



Network Homes

Safety in your building

9 March 2020

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0300 373 3000

Dear leaseholder,

This is an important update about your building and its safety, and costs that you may incur in the future. Please read through each point carefully. You can get in touch with us using the contact details at the end of this letter if you have any questions.

Safety investigations for your building

The government issued a series of fire safety advice notes to building owners and managers of tall buildings (buildings of 18 metres or above) since the summer of 2017. This was consolidated into a single advice note in January 2020. If you want to read this consolidated document, you can find it at:

www.gov.uk/government/publications/building-safety-advice-for-building-owners-including-fire-doors.

As a result, building owners across the country have been following this advice and carrying out investigations into their tall buildings. This is affecting buildings owned by Housing Associations, Councils, private companies and organisations operating in other industries including hospitals, hotels, schools and colleges.

The investigations involve an intrusive examination of the external wall by a Chartered Building Surveyor who prepares a detailed technical report for us. If defects are found, we will then appoint a Chartered Fire Engineer who will advise us on what action we should take.

If we find your building is compliant with the Government's guidance, we will publish the technical report and will not need to take any further action. If we find it isn't compliant, we will need to start planning for remediation work to fix the issues found. We will also take any necessary measures to ensure it is safe for you in the meantime.

Funding the remedial work

If remedial work is required, there will be a cost associated with the work and with any interim fire safety measures that we take in the meantime. Our intention is to pursue third parties to recover the costs for any remedial works. This could include developers, contractors, professional advisors and building inspectors who were involved in the construction of the building. We will also investigate the Building Warranty to determine if it offers a route to recover some of the costs.

In addition to this we have been making a case for financial support from Central Government. The government has provided some financial support to Network Homes for two of our buildings over 18

A summary of this letter

Since the Grenfell Tower fire, the government has told us we must **investigate all our tall buildings**.

We are finding that some of these buildings have some issues that will require **major repair work and interim safety measures**.

As a leaseholder or shared owner, you **could have to pay for some of these costs**.

Network Homes will be **working on your behalf** to try and get financial support from the government or money back from contractors or insurers.

We legally must **consult with you** through a 'Section 20' process.

Even if we send you a 'Section 20 notice', it **doesn't mean you will definitely have to pay**.



metres in height, which had the same ACM cladding as that on Grenfell Tower and we are pressing them to extend this financial support to cover other defects in external walls.

If none of these avenues secures funding for the works, we may have no alternative but to pass a share of the costs on to you as a leaseholder, through your service charge as per the provisions of your lease. To do this, we must consult with you.

Consulting with you

By law, we must go through a consultation process which is commonly known as '*Section 20*' as set out in the Landlord and Tenant Act 1985.

A '*Section 20 notice*' is a notice that tells you we intend to carry out work to your building or provide a service that leaseholders/shared owners must pay towards under the terms of their lease. There are a minimum of two section 20 notices that you will receive. The first notice will provide you with information about **what** we plan to do; the second notice will provide you with information about **how much** it is estimated to cost and **who** we plan to appoint to do the works

You'll have the opportunity to send us your observations and comment on what is being planned. Each service or separate element of work will require separate documentation so it is possible that you could receive multiple notices for your building.

Managing the costs

We don't yet know the potential costs for your building. Some buildings may need extensive repair works whilst others may only need small modifications. If significant work is needed, indications are that in some cases it could come to tens of thousands of pounds.

We won't be charging you for any costs we incurred outside the Section 20 as per the terms of your lease.

We understand that these costs could put a strain on your personal finances. As well as asking government to pay for the cost of works, we are lobbying them for support in making any leaseholder payments more affordable – for example through low cost loans – and exploring how we could offer payments spread over a longer period than our current offer of 12 months.

We will commence the Section 20 process in line with the statutory timescales required to ensure that we are able to charge for the works in the event that we are not able to secure funding from any other sources. When you receive Section 20 documentation it does not mean that our efforts to secure funding from other sources has concluded. Should we receive funding after you have already started paying for remediation costs, this will be proportionally credited to your service charge account.

Working on your behalf

I want to reassure you once again we will rigorously pursue all possible avenues for funding these works to avoid the costs being recovered from leaseholders. We are committed to resolving the situation on your behalf and to seek recovery from the third parties who are responsible for the current building defects. We will also keep the pressure on government to provide the necessary funding.

Next steps

We'll keep you updated regularly on the investigations for your building. We'll also organise 'drop-in' sessions on those developments that are likely to be affected so you can discuss any questions you may have with our staff.



You may also receive the formal *Section 20 notices* over the next few weeks as explained above.

Further information

I have enclosed some frequently asked questions (FAQs). You can also check our website for information about your particular development by going to www.networkhomes.org.uk/your-home/my-block-documents-fras/.

If you have any queries on this letter, you can call our Contact Centre on **0300 373 3000**. Should your query relate to the technical investigations for your building or the planned works, it will be referred to a member of our Building Safety Team (buildingsafetyteam@networkhomes.org.uk). For Lease and Payment queries, they will arrange for a member of the Leasehold team (leasehold.services@networkhomes.org.uk) to get back to you.

Yours sincerely

A handwritten signature in black ink, appearing to read "David Gooch".

David Gooch
Executive Director of Development

FAQs

Why are we writing to you?

The government issued a series of fire safety advice notes to building owners and managers of tall buildings (buildings 18 metres or above) since the summer of 2017. This was consolidated into a single advice note in January 2020.

If you want to read this consolidated document, please visit:

www.gov.uk/government/publications/building-safety-advice-for-building-owners-including-fire-doors.

As a result, building owners across the country have been following this advice and carrying out investigations into their tall buildings.

This advice requires us to check the external wall system on our tall buildings which means we need to verify that:

- the correct materials were used that met regulations at the time of construction
- these materials were installed as recommended by the supplier/manufacture
- these materials have been maintained as recommended by the supplier/manufacture.

This is not specific to your development; it affects all owners of tall buildings whether they are housing associations, councils, private companies or organisations operating in other industries including hospitals, hotels, schools and colleges.

Our intention is to pursue third parties to recover the costs for any mistakes they made while the building was being constructed. This could include developers, contractors, professional advisors and building inspectors. We will also investigate the building warranty to determine if it offers a route to recover some of these costs.

In addition to this we have been making a case for financial support from central government. The government has provided financial support for residents who had the same cladding as that on Grenfell Tower and we are pressing them to extend this to cover other defects in external walls. We will continue to make this case to government.

How are we going to satisfy the requirements of the government advice?

What are we doing?

We have a programme of works for all our tall buildings and these follow a similar pattern which is summarised below:

1. A desktop review – looking at all the relevant documents and certification when the building was built to check the products used were suitable.
2. Site inspections – removing part of the cladding to check the products used and if they have been installed correctly. The inspection will require scaffolding or the use of mobile access equipment.
3. Investigations after the site inspections – after the site inspections we may need to liaise with the original builder, the design team and manufacturers to fully understand the findings.
4. Forward plan – once the investigations are complete, we will prepare a plan for your building and put appropriate measures in place. We will share this plan with you.

Who are we working with?

We have commissioned experienced Chartered Building Surveyors to lead the inspections and advise us. We are also seeking specialist advice from Chartered Fire Consultants where we need it and where an issue is identified, we will be in dialogue with the Fire Brigade.

I have heard you need to do a BS8414. What is this and when will this test be undertaken?

One way of demonstrating compliance with the government advice is to carry out a BS8414 test. This is a British Standard test, which will demonstrate the performance of the external wall in the event of a fire. This test involves constructing a mock-up of the external wall in an accredited test centre. The wall is tested by lighting a fire and measuring how the wall performs.

When we have the results of our investigations we will know if a BS8414 test is required.

What could the test show?

The test will have one of two outcomes – either the wall passes, or it fails:

Pass: If the wall passes the test, our Fire Consultant will review the test results and, if they are satisfied, they will issue a report to that effect. This will include an EWS1 Certificate which lenders require to advance mortgage loans.

Fail: If the wall fails the test, we will write to you to explain what we intend to do to:

- Ensure the building remains safe to live in and
- To remedy the situation. It is likely this will require physical remedial works.

How long will all this take?

Our investigations will take between three and six months depending on the complexity of the development. If a BS8414 test is required, we will have to book a slot at an accredited test centre. This will take between three and six months and the need for a test will become apparent in our investigations.

We will communicate the results of our investigations and any test results to you when we have them and let you know about next steps.

Does this affect the existing Fire Strategy?***How does this affect the Fire Strategy/ Fire Risk Assessment (FRA) for my block?***

Until the investigations are complete, your existing fire strategy, which is commonly referred to as 'stay put,' and your FRA remain valid. We are updating the FRA for each of our developments as information comes in from our investigations. Please familiarise yourself with what to do in the event of a fire in your block, you can check our website for information about your particular development by going to www.networkhomes.org.uk/your-home/my-block-documents-fras/.

What am I allowed to store on my balcony?

Please remember items such as barbeques or patio heaters should not be used or stored on balconies. These items are a serious safety risk and are prohibited. Please notify us if you are aware of any such items being stored on balconies.

We also recommend people do not smoke or store combustible materials on balconies or in any communal areas. For example, recently a small fire in one of our properties was caused by smoking on the balcony.

Fire safety is the responsibility of the building owner as well as the residents!

Can I store items in the communal area?

We have a zero-tolerance policy on items left in the communal area – these can be a hazard if there is an emergency evacuation. We will remove any items left in communal areas and corridors.

What happens if the Fire Strategy changes?

If the investigations indicate that remedial works are required, we will seek advice from a Fire Consultant on the Existing Fire Strategy. If the Existing Fire Strategy poses a Health and Safety risk, the Fire Consultant will design an Interim Fire Strategy. This may change the existing ‘stay put’ strategy to an ‘evacuate’ strategy. If we need to do this for your development, we will write to you with specific instructions on what to do in the event of a fire. It is likely this will involve the installation of a Waking Watch and a Fire Alarm.

What does a Waking Watch do?

The Waking Watch patrol buildings to look for signs of smoke or fire. If they spot anything, their job is to alert you using an audible alarm and by knocking on doors. The presence of a Waking Watch does not mean your building isn’t safe.

Where a fire alarm is also installed the role of the Waking Watch will be scaled back and they will be there to assist residents if they need to evacuate the building.

Please note, the Waking Watch are not security or neighbourhood staff, and therefore don’t deal with other housing issues such as intruders or anti-social behaviour. If you see something else that needs reporting, please contact us in the usual way.

What does the fire alarm do?

In the event that your building is deemed to require a fire alarm, fire alarms will be installed in each property. It will comprise of heat detectors and an audible alarm and will be triggered if the temperature in an individual property goes above a minimum level.

What do I need to do if the Fire Strategy for my building changes?

If this happens, we will write to you with explicit instructions on what to do in the event of the alarm being triggered. We recommend you review these instructions, so you are familiar with what action to take in the event of a fire or a fire alarm.

What happens if I want to sell or remortgage my home?

Can I sell my property?

Some of you may have experienced or be aware of issues with mortgage lenders being reluctant to lend to leaseholders in tall buildings.

Lenders now require a building owner to produce an additional certificate (EWS1). Where we need to appoint a Chartered Fire Engineer, part of their appointment includes the provision of an EWS1 Certificate.

We will try to obtain this certificate on your behalf as soon as possible and once it’s finalised make it available to you.



If you are trying to sell your property, then we also advise you to speak to an Independent Financial Advisor familiar with the current mortgage market for high rise blocks of flats.

Should I advertise my property if you've told me it needs an investigation, or the investigation is ongoing?

Ultimately the decision is yours. We cannot advise you what to do, however we do want to make sure you are informed of all the facts about your property. You can speak to an independent financial advisor, but again this may come at cost to you and we will not be able to reimburse you.

Are any properties within my development able to sell?

In our experience mortgage lenders will treat all properties on each development in the same way.

Can I re-mortgage my property?

In our experience your existing lender will allow you to switch to a new 'product' from their portfolio.

However, if you want to switch lender, we would advise that you speak to an Independent Financial Advisor familiar with the current mortgage market for high rise blocks of flats.

What if my property value has decreased?

Property valuations are affected by various factors outside of Network Homes' control. We do not insure against a decrease in property values.

Can I let my property whilst the remedial works are being carried out?

Please contact us if you wish to let your property and we will assist you. We also recommend you inform your mortgage lender.

What happens if I advertise my property, but then I find out my building does have some problems with the cladding or external wall system? Will I get compensation for any costs?

If you decide to advertise your property, you may begin to incur costs. If this happens, Network Homes will not be liable to reimburse any cost you may have incurred.

What happens if I'm a shared owner and/or I want to staircase (buy more shares in my home)?

Can I staircase my equity in my property?

This will depend on your personal circumstances. If you are funding the additional equity from your savings, you are free to staircase.

However, if you require an additional loan to finance the purchase of the additional equity, we recommend you discuss this with your existing lender before deciding what to do.

What if I want to sell my property and then change my mind?

If you begin the resale process and later decide that you no longer wish to proceed all you need to do is let us know. We will then be able to remove your property from our website and let any potential buyer/s know that the property is no longer available for sale.

What happens if I advertise the property and the nomination period ends?

Once your nomination period has ended you will be free to advertise your property on the open market. Please note that if you decide to proceed with an agent, you will need to clarify their fees with them directly. We also recommend that you inform your chosen agents of the status of your building investigations in order that any potential buyers can be made aware from the outset.

Who will pay for any interim measures and any remedial works?

We appreciate this may be worrying and we want to reassure you that, as stated above, we will actively pursue all other possible avenues for funding these works to avoid the costs being recovered from residents.

If we are unable to secure alternative funding, we may need to consider recovering the costs, or part of the costs, from residents as part of the service charge. To do this we are required to go through a statutory consultation process and/or, where relevant, apply for dispensation where costs have already been incurred. This process is commonly known as the Section 20 process.

We will be in touch with further information, including a full explanation of the Section 20 process, when the position is clearer.

How much will all this cost?

Whilst we appreciate it is frustrating for you, at this time we do not have an accurate cost estimate that we can share with you.

However, we can confirm that Network will not seek retrospective recovery of costs incurred to date, such as if your building already has a waking watch.

We are also investigating ways in which we may be able to allow residents to pay any costs over an extended period.

We will write to you again on this when the position is clearer.

Keeping you informed

How will Network Homes communicate with me?

We will continue to write to you to keep you informed of how this matter is progressing. We're also gathering email addresses so we can do email updates – please email us with your name, address, phone number and email address on customerservice@networkhomes.org.uk.

Have a question?

If you have a question about these investigations on your block, or something else to do with fire safety, please contact our building safety team on **0300 373 3000** or buildingsafetyteam@networkhomes.org.uk.

If you have a question about your lease, or the S20 process, please contact our leasehold team on **0300 373 3000** or leasehold.services@networkhomes.org.uk.