

Welsh Cladiators

Submission to Welsh Local Government and Housing Committee

February 2022

As a group representing many hundreds of Welsh citizens caught up in the Welsh Home Fire Safety Crisis, we submit a:

- *Series of concerns about the Welsh Government's management of the crisis*
- *Request to urgently appear before the Committee.*

At the outset we would also like to stress that most homeowners have no desire to receive tax-payer monies to resolve this crisis. Many are of the clear view that it is the developers and builders who are responsible for remediating their seriously build and fire defective homes. However, in the light of the continued failure of those responsible to accept responsibility and accountability we look to the Welsh Government to urgently support us.

Our Concerns

1. In June it will be five years since the shocking Grenfell Fire Tragedy that resulted in the deaths of 72 innocent people.
2. The crisis initiated what has since become recognised as a systemic failure of the home building and government, local authority, regulatory regime
3. Millions of innocent victims who did everything right are now facing 24/7 financial and mental health pressures as developers continually seek to evade responsibility and accountability for the crisis. The impact of real lives is seriously underestimated.
4. Housing is a devolved responsibility in Wales. We are seriously lagging the UK Government when it comes to proactive & detailed plans to respond to the crisis.
5. From the outset of the scandal the Welsh Government Minister & responsible Julie James insisted that there was very little the WG could do to force developers to remediate their fire and build defective homes. Instead, Ministers made endless appeals to the moral responsibility of developers. At the same time Minister Julie James has constantly complained about how "terribly complex" the crisis is.
6. Like the Welsh Government, the UK Government and Minister Robert Jenrick's initial response was poor and subject to intense media scrutiny and victims / public criticism. The appointment in late 2021 of Michael Gove as the new Minister has resulted in a more robust and assertive approach to the failure of developers to remediate. A developers levy and series of punitive measures and sanctions have been proposed should developers fail to resolve the issues. This includes changing

the law on time limitation periods to allow leaseholders to make claims against developers. Whilst there is still much to be proven with Michael Gove's approach it represents a significant improvement on past efforts.

7. In contrast to England, in devolved housing Wales we still have no Welsh Building Fund that victims can access. Minister Julie James has announced a Building Survey and Passport Scheme that will seek to prioritise developments. A timetable and details of the scheme together with a future Welsh Building Safety Fund remain undefined and adds to the sense of frustration and despair facing many Welsh victims.
8. The Welsh Government has however been funding remediation in social housing developments – one of which (Aquila House) sits just four minutes' walk from the Senedd and was built by Laing O'Rourke. Alongside the same development is the 457 homed Celestia private development, built at the same time by LOR. Leaseholders have been battling with developer Redrow and LOR since 2010 to repair major build and fire defects. It is expected that without WG support leaseholders will have to take legal action against the firms involved. Will the WG be seeking to sue Laing O'Rourke to recover the costs of remediating their social homes sector?
9. Welsh victims have consistently been calling on the WG to find ways to sanction developers who have been benefiting from the massive house building boom in Wales. The same developers are responsible for many hundreds of build and fire defective homes in Wales. For some two and half years Minister Julie James has said she was taking legal advice. In contrast, as well as changing the law, Michael Gove has gone as far as suggesting "putting some developers out of business" should they fail to address their past defects. The contrast in approach between Wales and England is self-evident.
10. Many developments in Wales have already spent tens of thousands of pounds on intrusive surveys. They know what fire and build defectives exist. What they require is not a Building Passport but a WG backed home safety funding scheme so they can get on with the remediation. Failure to do so will only increase the pressure of the crisis:
 - a. Homeowners will be subject to massive increases in building insurance and wakening watch schemes if works are not undertaken
 - b. Legally enforceable Fire Enforcement Notices (FENs) will remain in place
 - c. Homes cannot be bought or sold except to distressed cash investors at less than 50% market value
 - d. Homeowners will receive enormous service charge increases to cover the costs of remediation. This is already happening in Wales. This will lead to bankruptcy for some distressed homeowners
 - e. Without sufficient funding homes will remain defective and unrepaired – the crisis will continue!

11. The Welsh Government has announced a scheme to assist seriously distressed homeowners by purchasing their property and renting it back to them. But this will help only a very small number of victims. In turn the WG will need to decide whether to rent out homes that are not remediated as well as being expected to pay for the remediation of homes it has purchased. The proposal shows a lack of understanding of the gravity and scale of the crisis.
12. We have also been advised that when a WBSF is established it may take up to some twelve months before a system and process can be put in place to administer and distribute months. Many worry that it might not be until the end of 2023 that funding is made available!
13. We perceive a lack of urgency on the crisis by the Welsh Government. Various victims' groups have made positive suggestions such as the provision of Govt financial assistance – perhaps provided by the Development Bank of Wales- as one easy way of getting things moving. We have not received any response to such sensible plans.
14. Throughout the crisis victims have had to deal with a lack of Welsh media coverage and political support. Shockingly key elected representatives in Cardiff Bay have been passive in their approach to supporting victims. The contrast between UK Labour and Welsh Labour has been a source of constant frustration for victims. In the lead up to the March 2021 Welsh elections victims' groups appealed to leaders of Welsh Labour and Plaid Cymru to ring fence any future UK government monies for Welsh home fire safety victims; previous monies having been spent on Covid. Both parties declined to make such a commitment. The whole response of the Welsh political establishment to this crisis remains a source of mystery.
15. It is also clear that victims have been caught up in a devolution squabble between Cardiff Bay and Westminster over consequential finding that has resulted in delays to dealing with the crisis.
16. Welsh victims currently have no formal mechanism by which they can communicate with the Welsh Government. Appeals to Minister Julie James to set up a Welsh Zoom call and a consultation channel have not been addressed. In contrast victims in England meet regularly with a range of Westminster and UK Govt groups and Ministers. We know that the WG is also regularly meeting with other stakeholders involved in the crisis. This is unfair to the thousands of Welsh victims.
17. The plight of Welsh home fire safety victims is a stain on the Welsh Government. Many hundreds of build and fire defective homes are within a few minutes' walk of the Senedd. It is shocking that such a large group of decent, hard-working, and totally innocent homeowners are being left to carry the burden of this crisis on their own.

Our Request

We politely appeal to the Committee to appear before it at the earliest opportunity so that we can publicly raise and discuss our concerns on the crisis. The lack of urgency and the shocking impact on the mental health and lives of many decent people cannot be allowed to drag on for several more years.

With regards

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