

# MHCLG Advice on Building Fire Safety (AN14) and Implications for Mortgage Providers

**Advice to Leaseholders in High Rise Apartment Blocks**

Following the tragic events at Grenfell Tower in 2017, there has rightly been an increased focus on fire safety in high rise buildings (buildings which are over 18 metres in height). Increasingly, this has consequences for landlords and homeowners, especially when applying for mortgage funding. This briefing note outlines the background and complexities around current thinking on building fire safety and explains some measures we are taking.

## Background

### Aluminium Composite Cladding (ACM) Cladding

Immediately following the Grenfell Tower disaster, the Ministry for Housing Communities and Local Government (MHCLG) focused on cladding systems. It identified that some ACM Cladding, (like that used on Grenfell Tower) was highly combustible and the view was that measures needed to be taken to mitigate the risks on all buildings where ACM Cladding systems had been utilised.

It was necessary as a starting point to identify all high-rise buildings across the UK where ACM Cladding systems were present. MHCLG arranged for landlords and their agents to collect samples wherever they suspected that ACM Cladding may be present. These were forwarded to Government approved labs (BRE) for testing.

ARMA also founded the High-Rise Cladding Group to collate the information and present a single voice when dealing with Government.



Where ACM was identified, managing agents, freeholders and the local fire service were notified and have worked together to mitigate the risks, according to the needs of each building. Measures taken included removal of ACM, appointment of waking fire watches, and enhanced alarm systems.

### Combustible Cladding Systems Banned on New Buildings

As more information came to light, MHCLG concluded that combustible cladding systems should be banned for all new high-rise buildings. New regulations came into effect on 21 December 2018 for all new planning applications.

### Advice for Existing High-Rise Buildings

MHCLG also published advice relating to cladding systems on existing buildings known as Advice Note 14 (AN14). This advice recommends that cladding systems should be of limited combustibility (rated A2 or higher) and that they satisfy the performance criteria produced by BRE Global and set out in BR135.

In order to assess overall combustibility, it is necessary to consider not just the materials used, but also how the cladding system was assembled (what lies behind the façade).

### The Hackitt Enquiry

It is anticipated that there will be a number of legislative changes made as a result of the Hackitt report. Once it becomes clear what this will entail in practise, it is likely that additional measures will be necessary. Meanwhile, we believe it is important to respond appropriately to the specific recommendations made in AN14.

## The Current Position

In some instances, it is possible to ask developers to check original construction records in order to assess whether systems meet the higher standards outlined in AN14, however more commonly, original records are not available, or are insufficient to reach a definitive answer.

Where this is the case, AN14 recommends that further investigation is carried out.



### Mortgage Lenders and Statement of Compliance

Some mortgage lenders are seeking confirmation that buildings meet all of the requirements of recent advice notes issued by MHCLG regarding fire safety of high- rise buildings. Particular focus is given to AN14, although different lenders are outlining varying requirements.

For example, some lenders are requiring the production of a written statement to confirm that the property meets the requirements of current guidance from MHCLG (a Statement of Compliance). They require that the statement be prepared by a suitably qualified independent professional advisor who is a member of one of the professional bodies listed by MHCLG.

Where lenders are requesting this level of information, they will not accept the Fire Risk Assessments or survey reports. They require the statement of compliance to be produced by a member of the professional bodies listed at the end of this guidance note.

### Where does this leave us?

In the vast majority of cases there is insufficient technical information available to assess whether a building reaches the higher standards. Therefore, the only way to assess combustibility is to commission a specialist report.

It may be possible to review the information contained in the documentation provided on handover of the building (such as the ‘as built’ drawings, and M&E files). It is important to note though, that even where this is possible, MHCLG emphasises the importance of ensuring that cladding systems were installed correctly and in accordance with manufacturer’s recommendations; so it is still likely to be necessary to employ an expert and to carry out intrusive testing.

In any case, any expert is likely to require that physical checks are carried out before issuing a written statement of compliance.



### What happens next?

We are in the process of seeking instructions from clients and landlords for all the high-rise buildings we manage. Regrettably, we cannot be certain whether there will be further recommendations relating to fire safety as government thinking develops; but we do believe that it is in your best interests to progress this work even though the recommendations made are currently advisory and not yet compulsory.

Current demand for the services of suitably qualified experts is excessively high currently and there is a backlog of work awaiting completion. This is an industry wide challenge for all high-rise residential buildings across the UK and as such, there is no quick fix solution. We are currently being advised that this potentially means a wait of 6-12 months or more.

It is deeply regrettable that this means in some instances owners may struggle to re- mortgage or sell their properties until this report is available. Please be aware that not all mortgage providers require a Statement of Compliance. In most cases funding can be obtained, even if this means shopping around for a mortgage provider.

### Qualified Professional Bodies

MHCLG issued the following list of professional bodies who are qualified to issue Statements of Compliance:

* Architects Registration Board (ARB)
* Association of Consultant Approved Inspectors (ACAI)
* Association for Project Management (APM)
* Association for Project Safety (APS)
* Chartered Association of Building Engineers (CABE)
* Chartered Institute of Architectural Technologists (CIAT)
* Chartered Institute of Building (CIOB)
* Chartered Institute of Ecology and Environmental Management (CIEEM)
* Chartered Institution of Building Services Engineers (CIBSE)
* Chartered Institution of Water and Environmental Management (CIWEM)



* Construction Industry Council Approver Inspectors Register (CICAIR)
* Institute of Clerks of Works and Construction Inspectorate (ICWCI)
* Institute of Environmental Management & Assessment (IEMA)
* Institution of Civil Engineers (ICE)
* Institution of Fire Engineers (IFE)
* Institution of Structural Engineers (IStructE)
* Local Authority Building Control (LABC)
* Royal Institute of British Architects (RIBA)
* Royal Institution of Chartered Surveyors (RICS)
* Royal Town Planning Institute (RTPI)
* Society of Façade Engineers (SFE)