

Firm linked to Grenfell Tower tragedy blocked from government housing scheme

- Rydon Homes blocked from government's Help to Buy loan scheme with immediate effect
- Sister company was lead contractor of Grenfell Tower refurbishment
- Levelling Up and Housing Secretary warns construction industry he will continue to go after those responsible for the building safety crisis

A company linked to the refurbishment of Grenfell Tower is being excluded from the government's Help to Buy scheme, pending the outcome of the Grenfell Inquiry. This follows concerns over unacceptable business practices in their company group, Secretary of State for Levelling Up, Housing and Communities Michael Gove announced today (16 December 2021).

Rydon Homes Ltd will be blocked from the government's flagship home ownership scheme, Help to Buy, with immediate effect. It means they no longer have government support and cannot market their properties to first time buyers, with the offer of government backed loans.

It is the latest move by the Housing Secretary to target those with serious questions to answer in relation to the Grenfell Tower tragedy and help bring justice for the bereaved, the survivors and the Grenfell community.

Mr Gove has warned the construction industry there will be consequences for those who are responsible for the building safety crisis and those who are failing to help fix it.

The Grenfell Tower Inquiry is considering worrying evidence of potentially unacceptable practices by Rydon Maintenance Ltd – the lead contractor for the refurbishment of the Grenfell Tower – before the tragedy that occurred in 2017, in which 72 people lost their lives. Rydon Maintenance falls under the same parent company as Rydon Homes Ltd and has directors in common.

The Secretary of State has now written to the Chair of the Housing, Communities and Local Government Select Committee and to Homes England, which oversees Help to Buy, to inform them that it would be against public interest to allow Rydon Homes to sell homes via the government scheme, given its close links to a company under scrutiny in the Grenfell Tower Inquiry.

It comes just days after the Housing Secretary welcomed a decision by the Mercedes-AMG Petronas F1 to mutually end its partnership with Kingspan, a cladding firm linked to the tragedy. The deal had been condemned by the bereaved and survivors of the Grenfell Tower tragedy after serious questions were heard at the Grenfell Tower Inquiry over the manufacturer's role in supplying insulation for the tower and marketing its products for use on other high-rise buildings.

Secretary of State for Levelling Up Michael Gove said:

It is in the public interest to exclude Rydon Homes from the Help to Buy scheme with immediate effect given the extremely concerning evidence heard by the Grenfell Tower Inquiry about its sister company.

The development and construction industry should be in no doubt: I will continue to go after those who put lives at risk, are responsible for the building safety crisis and are failing to play their part in fixing it. The Grenfell community and innocent leaseholders deserve better.

The Secretary of State is reviewing our work in this area and will be setting out further proposals in due course.

The Help to Buy: Equity Loan scheme provides a low-interest loan towards a first-time buyer's deposit. Customers need a 5% deposit, and the government lends up to 20% of the value of the home (up to 40% of the value if you are purchasing in London).

Homebuilders selling Help to Buy homes under the new scheme must comply with more stringent conditions that aim to drive quality and consistent building standards.

Help to Buy homebuilders must agree to follow the Consumer Code for Home Builders, the New Homes Ombudsman, the Building Safety Charter and fulfil planning permissions and building regulations. They must also display their Home Builders Federation (HBF) star ratings when they advertise homes and give homebuyers a new home warranty before they complete their purchase.

Find out more about the [Help to Buy: Equity Loan scheme](#).