

Dear resident,

Following on from our previous correspondence, I wanted to set out the latest developments at Darwin Green.

As you know, during Barratt and David Wilson Homes Cambridgeshire's extensive quality assurance processes we discovered issues with the design of some of the foundations of the first units under construction on Phase Two.

Specifically, the design of the foundations of 84 of the incomplete and unoccupied units were found to be insufficient given the geology of the next phase.

30 of those properties were at a more advanced stage of construction and will therefore need to be demolished and rebuilt. The remaining plots will also require work to remove the foundations and any other structures that have been started.

Unfortunately some of the properties which require demolition had been reserved by our customers. We have met with all of the customers whose homes are affected on Phase Two and have offered them a range of options and support. We are pleased that many have decided to continue with their purchase of a new home at Darwin Green.

Regarding the foundation issues, this is an extremely rare situation. We pride ourselves on our industry-leading quality and service. Over the last five years across the UK Barratt Developments has built around 60,000 houses and until this happened just eleven have had similar significant issues with the foundations. As you would expect, where things do go wrong, we strive to put them right as quickly and with as little disruption as possible.

However, we understand that you will also have concerns and we want to reassure you about the quality of your home and about the impact that any demolition process might have.

The foundation design on Phase One of Darwin Green is fundamentally different to the one used on Phase Two. However, as soon as we identified the issues, we assigned Cundall, an independent, expert and global engineering consultancy, to review and assess Phase One of the development. To do this they have both assessed the foundation design and reviewed more than 1,700 reports from the NHBC's inspections.

Their report confirms that the foundations at Phase One are appropriate for the ground conditions on the development, that the issues affecting Phase Two properties are not found at Phase One and we are confident that there are no quality concerns. You will find a copy of the report along with this letter.

In addition, to offer further reassurance, we have decided to provide homeowners in Phase One with a 15-year structural warranty for each property which will commence on expiry of the 10-year NHBC structural warranty, meaning that each home has the benefit of structural warranty cover for 25 years. As always we want to put our customers first. We will be writing to you with further detail on this supplementary warranty in the coming days.

We will now be working with the local authority in the coming weeks to design a demolition process which has as little impact on existing residents and our wider environment as possible – we will communicate this fully both directly and through our website (see below). Given our commitment to sustainability, we will also reuse and recycle as much of the material as possible to keep waste to an absolute minimum.

We recognise that you may still have some questions, so we have included some frequently asked questions at the end of this letter. We have also provided a named contact below for

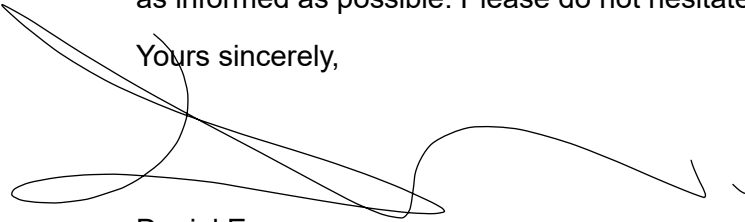
other enquiries and we are committed to ensuring you have access to the latest information as and when it is available.

- We will contact you directly should there be any updates that affect you or your home
- We will regularly update the development website www.darwingreenconstruction.co.uk with the latest news and updates
- For all other enquiries, Vicki Hart, Head of Customer Care, can be contacted at info@darwingreenconstruction.co.uk

We sincerely apologise for any negative impact this situation may have on you and we are fully committed to minimising any impact of the remedial work as much as we possibly can.

I hope that this update has been useful and demonstrates our absolute priority to keep you as informed as possible. Please do not hesitate to get in touch with any questions.

Yours sincerely,



Daniel Evans
Managing Director, BDW Cambridgeshire

Frequently Asked Questions

Is my home at risk of foundation failure?

- No. The issues affecting Phase Two properties are not found at Phase One and we are confident that there are no quality concerns. As you will see in the attached, we appointed Cundall, an expert independent engineering consultancy, to conduct a thorough investigation into the design and NHBC inspections of homes built in Phase One. This report confirms that the design issues affecting Phase Two properties are not found at Phase One and we are confident that there are no quality concerns.
- In addition, to offer further reassurance, we have decided to provide homeowners in Phase One with a 15-year structural warranty for each property which will commence on expiry of the 10-year NHBC structural warranty, meaning that each home has the benefit of structural warranty cover for 25 years. As always we want to put our customers first. We will be writing to you with further detail on this supplementary warranty in the coming days.

What are you doing to rectify the issue?

- Our focus now is on putting the issues right, and ensuring that the demolition of the properties causes as little disruption as possible for nearby residents. We will work closely with residents and the local authority as we remediate this phase of the development and will share our plans with you.

Is this a wider issue facing other properties at the development as well as other Barratt developments across the country?

- No, this is a specific issue relating the foundation design used on Phase Two of this development. Of the thousands of homes we build across the country every year, issues such as this are incredibly rare. Over the last five years, across the UK, Barratt Developments has built around 60,000 houses and until this happened just

eleven have had similar significant issues with the foundations. We are focused now on putting it right and will keep you informed as we do so.

How did you become aware of the issue? When was this?

- In recent months, as part of our regular quality checks, we identified some early signs of foundation stress at a small number of Phase Two properties. We immediately halted construction and appointed third party engineers to conduct a thorough investigation, which identified issues with the design of foundations of Phase Two properties.

Will you be recycling materials from your demolition?

- We will be sharing more details on how we will demolish the homes soon, but we will work with the local authority to ensure that the approach and method minimises any impact on you and your neighbours.
- Wherever possible, we will recycle materials from the demolition. We are the UK's leading national sustainable housebuilder, and so we will do all we can to ensure the demolition is done in as a sustainable way as possible.

How are you supporting the customers who had reserved properties?

- We are in close contact with our customers. We have given those affected the option to either cancel with a refund of costs to-date, or to continue with their reservation with a commitment that we would meet any additional costs they incur as a result of the delay.
- We are pleased that a significant number have confirmed they wish to proceed with their purchase, either of the property they had reserved or elsewhere at Darwin Green.