

All Residential Leaseholders
Canary Riverside Estate
Westferry Circus
London E14

23 October 2020
SU.pc

Dear All,

Canary Riverside Estate: External Wall & Cladding Issues

Further to last month's cladding update, you may have read in the press how fraught the position is regarding the government's new regulations for the fire safety of high-rise buildings in the wake of the Grenfell Tower tragedy.

There are several dimensions to this national 'crisis' which is the term so often used in media reports. First, the stalling of tens of thousands of flat sales for lack of a compliant External Wall Survey certificate (EWS1) and zero valuations being ascribed to them by mortgage lenders. Second, the dearth of specialist fire engineers qualified and suitably insured to issue such compliance certificates to the satisfaction of buyers and lenders; less than 300 in the whole country by some estimates. Third, the government's gross under-estimation of the grant aid necessary to fund remediation of all affected buildings. By some reports the government's £1 billion fund for the remediation of buildings like ours was underestimated by 75%. Fourth and finally, there are simply not enough qualified remediation contractors in the UK to carry out such works on this massive scale, and yet the government's fund has stipulated that grant works must be commenced by the end of March 2021.

It is not clear how the government intends to address these gaps in funding and logistics. It is entirely possible that they will apply a banding scheme whereby lower income housing is fully funded at the expense of prime estates such as yours. To the extent that some of the remediation costs may possibly fall to be funded by your service charge or reserve funds, I am obliged to serve the attached consultation notice on you all in accordance with Section 20 of the Landlord & Tenant Act 1985 (as amended).

Meanwhile our professional team of fire engineers and surveyors are working as fast as possible on the specification for compliant remediation works, for which competitive sealed tenders will be sought and notified to you in addition to the government's Building Safety Fund office.

Yours sincerely,



Sol Unsdorfer, FIRPM
Section 24 Manager

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Dear Leaseholder -

**Re: Remediation of External Walls to Compliant Safety Standards
Berkeley Tower, Hanover House, Belgrave Court, Eaton House (& Circus Apartments)
Canary Riverside Estate, Westferry Circus, London E14**

Preliminary Notice of works under Section 20 of Landlord and Tenant Act 1985 (As amended)

As you will know from our updates on the cladding issue, we have registered all buildings with the government's Building Safety Fund in the anticipation that funding will be secured for the remediation of unsafe non-Aluminum Cladding Material (ACM) cladding and external wall materials.

The requirement for remediation was prompted by the Grenfell Tower tragedy which gave rise to advice from the Ministry for Housing Communities & Local Government (MHCLG) issued in January this year. This advice, known as Advice Note 14 (AN14), mandated that external wall systems should be of limited combustibility only and satisfy the performance criteria produced by BRE Global as set out in BR135 and be of materials which achieve European Classification A1 or A2-s1, d0. Overall combustibility is assessed not only based on the external cladding finish but also based on the built up and materials (such as insulation) which are behind the façade.

Initial inspections and investigations into the external wall systems and attachments at Canary Riverside have identified the presence of combustible materials within the build-up of external walls requiring remediation. As part of a holistic fire engineering review, further such investigations are being coordinated to assess and inspect the condition of cavity barriers behind the façade. These further inspections may alter the eventual scope of the remediation works but it is expected that extensive areas of the external façade will need to be remediated.

The Building Safety Fund requires that remediation works must commence no later than March 31st, 2021. It is by no means clear or certain that the government will fund 100% of the costs for high class private estates such as this, especially when it has been widely reported that the fund was woefully underestimated. Therefore, and to the extent that there may be a residual cost falling on the service charge/reserve funds, we are obliged to issue this formal Section 20 Notice of intention to carry out the works briefly described in Schedule I below and to state that the works are required for the reasons briefly outlined in Schedule II below.

You are hereby invited to submit any written observations in relation to these proposals, addressed to the manager specified in Schedule III below to arrive no later than the date shown in Schedule IV. Subject to any valid observations received, it is our intention to seek competitive sealed tenders for these works from contractors recommended and evaluated by the professional team of architects and surveyors.

You are invited to nominate, by the closing date referred to above, a preferred contractor suited to this project that you would like to be added to the tender list. A further notice will be served prior to the issue of any order for the works to proceed. This will set out the price quotations received, an update on government funding and any other relevant information for which a further month will be provided to you for consultation purposes.

In order that your comments can be properly considered, we ask you to please be specific in any objections or recommendations. If you do not agree with the works being done, please state why and by what alternative means you consider our client may be able to comply with the repairing obligations of the lease consistent with the new statutory requirements and general good practice. If objections are of a technical nature, you should provide a copy of any qualified or professional opinion supporting your submission.

Yours faithfully



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SCHEDULE I

Works proposed

Removal and replacement/remediation of elements of the external façade, substrate and external wall attachments, that are identified by independent Fire Engineers as posing a potential fire risk and/or are deemed to be combustible and in need of remediation.

SCHEDULE II

Reasons Required

Building owners are required to have an up to date fire risk assessment to assess the potential performance of the external walls in the event of fire. Initial investigations have identified the presence of combustible materials within the build-up of the external walls.

To comply with MHCLG Advice for Building Owners of Multi-storey, Multi-occupied Residential Buildings, we are now required to mitigate the potential risk identified. Failure to mitigate will lead to enforcement action being taken under the amendments currently being made to the Regulatory Reform (Fire Safety) Order 2005, within the Fire Safety Bill 2019-2021.

SCHEDULE III

Address for observations & nominations to be sent

Joanna Sigalov, Compliance Director
Parkgate Aspen Limited
Wilberforce House, Station Road, London NW4 4QE

SCHEDULE IV

Closing Date

27 November 2020

Guidance Notes

In order that your comments can be properly considered, we ask you to please be specific in any objections or recommendations. If you do not agree with the works being done, state why and by what alternative means you consider our client may be able to comply with the repairing obligations contained in the lease and/or statutory obligations such as Health & Safety legislation. If objections are of a technical nature, please provide a copy of any qualified or professional opinion supporting your submission.

The surveyor reserves the right to decline the appointment of any nominated contractor who is not of sufficient financial standing and/or not considered able to carry out the works in a professional and competent manner and in compliance with all relevant health and safety legislation and/or is not able to provide the required insurance cover and valid tax exemption certificate where appropriate.

If you have any questions about this notice, please contact the person specified in Schedule III above.
If you are not the lessee, this notice should not be construed to imply/accept that you are.