



Network Homes

Safety in your building

2 June 2023

Vantage Point,
Berger Road,
Homerton,
E9

Dear residents,

The Hive
22 Wembley Park Boulevard
Wembley
HA9 0HP

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0300 373 3000

Contractor Claritas going into liquidation, work to pause until next steps agreed

I've got some news to share which is disappointing – we're going to do all we can to resolve this situation as quickly as possible, so as not to cause you any stress. Sadly, our main contractor for the Vantage Point remediation project has started a process to liquidate the company. This means they will no longer be able to continue as our main contractor and the scaffolding work at the building will stop from today until the next steps have been confirmed. We were formally notified about the liquidation yesterday and so we don't have all the answers of what happens next.

Why has this happened?

Claritas has a number of large construction and remediation projects on-site at the moment. They are also working on two of our newbuild construction sites. You'll all know the extremely difficult economic environment in the UK with the cost of living crisis and extremely high inflation. This has sadly meant that Claritas is not able to afford to carry out its obligations. If you're interested, you can read this article from a construction magazine which explains more about the difficulties the sector has been facing, and how some construction materials prices have risen higher than inflation: www.constructionnews.co.uk/financial/inflation-adds-23bn-to-annual-construction-output-costs-15-02-2023/.

Did Network Homes carry out the necessary financial checks on Claritas?

Yes, when we tendered for the work at Vantage Point and appointed Claritas, we went through our extremely rigorous procurement process. One aspect of these checks is looking at the company's financial position and we undertook those checks when Claritas joined our design team in August 2021. As you'll know, there is now a very different economic environment that we are operating in than at that time. We could not have predicted what has happened in the economy since then and how Claritas are affected.

What happens next?

Work at the site will pause from today until we have been able to agree next steps.

We will send out another letter in the next few weeks when we have more information to share about what will happen next. We will also hold another resident webinar where we'll do our best to answer any questions and concerns that you may have. I would please ask for your patience and understanding as we deal with this unexpected situation and try and get the best outcome for you going forward. We may not have all the answers at the webinar, but we will do our best to answer your questions or explain why we don't know yet.

A summary of this letter

Claritas, main remediation contractor at Vantage Point, informed us yesterday that they will be going into liquidation. They will not be able to continue carrying out the remediation work.

Work will pause on the scaffolding. We're looking into next steps but this will take time to agree and we don't yet know how we will resolve the situation.

Any resolution we make, we will try to cause you the least disruption possible.

We'll write again very soon to confirm what will happen next. We will also arrange a residents webinar.

A reminder

Your building's fire strategy is **simultaneous evacuation**, which means you must evacuate if you hear the fire alarm, even if you think it is a false alarm.

Site security

While work is paused on-site, we please ask everyone to be vigilant and report any security concerns either to the evacuation manager, or to the police if necessary. Access to the scaffolding has been secured and we will be speaking to the scaffolding company directly to assess any other security measures that can be implemented.

Building Fire Strategy

The fire strategy will remain as above, and the evacuation manager and second fire warden will remain on site. The wardens will continue their hourly patrols of the site. The fire alarm will continue to be tested weekly also.

Mental health support

I know this news will be disappointing for all of you and distressing for some, especially as we have only just got started after a long wait. We're sharing some mental health resources from the resident-led End Our Cladding Scandal campaign group in case you need support: <https://endourcladding.scandal.org/get-support/>. We also list some information on our website which you may find useful: <https://www.networkhomes.org.uk/buildingsafetyresources/>.

This news will come as a shock and I understand many of you will have questions. Please do send us your enquiries below and we'll do our best to answer them at the webinar. You can email us on customerservice@networkhomes.org.uk and also check our previous updates on our website at: <https://www.networkhomes.org.uk/vantagebuildingsafety/>.

Kind regards

Raj Gandecha
Head of Resident Management (Building Safety)