



## Cladding Statistics Overview

### Cladding and Building Safety Campaign Group

The Cladding and Building Safety Campaign Group is led by the Association of Residential Managing Agents (ARMA) and the Institute of Residential Property Management (IRPM), the professional bodies for the residential block management sector.

The Campaign Group is asking the government:

1. To expand the Building Safety Fund to cover the costs of all necessary remediation including compartmentation and fire breaks.
2. To expand the scope of the Building Safety Fund to remediate buildings below 18m and ensure the costs of remediation are borne by those directly responsible.
3. To introduce a risk matrix that prioritises funding based on the risk to life.
4. To establish a Fire Safety Delivery Group chaired by MHCLG.

### ARMA and IRPM Cladding Survey

ARMA and IRPM surveyed members to gain an insight into the scale of the cladding problem, as well as the costs of addressing other fire risks, such as fire breaks and compartmentation. The data obtained to date is disturbing in that it suggests that leaseholders, despite the Building Safety Fund, are still going to be asked to pay impossible sums for other fire safety related issues in their blocks. In addition, the problem may not be restricted to buildings with cladding but could involve the whole legacy stock and hence be an even larger problem than cladding itself.

### Blocks Above 18 Metres

Data was returned on 409 blocks that were above 18m in height.

### Cladding Costs (which should be covered by the £5bn Building Safety Fund)

- 213 blocks with known/estimated remediation costs
- Total for 213 blocks which contain 20,730 units = £466,658,436
- Average per block where data known = £2.2m
- **Average per flat where data known = £22,511 per flat**

### Non cladding costs such as fire breaks and compartmentation

Of those surveyed, 25% of blocks had identified costs for fire risks other than cladding (It should be pointed out that the other 75% simply did not have data at this point). The cost per flat to fix these fire risks was more than the cladding costs.

- Expected unfunded costs of remediation to internal fire risks such as fire breaks and compartmentation = £77,859,435 over 37 blocks and 3,033 flats
- Average per block = £2.1m per block
- **Average per flat = £25,671 per flat**



### Reserve Funds

In normal times large projects would be funded (where the lease allows) by reserve funds collected over a number of years. However, this avenue is unlikely to be available at this time because of the sheer scale of the sums involved and the fact that interim costs, such as waking watches, have likely already drained the reserve funds. In the survey reserve funds were identified as follows:

- £4,698,629 spread across 56 blocks and 5,790 flats
- Gives an average of £83,904 per block or just **£812 per flat**

The long-term consequences of using reserve funds also means that in the future leaseholders will face considerable bills for such items as lift repairs and roof repairs as funds originally collected for these will have been spent on fire safety related matters.

### Blocks Below 18m

The data set here is extremely small, mostly because managing agents are having to concentrate on the above 18m stock at this stage, combined with a dearth of contractors to survey building stock. However, the statistics are given in order to highlight that the quantum of non-cladding related costs per leaseholder is likely to be comparable (if not worse as costs will be spread amongst fewer leaseholders) to those in the 18m plus sector.

### Cladding Costs (which are not eligible from the £5bn Building Safety Fund)

Data from 20 blocks which were below 18 metres in height, finding:

- 8 of these blocks had known or estimated remediation costs
- The total cost for the 8 blocks, containing 395 units, was £15,894,954
- The average per block where data was known = £2.0m
- **As a per flat average, this equates to £40,240 per flat**

### Non cladding costs such as fire breaks and compartmentation

- Expected unfunded costs of remediation = £13,250,000 over 6 blocks and 347 flats
- Average per block = £2.2m per block
- **Average per flat = £38,184 per flat**