

The Insurance Institute of London Chartered Insurance Institute



The Insurance Institute of London

CII CPD accredited - demonstrates the quality of an event and that it meets CII/PFS member CPD scheme requirements.

This webinar will count as 1 hour of CPD and can be included as part of your CPD requirement should you consider it relevant to your professional development needs. It is recommended that you keep any evidence of the CPD activity you have completed and upload copies to the recording tool as the CII may ask to see this if your record is selected for review.



RAAC To The Future

A presentation by John Farrell Partner at Kennedys to the IIL

Wednesday 29 January 2026





Standards. Professionalism. Trust.

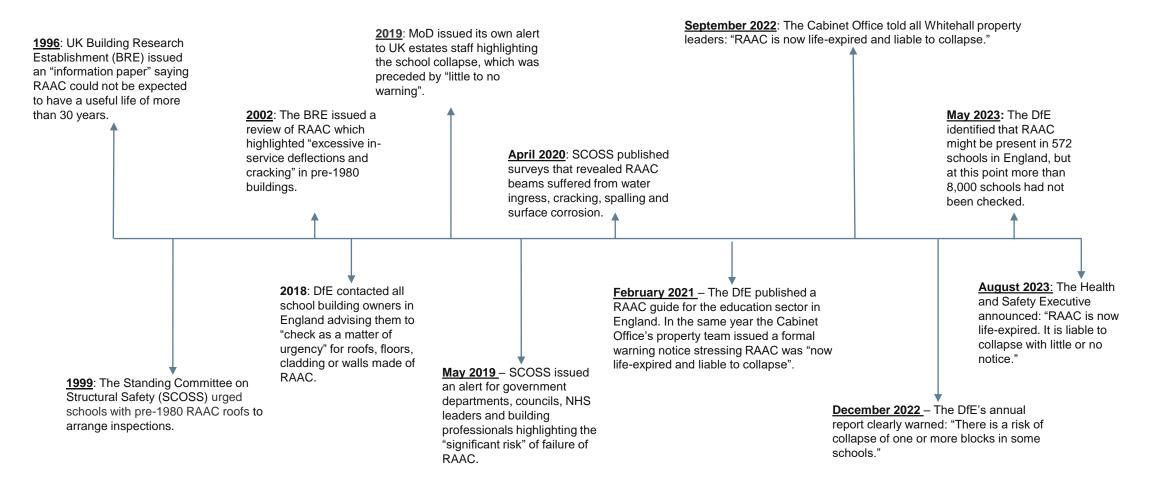
Learning Objectives

- RAAC in overview
- The scale of the problem
- Latest Developments
- Dealing with RAAC
- Relevant Legislation for potential claims
- Scope for recovery
- Potential claim scenarios
- Government action?

What is RAAC?

- Reinforced autoclaved aerated concrete (RAAC) is an aerated lightweight cementitious material with no coarse aggregate, containing steel reinforcing bars.
- RAAC panels are porous, and water penetration can cause the reinforcement to corrode, compromising the material causing it to spall and break apart.
- The insufficient bearing and the structural integrity of RAAC panels can become compromised and result in a collapse with little or no warning.

Timeline of Knowledge



Kennedys

Identification & Investigation of RAAC

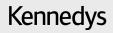
- Lack of records and RAAC registers complicates identification.
- Intrusive surveys are often necessary.
- The Manufacturing Technology Centre (MTC) has developed a rulebook for dealing with RAAC.

Common Misconceptions

- RAAC is not only in flat roofs, it is also in pitched roofs.
 - Most modelling only assesses flat roofs. Changing this parameter significantly changes the scale of the potential risk.
- RAAC has a life expectancy of 30 years? That life expectancy is altered by:
 - Inadequate maintenance.
 - Construction methods that interfere with the integrity of RAAC.
 - > Water ingress can seep through to the reinforcement causing it expand to up to 6x its size.

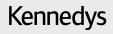
How much RAAC is there?

- The MTC estimate that at least 3.5 million RAAC panels have been sold in the UK.
- RAAC has only been identified in 5-10% of the total buildings in a survey for public buildings estates. This is considered a gross underestimation.
- MTC estimate that 90% of RAAC exists in the private sector.



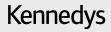
The impact on schools

- 231 schools are confirmed to have RAAC issues with 119 requiring major reconstruction. The total bill could reach £140 million for the schools identified to date.
- A government survey revealed a potential bill of £11.4 billion bill for future repairs on a full replacement basis.
- E.g. BAM has agreed a £71m contract price with the DfE to cover the first major RAAC concrete school rebuild: St Leonards Catholic School in Durham.



The impact on Hospitals

- RAAC has been identified in 47 NHS hospital sites across England.
- The worst affected hospital is reported to contain 23,000 RAAC panels.
- The backlog of maintenance and repairs for NHS hospital buildings and equipment was £10.2 billion last year.



The impact on private homes

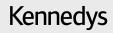
<u>Aberdeen</u>

- 504 properties were identified as containing RAAC.
- 366 are council owned and 138 are privately owned.
- Estimated cost of demolition is £20-25 million over 4 years.
- Estimated cost of rebuilding including financing could be £130m over a 5-15 year period.
- Private owners and tenants, in this instance, have been fortunate to received the same 'rehoming' support as council tenants.

Latest Developments - Government Response

• NHS England's ongoing national RAAC programme had allocated £954 million since 2021 - 2022 for the remediation and failsafe measures.

- Labour Government's first budget committed funding to repair public buildings containing RAAC. That includes:
 - £1.4 billion for the schools
 - > £1 billion for hospital repairs
 - > £2.3 billion for prisons



Dealing with RAAC

Identify RAAC

• Building owners should survey their properties, take specialist advice, and conduct risk assessments.

What is the condition of the RAAC?

- How was the RAAC installed? Was it cut to fit, what is its thickness?
- Has the RAAC been maintained properly and adequately?
- Have there been subsequent alterations to the construction that interferes with the integrity of the RAAC?
- What has the RAAC been exposed to (water, excessive loading)?

Remediation Options

• Monitoring or further investigations.

• If there is an immediate risk of collapse, buildings will need to be closed.

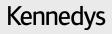
 Consider less expensive protection measures capable of mitigating risk and extending the product life of RAAC.

• If there are no alternative options, demolish and rebuild may be necessary the RAAC affected structure.

Relevant Legislation for Potential Liability Claims

Health and Safety at Work Act 1974

- Building owners are responsible for identifying and addressing RAAC-related risks under the Health and Safety at Work Act 1974.
- Employers are under a duty to ensure the health, safety and welfare of its employees.
- Accidents on premises may be investigated by the Health and Safety Executive.



Relevant Legislation for Potential Claims

Does existing law allow a claim?

Defective Premises Act 1972

- Under the Defective Premises Act 1972 (DPA) a claim could be brought subject to the 30-year limitation period (under BSA 2022).
- A claimant must prove that the dwelling was unfit for human habitation at the time it was completed.
- Given the test above, only claims after 1993 could be considered under the DPA but we see there are limited prospects of a claim succeeding.

Relevant Legislation for Potential Claims

Could the law be changed to assist claimants?

Building Safety Act 2022

- The BSA enables tenants to issue court claims against their landlords, the original developers/contractors and their 'associated' companies.
- A tenant may issue a claim to compel their current landlord to undertake remediation works.

Identifying a Responsible Party?

Who can be held responsible for the remediation costs?

- The party that commissioned the building works.
- Consultants or contractors with design responsibility.
- The contractor or sub-contractor who installed RAAC into the building.
- Landlords with repairing obligations.
- Property professionals who failed to identify RAAC.

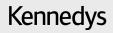
Who else could pay the remediation costs?

Private Building Owners

• Where a building was purchased with a survey, the surveyor could be liable for breach of contract and or negligence.

Landlord or Tenant?

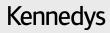
• It is unlikely that the presence of RAAC in itself would give rise to liability under the repairing obligations. There must be some form disrepair to engage a repair covenant.



Claims Scenario A

Sudden Collapse

- Building insurance policies may cover damage caused by sudden events.
- However, policies often do not cover:
 - Foreseeable events
 - > Exclude 'wear and tear' and/or construction defects.



Claims Scenario B

During refurbishment works RAAC is discovered

- A competent building owner, consultant/contractor should attempt to avoid the following
 - > Disturbing the RAAC.
 - Carrying out works which would otherwise cause damage to the panels or otherwise impact on the integrity.
 - If the works cannot be completed without affecting the RAAC then additional construction methods should be deployed to ensure the longevity of the panels.

Asbestos - An added complication?

What happens if asbestos is also present?

- Department for Education data in 2019 revealed that approximately 81% of English schools are believed to have asbestos.
- Therefore, any remedial works dealing with RAAC might also have to deal with asbestos in those buildings which would otherwise have been left in situ as the safest thing to do.
- If asbestos is found and also needs to be removed the additional costs can be prohibitively expensive.

Potential Government Action?

- Parallels have been drawn between the RAAC crisis and the ACM Cladding revelations post-Grenfell.
- For ACM Cladding, the government extended the limitation period stated in the Defective Premises Act 1972 (through the Building Safety Act 2022) to 30 years, to allow claims to be brought against developers outside of the original limitation period.
- A similar approach could be taken to extend limitation up to 40/50 year for RAAC claims.

Conclusions

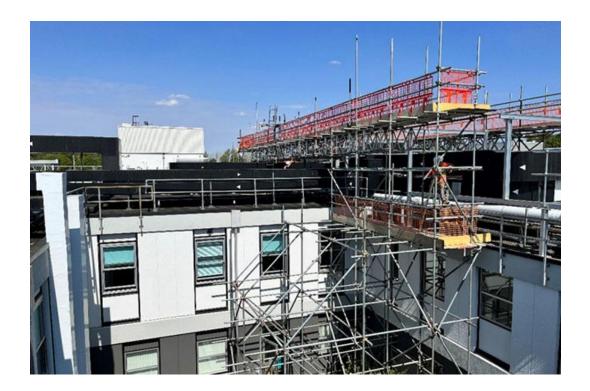
- If RAAC is present, don't panic. Follow the practical steps mentioned earlier.
- RAAC is not automatically prone to failure:
 - >It only becomes prone to failure when the external factors discussed are in play.
 - >Investigations are essential to establish the actual condition of the RAAC and determine the risk of failure.

Conclusions

- RAAC failures are not confined to the public sector.
 - > schools and hospitals are just the tip of the iceberg.
 - The insurance market should be alert to the use of RAAC in private buildings.
- Should remedial works be necessary, there may be less expensive remedial options available to mitigate the risk and extend the life of the RAAC.
- Be on alert for potential changes in legislation.
 - We have seen with cladding and the BSA that there may be changes in law or regulation to extend limitation periods and permit future claims.

What we have covered

- RAAC in overview
- The scale of the problem
- Latest Developments
- Dealing with RAAC
- Relevant Legislation for potential claims
- Scope for recovery
- Potential claim scenarios
- Government action?









John Farrell Partner Kennedys London Office

- **T:** +44 207 667 9108
- **M:** +44 7717 631 431
- E: john.farrell@kennedyslaw.com

The Insurance Institute of London Chartered Insurance Institute



Standards. Professionalism. Trust.



The Insurance Institute of London Chartered Insurance Institute



Many thanks for attending this session.

Please take a moment to complete this Feedback Form by scanning the QR code below. Your comments will enable us to ensure that future CPD activities satisfy the needs of our members.

You will be able to download a CPD Certificate for this event upon completion of the survey.





