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New guidance published to cut EWS need for “half a million leaseholders”

8th March 2021

The Royal Institute of Chartered Surveyors (RICS) has today set out new parameters on which buildings need the highly controversial checks required by banks and building societies before issuing a mortgage. The government has claimed that the new rules could make sure 500,000 leaseholders no longer need to go through the process.

The parameters include removing the need for External Wall System (EWS) checks on all buildings of four storeys or below, as long as they are not clad in aluminium composite material (ACM), other metal composite materials (MCM) or high-pressure laminate (HPL).

It also states that buildings that are five or six storeys high will not need to be checked if they do not have ACM, MCM or HPL present, and if the cladding that is present on the block covers less than 25% of the building. These buildings must also not contain balconies that are stacked vertically above each other and have decking constructed with combustible materials, such as timber.

The confirmation of the guidance comes after a two-month consultation period with valuers, leaseholders, lenders, fire safety experts and government over initial proposals put forward in January 2021 by RICS. RICS is now working to ensure that stakeholders fully implement the new guidance by 5 April 2021.

RICS took the action as a result of thousands of flat sales being held up or falling through because of lenders refusing to issue mortgages on multi-occupancy buildings without the seller providing an EWS form to prove a check has been carried out.

The EWS process, which was launched by RICS in December 2019, requires a qualified professional to inspect a building's external wall and sign a form that rules whether flammable materials are present on the external wall of a building, meaning it requires remedial work, or whether no remedial work is needed and a sale can progress.

A high demand for EWS checks coupled with a small pool of inspectors able to carry out the work means many leaseholders have had to wait long periods to secure a check.

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This has been a particular issue for smaller buildings, which are deemed to pose a lower risk and are therefore said to be less urgently in need of an EWS check by landlords when compared to taller buildings. In some cases, those in blocks of four storeys or fewer have been told they could have to wait several years.

The new guidance, which is intended to be used by valuers and mortgage lenders, is aimed at providing consistent advice on when EWS forms should be requested and, if adhered to by the lending market, could bring hundreds of buildings out of scope.

The guidance also moves away from using metres to measure the height of a building, instead opting for the more easily measurable number of storeys in a building.

The criteria for which buildings require EWS forms according to the new RICS guidance are as follows:

For buildings over six storeys, an EWS1 form should be required where:

- there is cladding or curtain wall glazing on the building, or
- there are balconies that stack vertically above each other and either both the balustrades and decking are constructed with combustible materials (e.g. timber) or the decking is constructed with combustible materials and the balconies are directly linked by combustible material

For buildings of five or six storeys, an EWS form should be required where:

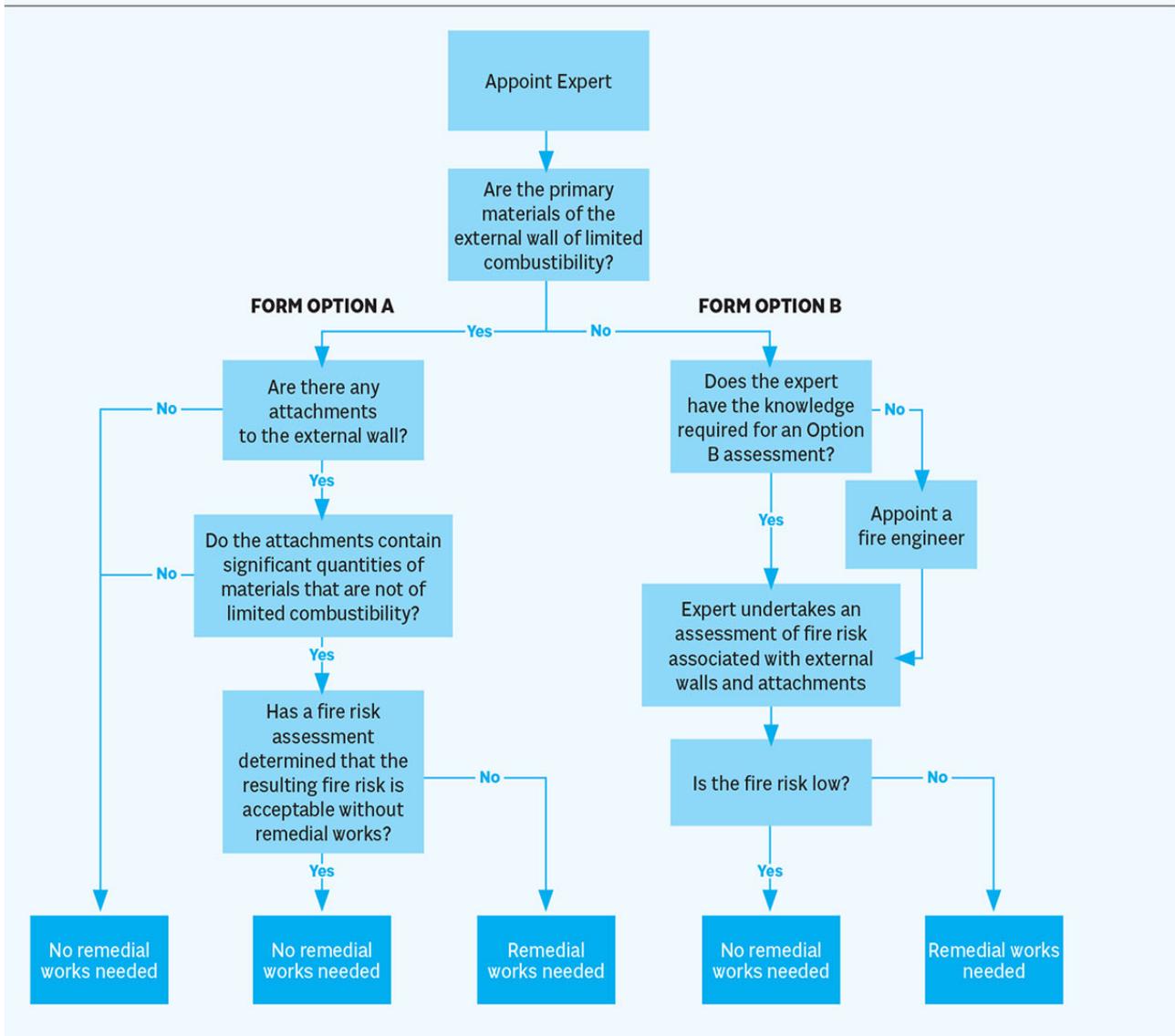
- there is a significant amount of cladding on the building (for the purpose of this guidance, approximately one-quarter of the whole elevation estimated from what is visible standing at ground level is a significant amount), or
- there are ACM, MCM or HPL panels on the building, or
- there are balconies that stack vertically above each other and either both the balustrades and decking are constructed with combustible materials (e.g. timber), or the decking is constructed with combustible materials and the balconies are directly linked by combustible materials

For buildings of four storeys or fewer, an EWS form should be required where:

- there are ACM, MCM or HPL panels on the building

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The EWS process



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