

## Premier House, Edgware | Fire safety situation report

Update 5 July 2019

At the time of the last update, the Leasehold Valuation Tribunal proceedings were scheduled to commence in April in order to determine whether the freeholder's claim to pass on the cost of the remedial works, totalling approximately £450,000, to leaseholders via the service charge is fair. The outcome of the proceedings is to disallow the passing on of £50,000 of the costs to leaseholders. A copy of the Tribunal's decision is available [here](#).

Subsequent to this decision, the Tribunal has invited the leaseholders' group to make submissions to determine whether the freeholder's ability to recover his legal costs through the service charge can be limited, thus further reducing the costs that fall to leaseholders. The leaseholders' group has been advised there is a good chance of success, and has therefore instructed lawyers to proceed with preparation of the submissions.

As explained in our last update, we withdrew from the leaseholders' group earlier this year and terminated our financial contributions to their 'fighting fund'. However, as a leaseholder, the SPV would still benefit if these claims are successful.

The second claim, against CRL (the building warranty providers), to cover the cost of the replacement cladding and certain elements of the remedial measures, is progressing. The freeholder has responded saying he is prepared to meet with the lawyers and the developer to discuss the possibility of an overall resolution. As outlined in our previous update, since settlement is being sought out of court, it is difficult to know when this matter will be concluded.

On 9 May the Government announced that a fund of £200 million will be made available to building owners who have not yet replaced unsafe ACM cladding on privately owned high rise blocks.

The leaseholders' group believes there is a good chance of Premier House benefiting from these funds, and the freeholder has confirmed he will be making an application to the fund. The leaseholders' group aims to maintain dialogue with the freeholder and the developer to ensure that any shortfall in the cost of replacing the cladding does not fall on leaseholders.

We understand that anyone wishing to access the Government's fund will have a duty to mitigate the cost by claiming from third parties where possible. We hope this will place further pressure on the freeholder to assist in pursuing the claims against CRL and any other third parties.

Despite this, there is still very little detail on how the Government's scheme will operate and if Premier House is eligible to benefit from it. We expect more details to be made available in the coming months.

The next update will be given on 7 October, unless there is significant development.