



Ministry of Housing,
Communities &
Local Government

Rt Hon Robert Jenrick MP

Secretary of State for Housing, Communities and
Local Government

**Ministry of Housing, Communities and Local
Government**

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Rt Hon Dr Liam Fox MP

House of Commons

London

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17th May 2021

Dear Liam,

Thank you for your letter of 31 March about building safety.

Firstly, I appreciate the concerns that you raised with me during the recent debate in the House and I am grateful for your ongoing support of leaseholders. I recognise the stress and anxiety that many of them are currently experiencing as a result of these building safety issues, and the concern that urgent action needs to be taken is understandable. I would therefore like to provide some reassurance.

On the question of who pays for the costs of remedial works, we have been clear that building owners and the industry should make buildings safe without passing on costs to leaseholders. Where they have not stepped up, we have intervened by providing £1.6 billion of funding for the removal of unsafe cladding from buildings over 18 metres. As you know, a further £3.5 billion of grant funding has been announced, making a total of £5.1 billion. This unprecedented taxpayer investment of grant funding for the remediation of unsafe cladding on the tallest buildings is in line with expert advice that this represents the highest risks and greatest costs for leaseholders.

You have questioned why building height is a consideration when deciding what buildings will be eligible for grant funding. Longstanding safety advice is that height is a central factor in assessing risk. It is right we prioritise action on higher rise buildings where risk to multiple households is greater when fire spreads.

While buildings below 18 metres will not carry the same inherent risks as a building above 18 metres, we do understand that some will need cladding remediation. We realise that many leaseholders in blocks below 18 metres are concerned about the cost of remediation, and we want to make sure the residents and leaseholders in these buildings have peace of mind and financial certainty. To this end, we are establishing a generous scheme to ensure cladding removal can take place where required on buildings between 11 and 18 metres. Therefore, instead of a potential cladding bill running to tens of thousands of pounds, the most a leaseholder will now have to pay towards remediating unsafe cladding is £50 per month.

I recognise your strength of feeling about the importance of these schemes being launched quickly to prevent leaseholders from facing further uncertainty and hardship. I want to assure you that we will soon confirm the underpinning details so that we can launch the schemes. Whilst Government funding is being provided, I must stress that it does not absolve building owners of their responsibility to ensure their buildings are safe. They should consider all

routes to meet costs, protecting leaseholders where they can - for example, through warranties and recovering costs from contractors for incorrect or poor work. It is also fundamental that the industry that caused this legacy of unsafe buildings makes a contribution to setting things right, and we will be setting out details of a forthcoming industry tax and developer levy in due course.

Regarding the Building Safety Fund, you have expressed concern that the COVID-19 requirements have made it difficult for the deadlines for this funding to be met. Whilst the funding has been designed to drive the pace of remediation, we recognise the pressures faced by many applicants to meet the Fund's original deadlines, and we have therefore been engaging with registrants and industry bodies to understand these challenges. We have extended the closing date for applications to the Fund until 30 June this year. To qualify for funding, all projects must now start on site by 30 September 2021.

You have also said that leaseholders are having to pay substantial funds upfront to begin the tendering process for the Building Safety Fund. I can assure you that we are providing expert technical and pre-tender financial support for successful Fund applicants to enable projects to proceed without costs being passed to leaseholders. As outlined within our most recently published data, as of 5 March we had already awarded £68.9 million in pre-tender support under the Fund.

With regards to EWS1 forms, I must stress that the EWS1 process is not a Government form or regulatory requirement, and it is not a safety certificate or fire risk assessment. It was introduced by the Royal Institution of Chartered Surveyors (RICS) to support the valuation of multi-occupancy residential buildings where cladding may be a concern. The process is designed to help lenders and potential buyers understand whether there may need to be costly cladding-related remedial work on the exterior of a building. I am pleased that you have raised directly with RICS your concerns that these forms are not fit for purpose.

It is worth noting that we recently welcomed new guidance from RICS which sets out a more sensible, proportionate approach to EWS1 assessments, meaning nearly 500,000 leaseholders will no longer need an EWS1 form. This guidance is available on the RICS website.

For those that do need an EWS1 assessment, we are intervening to make it easier to get one, by providing nearly £700,000 funding to train up to 2000 more surveyors to assess external wall systems. The training is being delivered by RICS and started at the end of January. We are also aware that securing appropriate professional indemnity insurance to cover the completion of EWS1 forms can be a major barrier to qualified professionals undertaking EWS1 forms. The Government is therefore committing to work towards a targeted, state-backed indemnity scheme for qualified professionals unable to obtain professional indemnity insurance for the completion of EWS1 forms.

Building owners are responsible for ensuring their building is safe and they have a legal duty to maintain an up-to-date fire risk assessment, and this should include the external walls. We are clarifying the Fire Safety Order (FSO), through the Fire Safety Act, to ensure this is abundantly clear. We will also continue to work with lenders to help them to recognise alternative forms of assurance of building safety, such as a comprehensive Fire Risk Assessment which includes the external walls.

The FSO requires the responsible person to review the fire risk assessments regularly, where there is reason to suspect it is no longer valid or if there has been a significant change. Where information is available about the risk posed by particular materials that may be present in premises, the risk assessment should be reviewed (Article 9 of the FSO). The Fire Safety Act does

not change this duty, nor does it create a duty for a responsible person to complete an EWS1 form.

Moreover, if fire safety risks are identified, then general fire precautions need to be put in place. The way the responsible person goes about this will vary from case to case as each premises represents a unique mixture of risks.

Thank you again for your letter.

Yours, Robert

RT HON ROBERT JENRICK MP

My officials will prepare the 'case study' we discussed regarding Portishead.

