

UK: Private landlords refusing to remedy Grenfell-style flammable cladding

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In the wake of the Grenfell Tower fire, national tests found that the cladding of over 220 high-rise properties was dangerous and must be replaced. Flammable cladding and insulation played the major role in turning a small fire in a fourth-floor kitchen into a raging inferno.

While most properties tested were social housing, nearly 80 are privately owned.

In August, the Citiscape complex in Croydon, South London was tested by the Building Research Establishment. It failed the test and the managing company, First Port Property Services, was told the cladding must be replaced.

In November, the cost of the work was estimated at around £500,000 but a more recent estimate put the cost at almost £2 million. The management company did nothing about the cladding but employed a fire warden patrol costing £4,000 a week.

The freehold of the property is owned by Proxima GR Properties, which in turn is owned by the Tchenguiz property trust. Vincent Tchenguiz, a beneficiary of the trust, is a multi-millionaire with a 165-foot yacht moored in the Mediterranean.

According to the Freehold Sale website, under Landlord and Tenant Law freeholders are responsible for the repairs and maintenance of the structure of a building. However, Proxima GR Properties are refusing to meet the costs of replacing the cladding or even the costs of providing the fire safety warden service.

The owners of the 95 flats within the complex are being asked by First Port Property Services to pay the full costs of replacing the cladding. First Port sent out two letters to residents stating they will be billed for the costs of recladding through the regular service charges. Each of the flat owners is being asked to pay out between £13,300 and £31,300.

Speaking to the press one resident, Alexandra Blanc 37 who has lived there for four years explained, “This situation is getting out of control. I received a letter telling me I have to pay more than I earn in one year’s salary in six week’s time for something I am not even responsible for. I am very worried about the prospect of losing my flat. I have contacted estate agent to try and sell it but they told me this flat will never sell under those circumstances.”

A 95-year old also received a letter asking him to pay and yet his only income is his state pension.

Speaking last month, the Housing, Communities and Local Government Secretary Sajid Javid said, “All of the local authorities and housing associations with whom we are in discussion have indicated they are choosing not to pass on the costs of recladding to individual flat owners. In the private sector, as in the social sector, it is for the responsible person to take the necessary steps to ensure the safety of residents.”

According to the Residential Landlords Association, which gives advice and information to private landlords, the landlord would normally be the responsible person. While the government may say it would like the landlord of such properties to foot the bill for replacing cladding, it has no powers to enforce this. A property tribunal has been arranged for February 6 at which First Port will argue leaseholders should be held liable.

Nova House in Slough is a seven-storey block of 68 privately-owned flats. The freeholder is Ground Rent Estates 5 Ltd, in which Robert Steinhouse is a director of 91 companies and has a controlling interest. The company has been receiving £250,000 a year for ground rent and service charges. The cost of replacing the flammable cladding and upgrading internal fire safety equipment at Nova House is estimated at £4

million, and individual leaseholders have been sent bills for at least £14,000 by the Ringley Group who manage the property.

A Ground Rent Estates spokesman, speaking to the *Slough and South Bucks Observer*, said, “An insurance claim is currently being pursued to replace the cladding... In the event of an unsuccessful insurance claim [residents] will be liable for the costs to replace the cladding and other works.”

The Slough borough council is currently negotiating to take control of the freehold for a nominal price. In a *Guardian* article January 18, Mohammed Nazir, Labour councillor and member of the corporate finance and housing cabinet stated, “We simply do not believe the current freeholder has the capacity to do the work that is needed to safeguard the safety of residents.”

If the deal does go ahead it would mean a subvention to a private company by the taxpayer so that the wealth of individuals such as Steinhouse is left untouched.

The cost of the renovation work would come from the council’s capital budget. The council has seen a £19 million cut in its budget over the last three years and spending on Nova House will mean cuts elsewhere.

The Association of Residential Managing Agents (Arma) said leaseholders in many high-rise properties across the country were in a similar position and could face huge bills.

Arma chief executive, Dr Nigel Glen, told the *Guardian*, “The government has suggested that landlords should pay for the works but there is no suggestion that anyone has acted inappropriately or cut corners, rather building control approved and signed off the various types of cladding at the time and have only now tested these very systems and found them unsuitable.”

Arma is proposing the government offer leaseholders interest-free loans to carry out any necessary recladding work.

It seems more likely that working people may end up bearing the costs.

Glen states that building control regulations were upheld in the cladding of high-rise buildings and so landlords should not pay for any refurbishment. However, following Grenfell, the government ordered a review of building regulations led by Dame Judith Hackitt. The review’s interim report published last December concluded such regulations were not fit for

purpose.

The report highlighted the impact of privatising building inspection, noting “concerns [that] third-party inspections are open to abuse... with growing levels of mutual dependence between developers and contracted inspectors.”

It concluded, “[T]he whole system of regulation, covering what is written down and the way it is enacted in practice, is not fit for purpose, leaving room for those who want to take shortcuts to do so.”

Inside Housing, the trade publication covering social housing, wrote on January 4 that “a large-scale national programme of work... is putting pressure on the capacity of the building industry across the supply chain... everything from fire specialists, lead-in times for the delivery of materials... as well as the planning and building control process.” It called for a “national, co-ordinated response to ensure that resources are directed strategically and buildings most at risk are prioritised.”

Some companies are cashing in on this pressure on the supply chain. A *London Evening Standard* article of January 19 noted, “Companies were accused today of cashing in on the rush to make tower blocks safe as it emerged they are hiking charges for materials and work.”

Wandsworth Council was told work for recladding a tower block in Southfields would cost £5.5 million when the job was commissioned in October, but now the cost has been increased to nearly £10 million—a near doubling in just three months.



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