediation contract, we wrote to management companies of buildings requiring safety assessments after we signed the contract in March 2023. An increase to the provision in our full year results was reflective of the data received from owners and management companies over the following months.
- The Government provided further information about building assessments to Lendlease in May 2023 and the responsible entities/management companies that we've written to have taken some time to respond to our correspondence. A number of other developers received the information they required up to twelve months earlier than Lendlease, which means comparisons are not like for like.
- Independent fire engineers are making good progress on completing PAS9980 compliant fire risk appraisals of external walls (FRAEW) where they have begun work. However, very few of the buildings that have supplied information either via the Government or the resident management companies had these assessments in place and delays with their completion are being experienced due to the following issues:
 1. Freehold owners have required licenses for additional survey works.
 2. No existing FRAEW or relevant equivalent was in place at the building.
 3. No licenses had been agreed with commercial and adjacent building owners prior to the handover of responsibility.
 4. We've not been provided with complete scopes of work.
 5. Outdated and ill-defined pricing was provided by contractors.
- Communications with owners and leaseholders of affected buildings are controlled by the managing agents as they have the relevant access to leaseholders and communications portals. Those communications are complemented by regular meetings with owners and resident management companies when new information is available to share. We're not able to deal with individual mortgage providers but are providing letters to all leaseholders via their residents portals that make our responsibilities and commitments under the Developer Remediation contract clear. On projects where works are underway weekly updates are being provided to leaseholders via the resident management companies.

We acknowledge the importance of open dialogue and share your commitment to ensuring the safety and well-being of residents affected by building safety concerns. If you have any further questions regarding these important works then please let us know.

I hope that the responses above address the questions you've raised; and that they illustrate both our determination to fulfil the terms of the Developer Remediation contract, and to complete those works swiftly and safely.

Regards

General Enquiries

