



Ministry of Housing,
Communities &
Local Government

Clive Betts MP
Chair
HCLG Committee
House of Commons
London
SW1A 0AA

Lord Greenhalgh

*Minister of State for Building Safety, Fire
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24 March 2021

Dear Clive,

Thank you for providing me with the opportunity to provide evidence to your Committee following the Secretary of State's announcement on 10 February of additional funding for cladding remediation. We offered to write to the Committee to clarify our responses on two of the more technical points raised by members.

Building Safety Fund and Eligible Costs

In relation to works other than remediation of unsafe cladding which are eligible to be covered by the Building Safety Fund, and the circumstances in which they would be covered, I am happy to clarify that the Building Safety Fund will cover all works directly related to the removal and replacement of unsafe non-ACM cladding systems. A cladding system is defined in the Building Safety Fund prospectus as including:

*"the weather-exposed outer layer or rainscreen, fillers, **insulation**, membranes, brackets, cavity barriers, flashing, fixings, gaskets and sealants"*

The replacement of insulation that is part of the cladding system is, therefore, eligible for funding. Likewise, any other works that are integral to the remediation of the unsafe cladding systems are eligible for funding. Detailed information on eligible costs that can be claimed through the Building Safety Fund can be found in the prospectus, available here:

www.gov.uk/guidance/remediation-of-non-acm-buildings

In relation to the question of whether funding could be 'withheld' if leaseholders did not agree to other works, we clarified that this seemed to be a misunderstanding of a clause in the Building Safety Fund contract.

The requirement is simply that we must ensure that remediation of the unsafe cladding systems is not delayed by funding shortfalls for any additional works the applicant may elect to take forward at the same time as the cladding remediation works, and which are not eligible for funding.

There is no blanket requirement for an agreement to fund all other works, and certainly no requirement for applicants to undertake other works at the same time as the cladding works. To be clear, if the applicant wished to take forward such works at a different time (and as separate projects), this would not affect the payment of funding for cladding remediation.

Finance scheme for buildings between 11 and 18 metres

As we discussed, the finance scheme is currently in development and we will confirm the underpinning details in due course. At present we intend to establish a generous scheme that provides for leaseholders in buildings between 11 and 18m in height that will pay for remediation of unsafe cladding.

We are also committed to making sure no leaseholder in these buildings will have to pay more than £50 per month towards this remediation. The scheme will ensure leaseholders have peace of mind and financial certainty.

I hope that this is of help.

A handwritten signature in black ink, appearing to read 'Lord Greenhalgh', written in a cursive style.

LORD GREENHALGH