

Lendlease signs developer remediation contract

22 March 2023

Following a meeting of its Global Board, Lendlease has signed the Department for Levelling Up, Housing and Communities' developer remediation contract.

Lendlease has always maintained that leaseholders should not be held liable for remediation costs and that tackling building safety defects needs to involve the whole of the supply chain. We believe the best approach is an industry wide one where all parties who played a part in developing affected buildings play a part in resolving them; and it's our understanding that the Government intends to pursue other parties in the supply chain.

We recently announced a £114m provision that largely relates to buildings Lendlease inherited through our purchase of Crosby Homes in 2005. However, Lendlease has not received any specific claims to date and only has limited information relating to the buildings in the Crosby portfolio.

Many of the buildings we've been associated with were not originally developed by Lendlease and, prior to the signing of the contract, a dedicated Lendlease team was already working with building owners to assess buildings it is deemed responsible for and resolve any remediation issues. This work will continue alongside Lendlease's delivery of an ambitious £25.2bn UK pipeline that will provide around 34,000 new skilled jobs and nearly 30,000 new homes.

A spokesperson for Lendlease said: "As a responsible global developer and investor we've always maintained that leaseholders shouldn't be held liable for remediation costs and advocated for an industry wide solution encompassing all of the supply chain.

"We recently announced a £114m provision to pay for remediation on affected buildings, most of which were inherited through our purchase of Crosby Homes in 2005 and have set up a dedicated team which is working with building owners to assess and resolve these issues.

"Our Board met this week and confirmed the company has signed up to the UK Government's developer remediation contract. This decision follows a thorough and diligent corporate

governance process to ensure it has been given the detailed consideration it deserves in the context of our global business.”

ENDS