



Housing, Communities and Local Government Committee

House of Commons, London SW1A 0AA

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Rt Hon Robert Jenrick MP
Secretary of State
Ministry of Housing, Communities and Local Government
4th Floor, Fry Building
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21 May 2021

Dear Robert,

EWS1 process

I am writing regarding the External Wall Fire Review (EWS1) process, following new guidance published by Royal Institution of Chartered Surveyors (RICS) earlier this year.

As you will be aware, my Committee has previously expressed significant concerns about the operation of the EWS1 process, which was introduced to allow mortgage providers to make informed lending decisions on high-rise residential properties potentially at risk of serious fire safety defects. In our June 2020 report on cladding remediation, we concluded that the process was not working, and noted that Government fire safety advice had led to a much greater number of buildings falling within scope of the EWS1 process than had been envisaged at its inception.

New guidance by RICS, published on 8 March and developed in consultation with the fire safety industry, lenders and others, sets out criteria to be used by valuers in deciding whether an EWS1 form should be required for a particular building. The RICS guidance acknowledges that:

Requesting an EWS1 for buildings where there is no visible cladding or a low risk of remediation work creates long and unnecessary delays to the buying, selling or re-mortgaging of such properties. It also prevents the limited pool of competent experts from focussing their assessments on properties where there is a significant risk to the safety of occupants. A valuer should always have a rationale to justify the request for an EWS1 form.

We have been contacted by leaseholders who find themselves in the situation whereby they cannot sell or mortgage their homes, because mortgage lenders are insisting on a EWS1 form despite their properties not meeting criteria as set out in the new RICS guidance. In addition, some of these leaseholders are stuck in a catch-22 situation because the freeholder, with whom the decision about whether to seek the form rests, is saying the form is not necessary. This situation is, understandably, causing significant distress and difficulty for leaseholders. And of course, it will not be helping to unlock the flat market, which the revised guidance is intended to do.

As a Committee, we recognise that the EWS1 process is industry-led. Nonetheless, there is a role for Government in supporting the successful operation of the process to ensure it works for all stakeholders – including leaseholders. We ask therefore that you set out in response to this letter:

- the ways in which the Government is supporting the implementation of the new guidance from RICS; and

- the actions that the Government plans to take in the event that mortgage lenders continue to insist that EWS1 forms are obtained for buildings that do not meet RICS criteria.

I would be grateful for a response by the end of the month.

A handwritten signature in black ink, appearing to read 'Clive Betts', written in a cursive style.

Clive Betts MP
Chair, Housing, Communities and Local Government Committee