

Rt Hon Michael Gove MP Secretary of State for Levelling Up, Housing and Communities Minister for Intergovernmental Relations Jeremy Pocklington CB Permanent Secretary

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10 January 2022

Dear Secretary of State,

£27m FUND FOR FIRE ALARMS IN BUILDINGS WITH A WAKING WATCH

In December 2020, £30m of funding was announced under the Waking Watch Relief Fund (WWRF) to install fire alarms in buildings over 18m with unsafe cladding, replacing costly Waking Watches. This fund was subsequently extended in September 2021 by a further £5m to meet demand.

Despite this action, we both remain very concerned about the continued plight of leaseholders who still face the high costs of measures such as Waking Watch and know that more must be done to support them.

You have concluded, based on the department's analysis and advice, that a further £27m of funding should be provided for the installation of a common alarm system in all buildings with a Waking Watch. This is an increase to the scope of the existing fund and will require a new ministerial direction.

I understand the rationale for further intervention. However, as Accounting Officer, I have a duty to ensure compliance with the public accounting rules as set out in *Managing Public Money*.

As I and your predecessor have found to be the case for previous funding for building safety programmes, including the existing WWRF, the rules of *Managing Public Money* do not support this kind of exceptional intervention. In the normal course of events, these costs would be borne by the private sector, and Waking Watch costs are currently being met by leaseholders. This approach, therefore, does not meet the *Managing Public Money* test for value for money.

I will therefore require your written direction to proceed. I will then ensure that all necessary steps are taken to carry this out without delay.

As is required, I will alert the Comptroller and Auditor General, and I will also inform the Chairs of the Public Accounts Committee and the Levelling Up, Housing and Communities Select Committee. Our exchange of letters will also be published on the GOV.UK website in the usual way.

Yours sincerely,

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JEREMY POCKLINGTON