



K C ESTATE MANAGEMENT LIMITED
Management Office 552 Kings Road, London, SW10 0RR
Tel: 020 7352 5752

November 2021

Dear Leaseholder,

Re: Update on Cladding Remediation

We wrote to all leaseholders on 12 January 2021 to advise that intrusive surveys had been carried out on the cladding at the top of all buildings. These revealed that blocks (except Clark House), failed to meet recently introduced government guidelines and that even the actual cladding/roof construction did not conform to current regulations.

Application to the Building Safety Fund (BSF):

On 10 February 2021 the UK government announced total funding of £3.5bn for the cost of replacing unsafe cladding for leaseholders in residential buildings with a height of 18 metres and over. To take advantage of the availability of grants from the BSF, KC Estate Management took the decision to make an early application to the Government to secure funding for our buildings over 18 meters in height, which also included an application for pre-tender support. There are three buildings that are under 18 meters in height and those are Mathison House / Benham House and Blore House for which government funding is not available, and these costs will unfortunately have to be funded by the relevant leaseholders. However, for Benham House and Blore House the Building Safety Fund may consider funding these two buildings because of the way the buildings are joined to neighbouring buildings Bailey House and Lucas House which are over 18 meters in height, but of course this is not guaranteed.

On 11th June 2021, CHPK our consultants submitted an additional appeal on the existing application. The original application for funding included replacing the combustible outer cladding panels but did not allow for combustible plywood found around the doors and window frames. To receive additional funding for the combustible plywood around the window and door frames, we were advised that a further application had to be submitted.

On the 18th of October 2021, after a significant delay, we were advised that our appeal was successful. We are now able to progress with the application.

If our overall application for funding is successful, it will save leaseholders a substantial amount of money: the only alternative would have been to raise these additional funds by levying a one-off service charge demand (subject to Section 20 consultation) on all leaseholders in affected blocks.

Planning application:

Replacing cladding requires planning permission and we have submitted a planning application for the cladding replacement to the Local Authority, with a decision due by 29 November 2021.

Application Status:

Kings Chelsea will progress with the final stages of the application and look to complete the application this year. Our consultants will then complete the design, obtain all required statutory consents, and start works on site early next year.

Pre-Tender Support:

CHPK have applied for Pre-tender support (PTS). This is an amount of money which is designed to allow for designs to be progressed before the full amount of funding is drawn down. On receipt of these funds, we propose to progress with the detailed designs, and obtain the necessary statutory consents (Building Regulation Approval). This will help to ensure that the works can start on site as promptly as possible when we are able to do so.

Residents' safety:

Regarding residents' safety, our staff continue to undertake fire patrols around the buildings and the wider Estate 24 hours a day. They have also undertaken additional fire marshal training. In addition to this, we are in regular communication with our fire engineers, and have undertaken new fire risk assessments of all buildings. In addition to this we hold periodic meetings with the London Fire Brigade.

The cladding is an issue that we have inherited from the original builder (Bouygues UK) who constructed Kings Chelsea and the regulators (government and councils) who approved the buildings, but unfortunately it falls to Kings Chelsea to make good the changes which the government has made mandatory. K.C. Estate Management has taken legal advice on its legal position against Bouygues UK and has written to them on two separate occasions to ask for their assistance, with no success.

We would like to thank those leaseholders who during the past 12 months have shown empathy and support with our application for funding, despite the transactional difficulties presented by the cladding issue.

Above all, we would like to reassure all leaseholders that the KCEM board of directors is treating the cladding issue with the seriousness it deserves and intends to move with as much speed as possible once the funding and planning hurdles have been overcome.

Kind regards,

The Board of Directors
K.C. Estate Management Ltd