

Dear Chair of WG LGHC

You may recall that we appeared before your committee in early March 2023. You subsequently attended the Celestia development to examine the after effects of a serious fire that took place in Vega House, Cardiff Bay on the 29th February 2024 - (your visit with former LGH Committee Member Sam Rowlands was on 21 March 2024)

Shockingly, since our last meeting with your committee and your visit, all our developments still await the commencement of any fire or building safety remediation. We will soon be approaching the eight years remembrance of the shocking Grenfell Tragedy. You may be aware of the recent UK NAO reports that reported thousands of innocent fire cladding victims may have to wait until 2035 to see their buildings made safe.

Last week on the 5th November after repeated appeals, Welsh Cladiator representatives from three major developments in Cardiff Bay and Swansea met with the new Housing Minister Jayne Bryant.

We attach a presentation we provided to the Minister. It lists many of the critical challenges facing all private sector developments in Wales. We posed a number of important questions to the Minister. We are awaiting an urgent response. Disappointingly, you may recognise some of the same questions we discussed with your Committee back in March 2023 - for example the continued absence of a Welsh Victim's forum.

Redrow and Celestia

In parallel to the above developments, another new and disturbing development has arisen in the last week involving the long running building safety crisis at Celestia in Cardiff Bay.

On 9th April this year Redrow advised the WG and the Celestia Management Company Limited (CMCL - Whose directors are elected by leaseholders) - that under the terms of the WG contract - that they would remediate the serious fire defects at the development.

Redrow also agreed to replace all the defective and failing render under the same contract. CMCL and the WG were advised the project would take two years to complete. Since April, Redrow has consistently reported to CMCL and WG that the project was on track. Meanwhile we understand CMCL have co-operated fully with Redrow in allowing access for their experts to attend the site and prepare for the project.

Within the last month we understand that CMCL became concerned about a lack of information from Redrow. We know that worries were expressed about important deadlines. So, on 23 October the WG held a meeting with both CMCL and Redrow. **During the meeting Redrow announced that the remediation project was now scheduled to take 2.5 years! This frankly blind-sided CMCL. It was also a surprise to the WG.**

Two days later, CMCL, when meeting with our Freeholder (FHML) learnt to their absolute astonishment that Redrow had advised them that the Celestia remediation would take three years! We know that documentary evidence of the three year plan has been viewed.

So towards the very end of the agreed planning phase and in the space of just two days Redrow advised long suffering leaseholders that a two year project is now going to be three years!? It is also clear that Redrow knew about the three year plan when they met the WG and CMCL on the 23 October! Incredibly we also understand Redrow plans do not prioritise

Vega House which is the tallest building in the development and which as you know from your inspection of the fire has been subject to SWFRS Fire Enforcement Notices.

We understand that the CMCL board have repeatedly asked Redrow to share the three tenders that they secured from contractors to undertake the work. Quite simply, leaseholders want reassurance that Redrow has not selected a longer term work tender because it is cheaper. Bearing in mind leaseholders have been battling Redrow since 2010 on their building and fire defects.

We have also been advised that when CMCL approached the WG to ask Redrow to assist they were met with a tangible level of reluctance and the suggestion that perhaps leaseholders should just get on with it!

So we believe this is a case where the WG must stand firmly behind long suffering Welsh leaseholders and request that Redrow share their tenders to reassure leaseholders. Can you imagine inviting three builders to work on your home and not being allowed to see all three bids?

On Wednesday evening of this week over 110 leaseholders attended a CMCL Zoom briefing on the situation. Whilst all leaseholders want real progress they are naturally outraged that Redrow is failing to provide information that is readily available at the press of a button. It is a simple test of transparency and openness.

We also attach a slide that details the critical time lines and issues existing between Celestia and Redrow - this was presented at last Tuesday's Celestia Leaseholders Meeting

Given these continued developments we request that we be given an urgent opportunity to appear before your committee to set out our continuing struggles and concerns about developers' actions - or lack - in Wales. We desperately need a stronger and more interventionist WG response to this crisis. Lives are currently being thrashed and ruined by this scandal and yet developers are allowed to dawdle along in their responses. Something urgently needs to change as Welsh lives remain at risk. People want their lives back!

We look forward to hearing from you at the earliest opportunity.

We assume that as a matter of public record, this email appeal and attachments will be circulated to all members of your committee. Could you kindly confirm that our assumption is correct.

Diolch yn fawr

Rob Nichols and Mark Thomas Welsh Cladiator Leads

Recent CMCL Timeline 2024

Barratt's merger with Redrow was confirmed in early October. Redrow continues to operate as a branded entity



At meeting Redrow advised remediation would now suddenly take 2.5 years!

2 days later Redrow then revealed a programme of remediation taking 3 years!

Proposed programme also does not prioritise Vega House - The Celestia block most at risk. We were previously advised it would be prioritised.

CMCL board - Situation is unacceptable. We need to establish whether or not another contractor bid for a two years contract.

9 April 30 April 7 June 6 August 9 August 23 October 25 October 29 October

CMCL Receive Letter from Redrow

Case Mgt Conference
Directions to Trial

CMCL Meet with Walker Morris Leeds

CMCL Meet with Redrow WOP Cardiff Bay

CMCL EGM

CMCL Meet with Redrow & WG
(CMCL concerns over possible delays)

Celestia Board have written to Redrow & WG asking to see all three tender submissions

Redrow served their defence to our legal claim. Incredibly they are continuing to deny any liability for Celestia's fire & build defects

Redrow BST & their external experts allowed full access to Celestia to prepare plans & proposals to remediate (3 Companies tendered) - Advised throughout by Redrow BST that project was fully track for two years remediation

Redrow are also seeking to push back the trial date to late 2026

Period of intense expert & legal works relating to our claim against Redrow

Part of their continued strategy to wear us down

Welsh Cladiators

Meeting with Welsh Government
Housing Minister, Jayne Bryant

5 November 2024

1015 -1045

Welsh Government Offices, Cardiff Bay



Diolch yn fawr

- Joanne Lawler – Welsh Government BSG for her continued engagement & support
- Our Members Today:
 - Marc Harries Victoria Wharf Cardiff Bay
 - Peter Larwood Victoria Wharf Cardiff Bay
 - Geoff Spight Altamar Swansea – Chair Of Management Company – remote
 - Mark Thomas Celestia Cardiff Bay – Chair of Celestia Management Company



Welsh Cladiators Fighting For **116-125**

*Welsh Victims Demand Same Legal
Rights as Fellow English Victims*

The landscape that faces innocent Welsh victims



- Many belligerent parties
- Massively complex - regulatory & legal
- Weak political support
- Time consuming
- Under-regulated
- Financial feeding bonanza – increased fees, charges everywhere
- Inter-dependent parties
- Many very reluctant players
- Highly political – vested interests – many self-oriented agendas
- Huge imbalances of power
- Incredibly a lack of historical data, records
- Low industry standards compared to other sectors – aircraft, motor, pharma

Estimated 600,000 people trapped in unsafe apartments across UK

The Welsh Lived Experience



Alarming fires in cladding hit Cardiff Bay building

Bruce Sinclair A building in Cardiff Bay affected by the building safety scandal in the wake of the Grenfell disaster...

No comments.



Welsh Government criticised for failing cladding and fire safety victims

The Welsh Government has been criticised for failing to put pressure on property developers to contribute to fire safety remediation...

No comments.



Cardiff's victims of the cladding and fire safety scandal remain in limbo four years on

Alfreda Jones A local democracy reporter Four years after the Grenfell Tower fire exposed widespread fire safety issues in buildings across...

No comments.



Recladding of council high rises set to make further progress

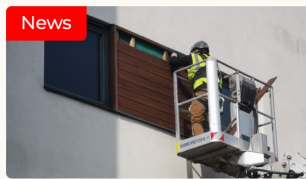
Ted Peskett A local democracy reporter The recladding of more council high rise buildings is set to make further progress four years...

No comments.



Welsh Government criticised for delays in revealing details of cladding remediation data

Ted Peskett. local democracy reporter



Developers who fail to put right fire risk homes must face penalties, says MS

Martin Shipton The Welsh Government



Developers to foot bill for cladding repairs at luxury development

Dale Spriddeon. local democracy



Council set to back new recladding fund scheme

Ted Peskett, local democracy reporter Cardiff Council is set to lead on a new

- Blame games between developers and freeholders resulting in long disputes and delays- victims suffer!
- Crisis is being “managed” by MAs & Developers with victims’ voices on the periphery. Yet victims pay!
- Many MAs do not enjoy confidence of victims – Competence & Client Focus?
- Buildings cannot be made half-safe – the fire defects versus building defects. PAS 9980 “proportionality” but still extortionate insurance risks – “people v buildings agendas”
- PAS 9980 – highly subjective – experts opinions differ – increasingly an issue in England!
- Victims getting fed up with individual expert opinions & judgements – need for clear regulation, rules and laws
- **Victims also dis-enfranchised by lack of local political representation**

The Major Challenge

In Wales as in England there is a distinct lack of developer speed & urgency – unlike their new house building programmes.

54. In my view, whilst it may not necessarily be a "trump card" in every situation, the need for speed will be a significant factor in any decision to allocate funding under the BSF. That is because the whole basis for the BSF was the need urgently to address the cladding issues revealed by the Grenfell Tower disaster. That is why, as set out in the italicised passages at paragraph 4 above, the objective of the BSF is to resolve the problems "quickly", so that residents were and felt safe "now", and why it is said that the problems will be addressed "as quickly as possible". The need to act with speed is therefore baked into the whole rationale for the BSF. So here, whilst it was never suggested that it was a "trump card", speed was an important factor for the respondent to take into account when considering whether the interested parties had taken all reasonable steps in pursuing others, and when taking the decision of 26 August 2022.

Lord Justice Coulson in Court of Appeal case: Redrow v Sec of State (DLUHC) 21 May 2024

The Forgotten Human Cost

- Financial – experts and legal fees run into hundreds of thousands of pounds that are damaging lives
- Emotional – Mental & physical health – 24/7
 - Battling on so many fronts – developers, freeholders, managing agents, regulators, insurers, lawyers, insurers, technical experts, politicians, WG
- People are stuck – they cannot sell or move on
- Time – the years drag on, can never get back lost time – approaching eight years post Grenfell
- All done with zero back up – resources or capability
 - Leases are a condition of sale and are designed to disempower leaseholders in the face of both developers and freeholders' agendas – ref Victoria Wharf Case
 - Developer attitudes results in little trust



Private developments in Wales are struggling:

- Altamar, Celestia, Victoria Wharf, Prospect Place, Castle Buildings
- “Glacial progress” - access and licences – freeholders, developers
- Sharing of information – lack of candour and transparency regarding technical reports and surveys
- Victims have to constantly chase – little proactivity
- **Build Quality Issues – *not just fire defects***
 - Some victims have and are reverting to the Defective Premises Act (DPA) – offers a better remedy than WG contract – but comes at enormous cost and risk
 - Structural build issues can in some cases exceed fire defect costs
 - Structure of leases make it difficult for leaseholders to combine efforts and litigate – takes enormous efforts – “deliberately designed” this way
- **Managing Agents**
 - Lack necessary capability and resources – *has emerged from Estate Agents industry*
 - Trust? – Lack of client focus – *MAAs look to recover all costs from leaseholders – little incentive to save money - traditionally don’t seek client feedback*
 - Used to doing their own thing with limited leaseholder engagement - leave it to us to resolve!
 - Currently directing the “leaseholder response with developers!?!?”

NEWS | LONDON

Newham is first council to successfully prosecute building owner for delays in removing dangerous cladding

Newham Council in landmark legal case following order to remove cladding following Grenfell disaster



THE LUMIERE BUILDING IN FOREST GATE

GOOGLE STREET VIEW

TRISTAN KIRK, COURTS CORRESPONDENT @KIRKKORNER
19 OCTOBER 2023

Altamar Swansea Bellway

- As with other developments Bellway rejected liability for any defects until Michael Gove extended the DPA limitation periods from 6-30 years
- Delayed and poor responses from Bellway – dragging their feet – see Mike Hedges October 2024 Senedd Question below!
- Beset not just with serious fire defects but also building defects – Structural steels – an increasing problem across many English sites
- Insurance Premiums escalating from £50k to £85k and many more additional costs.
- Now looking to litigate using the DPA to cover all the defects that are not covered under the WG Contract
- People want to sell up but can't.
 - Lenders won't support mortgages
 - Increased mortgage rates are a huge issue
- Many leaseholders want developers to buy back their properties

Welsh Cladiators WG Housing Minister Presentation 5 November 2024

W News • Latest Wales News • Swansea

The residential development in Swansea found to have serious fire safety breaches

The nine-storey tower has block has a total of 149 apartments

NEWS By **Estel Farell-Roig**, Senior Reporter
18:34, 7 OCT 2019 | UPDATED 14:33, 11 OCT 2019

Bookmark



Enter your postcode for local news and info

Enter your postcode

Go

In Your Area



The Altamar development in Swansea (Image: Jonathan Myers)

ADVERTISEMENT



Eco Experts

Electricians confirm: Solar is only worthwhile if your house has...



02/10/2024 14:12:22 / Mike Hedges

Bellway Homes last September signed a legal agreement with the Welsh Government regarding the Altamar development. The agreement required an independent survey to be carried out, and this was done in February 2024. Bellway only released the survey results at the start of this month. Bellway have since advised that further surveys need to be done on fire doors and structural steel. When can people living in developments like this expect the remediation work to actually be started?

- Long history – back to 2010
- Redrow ran the legal clock down on many defects - failed to declare a collateral warranty at outset – hugely prolonged our crisis with devastating impact
- Serious build as well as fire defects detected (in 2019) – failing render, soil stacks, lack of fire wall barriers
- Flooded dockpath from start of the development
- Serious fire incident in last 12 months
- Michael Gove 6-30 years DPA time limitation breakthrough moment
- Currently in litigation with Redrow – adopting usual developer strategies – continuation of long history of obfuscation & delays – outspending and wearing claimants down
- Trying to progress fire and some core non-fire building defects under WG Bi Lateral Contract
- Currently saw sad death of former CMCL Company secretary – He did not live to see building restored despite battling with Redrow from 2010
- Again, people cannot sell and move on in life
- Massive imbalance of power – Very similar to Post Office corporate practices and scandal

Cladding: Redrow fails to get Cardiff court case dismissed

🕒 4 May 2022



Grenfell Tower fire



| Cardiff Bay's Celestia complex consists of seven buildings containing 450 flats

Leaseholders will continue building a legal case to sue a construction company over building defects after it failed to have the case thrown out.

Redrow contracted Laing O'Rourke between 2005 and 2007 to build the Celestia complex in Cardiff Bay.

Tests found faults including "very poor or non-existent" fire barriers between flats.

Victoria Wharf



- Ineffective & adversarial relationship exists between Managing Agent, First Port and many VW leaseholders- see *following detailed note*
- Considerable efforts by leaseholders to replace First Port have been prevented to-date by the restrictive drafting of the VW leases that require a 75% leaseholder majority.
- Deadlines for remediation mean little – drift is common – see Stephen Doughty announcement in Dec 2022!
- 1 December 2022 – local elected representatives declare that TW have agreed to remediate
- 13 May 2024 – after nil progress - meeting between TW & Freeholder E&M – to discuss licence to carry out works
- 3 June 2024 – Agreement still not signed – WG meeting called with parties to discuss. Only now recently signed!
- **VW is currently spending £750k per year on building insurance and waking watch costs! – around £14,000 per week!**

Welsh Cladiators WG Housing Minister Presentation 5 November 2024

Taylor Wimpey



Stephen Doughty MP · 01/12/2022

Good news 😊 I am delighted to be able to report following interventions from myself @vaughanething @GrangetownLAB agreement reached for fire / building safety remediation works at **Victoria Wharf** to take place at no cost to leaseholders. This is welcome news from @TaylorWimpey



1/12/22 SD Declaration – But still no work at VW

Victoria Wharf – Taylor Wimpey



Major concerns exist amongst VW leaseholders about the original building assessment of Victoria Wharf involving Tri Fire & their lead assessor Adam Kisiak –

- First Port still accept Mr Kisiak's reports as valid because he was an accredited Fire Engineer at the time of the assessment. It is alleged that Mr Kisiak may have since lost his FRA accreditation
- Mr Kisiak signed the original VW reports when he was employed by Oakleaf, a fire engineering consultancy
- Mr Kisiak then set up his own company, Tri-Fire, with his wife in April 2020.
- First Port then took Mr Kisiak as their 'competent person' for fire safety. Many VW leaseholders are concerned about a lack of due diligence. Tri-Fire was a new company, with no real assets and no proven track record.
- The Envirowall system that lays behind the VW building façade has been deemed by Simon Morgan (a VW leaseholder and former senior officer in SWFRS) as low risk and inherently safe. It is alleged that the reports produced by Mr Kisiak were fundamentally flawed. Some VW leaseholders have challenged First Port on these allegations and have been denied a detailed hearing or response.
- Critically the original Kisiak reports have determined the considerable financial outcomes that all VW leaseholders are now living with – the huge costs of employing of fire wardens ... massive increases in insurance premiums ... and all other fire safety matters that are not protected under the Building Safety Act in Wales ... but were in England.
- Many VW leaseholders allege that First Port has an agenda to effectively benefit from the Kisiak's reports and recommendations without explanation or accountability to VW leaseholders.
- Taylor Wimpey are currently conducting their own FRAEW ... the alleged missing 'cavity breaks' from the Oakleaf/Tri-Fire reports are reportedly being found – which highlights the concerns involving First Port and Mr Kisiak's reports

•Adam Kisiak, Formerly Principal Consultant at Tri Fire - now acquired by Phenna Group in July 2024

Challenges – Market Fundamentals

- Many Welsh estate agents are not willing to list many developments despite developers’ “comfort letters”
- Lenders will not lend against defective properties
 - Those that have often demand regular monthly reporting from some leaseholders adding to the pressure on lives
- Impact of blight and loss of property values means many are “locked in” despite wanting to escape the horror show.
 - *The concept of blight, despite being contested by some legal advisers is obviously accepted by the Welsh Government in the terms of its leaseholder bail-out scheme – as purchases are made in a non-cladding crisis context.*
 - *More concerning than any temporary “blighting” effect is the permanent damage to property values that has already occurred – which for leaseholders may dwarf any costs of the original fire defects*

Remediation Works - Leaseholders need to fully safeguard & protect their positions in a low trust environment

- Leaseholders are not party to the WG contract. After many years of battling developers do not enjoy the trust or confidence of leaseholders. We are constantly told by legal advisers that developers cannot be trusted, and that they will seek to do the minimum they can under the Welsh or English Govt contracts – Recent London Barratt Redrow Royal Artillery Quays dispute
- Leaseholders cannot be expected to simply let developers carry out works without any independent expert oversight and inspection – it's naïve and shows no understanding of the very lengthy and adversarial battles that have been fought to secure any remediation agreement
- Leaseholders need to fund their own experts but cannot under the existing law be made to pay for any remediation planning or build costs. However, legal and technical costs result as licenses and works contracts need to be agreed and remediation plans reviewed and monitored.
- In normal development scenarios the Managing Agent would expect to receive a percentage fee of the total project to help manage and assist with the works. This is much needed so leaseholders can secure their own professional services experts to ensure any remediation works are implemented correctly
- Anecdotal evidence from England has indicated that in some remediation projects –e.g. improvements to insulation levels has subsequently resulted in new moisture and damp problems within some developments. There has also been the deeply disturbing Dagenham fire which occurred during a remediation project. We need to be alert to emerging issues.

Key questions for the Minister:

1. What immediate or medium-term sanctions (legal or otherwise) is the Minister considering or willing to take against developers to accelerate the current pedestrian pace of remediation?
2. Will the Minister formally request developers (publicly or privately) to consider buy backs of their properties for distressed leaseholders who desperately need to move on in their lives?
3. Is the Minister able to arrange or facilitate a medium to long-term funding facility (eg Development Bank of Wales) for Managing Agents & Management Companies of Welsh developments to:
 - I. Carry out building works that might not fall under the “life critical fire safety” terms of the WG Contract?
 - II. Fund other long-term building & development improvements?
 - III. Pursue successful legal claims against developers using the broader and more effective remedy of the Defective Premises Act (DPA) – As per the Celestia & Altamar cases?
4. Will the Minister direct her officials to engage with victims ahead of MAs & developers? Will the Minister urgently organise a regular forum for Welsh victims to share their experiences and knowledge? Many of us face the same developer strategies and obstructions. We can benefit enormously by exchanging knowledge and contacts. We have been asking for this forum for several years. The WG has the time, resources and contacts to set up such a forum – we unfortunately don’t.
 - ❖ *Loans could be secured against future guaranteed long term service charges. Currently many Managing Companies have severe lease restrictions on their ability to raise capital for such projects. We know that the Development Bank of Wales lends large sums to property developers in Wales. In addition, the WG provided a £20m interest free loan to developers to help with their cash flow at the outset.*

Key questions for the Minister:

5. When will Welsh leaseholders and the wider public be provided with a detailed developers progress report (encompassing both social and private sector developments) - as is regularly issued by the UK Government. We were promised a detailed report & breakdown earlier this year (PPI Work) and are still waiting for the information. As injured parties to the crisis we have a right to know about developers' progress or lack of.
6. Can the Minister confirm how many Welsh leaseholders have been successful in having their homes purchased under the WG's "bail-out" scheme? How many leaseholders are currently in the pipeline awaiting approval?
7. Can the Minister provide detailed information on the evaluation method by which calculations are produced to derive a fair "non-fire & building safety crisis" market price for leaseholders who are made offers under the WG bail-out scheme?

On behalf of the many
hundreds of long- suffering
residents & leaseholders at
Victoria Wharf, Altamar and
Celestia

Diolch yn Fawr Minister

Thank you for your time today

