Paper 3

Julie James AS/MS Y Gweinidog Newid Hinsawdd Minister for Climate Change



Llywodraeth Cymru Welsh Government

Eich cyf/Your ref Ein cyf/Our ref – BSDC - 046

John Griffiths MS Chair, Local Government and Housing Committee

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Dear John,

Thank you for your further letter of 1 April regarding concerns from the Welsh Cladiators and leaseholders at the progress made in Wales to implement remedial work.

I would like to highlight that, as some of the points raised across both pieces of correspondence are the same; there may be answers that will be mirrored in both of my responses. Where this happens, I have made clear I have mentioned this in both responses.

It is correct that fire safety defects go further than just cladding issues, which is why, as stated in my previous response, I have always been clear that, in Wales, remediation work will go beyond cladding to take a holistic approach, encompassing evacuation alert, compartmentation and fire suppression systems where appropriate. This is the right approach, but it is more complex than simply tackling cladding, and will take time to implement. This approach has been communicated widely my officials and I are engaged in communications with the chair of Celestia Management Company Ltd regarding their recent multiple submissions of correspondence to fellow Ministers' offices and mine, of which, some are members of the Welsh Cladiators.

I am deeply aware of the issues raised by leaseholders across Wales, and I remain grateful to those residents I have met with for sharing their stories with me. Building Safety remains a priority for Welsh Government and me, and it needs to be addressed thoughtfully and skilfully with industry experts to ensure we get the solution right.

I was pleased to read the proposals made in our White Paper are being welcomed by leaseholders and would like to reiterate the work on this is still ongoing. There will be opportunities in the future for leaseholders to input their thoughts and ideas on how to shape our policies and legislation direction in this space. I am however, mindful Welsh Government need to focus on immediate outcomes for those currently being negatively affected due to building safety issues.

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

With regard to the recommendations suggested, it is positive there are a number of similarities with what Welsh Government are already working on to tackle in relation to Building Safety issues.

With regard to the Building Safety Bill, as part of our <u>Building Safety Programme</u>, we will bring in an ambitious legislative programme that will ensure that, at each stage in a building's lifecycle, the person responsible for ensuring the safety of the building is absolutely clear, and sanctions are in place to swiftly address any breaches.

In addition to this and, where it is appropriate, Welsh Ministers have supported the adoption of some aspects of the UK Government's Building Safety Bill in Wales which add further protections for leaseholders.

These include reforms to building control, changes to the Defective Premises Act 1972 and the Limitation Act 1980, broadening the type of work covered by the Defective Premises Act 1972 and providing the extension of certain limitations periods and 'anti-avoidance' building liability clauses, which will increase the ability of freeholders and leaseholders to obtain redress where sub-standard work has been carried out.

For example, where a development company has carried out sub-standard work and that company has subsequently been wound up companies "associated" with the development company can potentially be held liable for the defective work.

Welsh Ministers have also supported the application to Wales of clauses in relation to providing additional redress and extending limitation periods where defective or mis-sold construction products, including cladding, have been used in a building and this has resulted in the building being unfit for habitation.

The provisions in the Bill providing for there to be a New Homes Ombudsman will apply to Wales.

You will be aware of the developer's pledge, which has been introduced in England and a list of those which have already signed up to the pledge. I was very disappointed when Michael Gove announced this because we had been working with the UK government to introduce a UK-wide pledge. A UK "pledge" would commit developers to repairing buildings they were involved in developing.

Mr Gove's decision to introduce a pledge for England-only could make it harder to ensure all developers take their responsibilities to contribute towards the costs of fixing building safety problems in Wales seriously, and I wrote to him to express my strong concerns about this approach.

We have subsequently received a letter from Michael Gove, providing renewed assurances of collaborative working.

In the interests of Welsh homeowners, leaseholders and tenants, I will continue to press the UK government for the following:

- 1. A change in the pledge letters with developers and in the resulting detailed legal agreements from "with no prejudice to other nations" to a matching and proportionate commitment to self-remediate across the United Kingdom.
- 2. UK Government redoubles its efforts to introduce this year a credible, affordable and UK-wide PI scheme, and commissions work to support the creation of a companion insurance scheme for certification of remedial works which includes relevant aspects of fire safety.

- 3. Our officials to be engaged directly with developers and UK Finance bodies as a pragmatic approach to designing-in the needs of Devolved Governments.
- 4. An assurance that the Devolved Governments will receive every support in extending the introduction of the Building Safety Levy.
- 5. Support from Secretary of State Gove in seeking additional baseline capital and resource funding from HM Treasury over the UK Spending Review period.

I have been clear in my position that leaseholders should not have to pay to rectify issues that constitute failure to build to appropriate quality standards and building regulations. Building owners and developers should face up to their responsibilities and put right these faults at their own cost. In many cases these developers operate across England and Wales, which is why I continue to press the Secretary of State, Michael Gove MP; and the Minister of State for Building Safety and Fire, Lord Greenhalgh, to adopt a UK-wide approach to holding developers to account. While I will continue my efforts to progress discussions with developers in Wales, I strongly believe a joint cross government effort to bring developers to the table to get them to pay for the issues that are currently posing challenges for leaseholders would have the maximum impact.

I would like to reiterate, I appreciate that for Leaseholders having to live in affected buildings, it may feel that we are not working fast enough to fix the issues they are facing. I would like to offer my assurances again, that everything possible is being done to develop and implement a response. The pace of change reflects the complexity of the issues rather than any lack of commitment on the part of Welsh Government.

My officials and I are working as quickly as possible to find a solution in this complex area, but it must also be the right one for each building affected by fire safety issues. Our aim is to develop effective support options and reforms that will improve building safety both in the here and now and in the future.

Yours sincerely

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