

Mr Clive Betts MP
Chair of Housing, Communities and Local Government Select Committee
House of Commons
London
SW1 0AA

5th October 2020

Dear Mr Betts,

Re: Pre-legislative scrutiny of the Building Safety Bill

I am writing to thank you for inviting me to appear before your Committee, to give oral evidence for your inquiry into the Draft Building Safety Bill. This is a piece of legislation that will deliver generational change and I hope the information and examples I shared will be of value to your inquiry. There were some pertinent points made that I wanted to reflect on and share with you.

First, in relation to the introduction of a new dutyholder regime and particularly the Accountable Person, we believe there is a concerning contradiction in the Government's approach. On the one hand, the Government is enshrining the role professional freeholders currently fulfil under a new regime, by codifying the obligations we currently discharge. Yet, if the Government continues to pursue its leasehold reform agenda – and eliminate future ground rents on large and complex apartment blocks – professional freeholders will withdraw from the market and the entire new regime will be undermined when Resident bodies are forced to take on significant management responsibilities with limited expertise or experience in large and complex developments.

Secondly, linked to this, there is very limited appetite from leaseholders to take on these responsibilities. Anti-leasehold campaigners, who represent a tiny fraction of the 4.3 million leaseholders in the UK, may be prepared to take on extra responsibilities and management duties, but the evidence suggests that the vast majority of leaseholders do not. Research undertaken by the Savanta Group established that 75% of leaseholders expressed serious concerns about being required to take on and perform these onerous and complex obligations, or alternatively relying on fellow residents to fulfil these duties. The full report from Savanta is enclosed within this correspondence.

The Bill as currently proposed will undoubtedly create a safer regime for residential living going forward, and once enacted should enable new build properties to be designed, constructed, maintained and occupied safely. The difficult issue the Bill fails to deal with, however, is how to protect leaseholders in existing buildings from the substantial costs that will need to be spent to ensure their homes are compliant with the Bill. In this context it is clear that the Bill is designed to absolve the Government (and especially previous Governments) of the systemic regulatory failings that have prevailed over the past 10-20 years. It is simply not right that existing homeowners should foot the bill for these failings.

Lastly, I have some concerns that for such a landmark Bill there has been insufficient consultation with relevant stakeholders from across the board. We welcome that your Committee has undertaken vital work to hold the Government to account since the basis of these proposals were announced. Now, following this week's session, I ask you to request that the Minister responsible for Building Safety

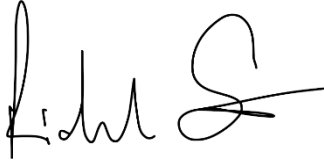
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Regulations hosts a roundtable with all of the expert witnesses who have provided oral evidence over the past three weeks.

I would be more than happy to meet with you and elaborate on these points in more detail. I trust you will let us know if there is any further information we can provide.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'R Silva', with a stylized flourish at the end.

Richard Silva

Executive Director of Long Harbour Ltd