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Paper 4

ARMA response:

Phase 2: private sector - areas for consideration:

1. How has the private sector responded to concerns about fire safety in high rise residential blocks?

As the leading trade association for residential block managing agents, ARMA has been very active in its response. It raised the matter of the practical difficulties in the private leaseholder sector with respect to payment for remedial works direct with the Secretary of State within two weeks after Grenfell. The UK Government's stance that landlords were responsible for the safety of their leaseholders is correct, but the Government did not understand at the time that the responsibility to pay would most likely legally fall upon leaseholders and that the latter would therefore be liable for considerable sums. ARMA conducted a high-profile media campaign on National TV and Radio to raise awareness of the matter.

ARMA also founded the high-rise fire risk group and invited all managing agents, whether ARMA members or not to take part. The group is chaired by ARMA and meets monthly, sharing best practice, acting as a conduit between firms and the Government re concerns, ideas and communication. The group also provided ARMA with details of affected blocks, waking watch and remediation costs and number of leaseholders (5,700 in the UK). ARMA has provided this information on a confidential basis to MHCLG to allow a more accurate picture of the scale of the issue to be made.

ARMA is still active with the MHCLG and Secretary of State and is a member of the ongoing team trying to find ways to relieve leaseholders of the burden of remediation costs.

2. What is the extent of remedial work that needs to be done to meet fire safety standards in Wales, and what arrangements are in place to cover the costs?

In Wales ARMA members only have two sites, Quayside (73 units) and Prospect Place (983 units) in Cardiff. Latest estimates for remediation are £125,000 and £1,500,000 respectively. In addition to remedial works for Prospect place the waking watch costs are £1,600 per week which

was not removed until the fire alarm upgrade was completed. Bellway, the developer, paid for the waking watch to the end of April, until the enhanced alarm system went live. The enhanced fire alarm system works was also paid by Bellway. The upgrade comprised of individual sounder/heat detectors installed in each individual apartment, that operate on an interlinked fire alarm system. A simultaneous evacuation is now in place.

3. How are leaseholders / residents in Wales being informed about recent developments and reassured about fire safety measures in their block? More broadly, to what extent are residents' views about fire safety being listened to and addressed.

Leaseholders have been kept informed by letters and residents' meetings. The MCL have regular meetings with the Property Manager, and Bellway have recently started to attend these meetings with their updates on the NHBC investigations and design of an alternative cladding system.

4. What, if any, additional practical or financial support is needed from the Welsh or UK Governments to help ensure high rise blocks are safe.

The whole question of leaseholder funding needs addressing as this is causing uncertainty and distress (both financial and emotional) to leaseholders and people are having to live in potentially unsafe buildings with their families. The role of Building Control in approving the materials placed upon the blocks needs to be taken into consideration as leaseholders are being asked to pay for major works that are not their fault. So far there have only been a handful of cases where the liability has been determined through the courts and in each case the leaseholders have been found to be liable. There is some push for the landlords to assume the liability as a goodwill gesture but in many cases the landlords were not responsible for the original construction and only have a minor interest in the building. Each building will have a different lease and hence each building will have to go through the courts for its own determination as to who pays.

The key issue here is time, as leaving the leaseholders to spend time and money going through tribunals, appeal and courts for a verdict they are likely to lose is not reasonable. The Welsh Government should step in to provide the financing for the cladding works and, if it wishes, to recover these from responsible parties in due course. By so doing at least the buildings will be rendered safe for the leaseholders in the shorter term.

It would also be helpful for the private sector to know the scope of the Welsh governments proposed inquiry. Is compartmentalisation to be considered? What other building materials other than ACM are under scrutiny. How will the issue of flat front fire doors leading onto communal areas be addressed?