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Dear Colleague,

# Opening the Building Safety Fund (BSF) for new applications

Today we open the Building Safety Fund (BSF) for new applications. As you have already registered to the BSF, we are writing to you so that you understand what this means for you and whether you need to take any action.

### Did you register your building in 2020 but have yet to reach full application stage?

If you are yet to provide full evidence to enable us to determine that at least one cladding system on your building is eligible, you have two months (until 30 September 2022) to provide this evidence.

If you are unable to provide sufficient information, we will not be able to progress your current application. However, you have the opportunity to provide a Fire Risk Appraisal of External Walls (FRAEW), completed to the PAS 9980 standard, as part of a revised application (see section below on FRAEWs for further information).

If you are a private sector applicant, you can email the BSF Registrations Team to discuss your building's position: <u>bsfregistrations@levellingup.gov.uk</u>.

If you are a social sector applicant, please contact your caseworker or email: <a href="mailto:bsfsocialsector@levellingup.gov.uk">bsfsocialsector@levellingup.gov.uk</a>.

# If we have confirmed your building as eligible and your registration has progressed to the full application stage

You should have received a letter from us confirming eligibility and had a delivery partner contact assigned. If we have confirmed your building as eligible to proceed to the application stage, you have a choice to either:

- continue under the 2020 BSF process or
- follow the new process, carrying out a Fire Risk Appraisal of External Walls (FRAEW), completed to the PAS 9980 standard (as set out below).

# This is provided that:

- we have not approved your full funding application, or
- works have not started on site.

If your application has passed either of the above points, you must continue to follow the 2020 BSF process, as outlined on our <u>2020 BSF Guidance page</u> on GOV.UK, removing and replacing unsafe cladding systems.

If you have had your full funding application approved and ineligible works to the external wall of your building are causing a delay to your project, please contact your delivery partner.

If your application has not passed the above points (full funding approved or on-site works started), you should decide whether undertaking a FRAEW on your building would be appropriate. Key considerations are:

- how long it would take to carry out a FRAEW, and
- what are the resulting implications for your building.

You will also need to discuss options and decisions with your building's residents.

The Department is clear that your decision must not delay critical remedial or mitigation work. Additionally, you cannot revert to using the 2020 eligibility criteria if you decide to carry out a FRAEW.

To discuss your approach further please contact your delivery partner.

# New and revised applications which require a Fire Risk Appraisal of External Walls (FRAEW)

New applicants to the BSF, as well as those who have the opportunity to revise their application, will be required to provide a FRAEW (Fire Risk Appraisal of External Walls) following the methodology set out in PAS (Publicly Available Specification) 9980:2022.

This code of practice, developed by the British Standards Institution:

- contains guidance tailored to the risks posed by fire spread over external walls, and
- provides tools for a competent person to carry out a FRAEW.

PAS 9980:2022 supports a risk-based, proportionate approach to remedial works and will help guide you, as responsible entities, on the approaches you should take to addressing life-safety fire risks presented by external wall systems. For this reason, those making funding decisions will use recommendations and advice, provided by external wall assessors in a FRAEW.

For further information, please see <u>Annex A: Technical guidance for applicants of building safety funding applying for funding via PAS 9980:2022.</u>

#### Other changes

We'd like to highlight other changes made to the BSF, detailed in our new guidance.

#### Legal eligibility criteria change

Where your building has not yet been determined as fully eligible, simplified criteria will be applied. New leaseholder protections, introduced by the Building Safety Act, mean that we

now only need to verify that there is one 'qualifying' residential leaseholder in your building. Full details of this can be found in the 'Scope of the Fund' section of the guidance.

#### Subsidy control changes

Leaseholders who are economic actors are not subject to a subsidy cap in buildings which receive full funding approval **from** 28 July 2022. Subsidy declarations are, therefore, not required for these applications.

To meet subsidy transparency requirements for applications where the subsidy cap does not apply, we will publish details of applicants who receive more than £100,000 of BSF funding (including cumulatively) on the Government's Subsidy Database (link below):

## https://searchforuksubsidies.beis.gov.uk

For applications where full funding was approved **before** 28 July 2022, previous subsidy control rules will apply to this funding amount. However, cost variation requests for eligible works will no longer be subject to the subsidy cap.

#### Social sector (leaseholder) applicants

To increase the pace of remediation, we have introduced a two-stage payment process at 'start on site' and 'practical completion' stages. Additionally, to account for increases in costs, at practical completion stage, cost variations will be available subject to meeting eligibility and fund guidance criteria.

#### Developers' pledge

48 developers have pledged to fix all buildings over 11 metres high that they played a role in developing in the last 30 years. More information is published on GOV.UK:

https://www.gov.uk/guidance/list-of-developers-who-have-signed-building-safety-repairs-pledge

We expect each developer to sign a contract reflecting the pledge and keep leaseholders and residents informed. We are also writing to BSF applicants affected by the pledge to explain what it means for their buildings.

If you believe your developer should take responsibility for repairs, email: BSFEnquiries2022@levellingup.gov.uk, providing: the developer's name and address, your building(s)' address and your registration reference code.

## Changes to the Defective Premises Act

You may be able to recover costs from those responsible for historical defects on your building if construction was completed on or after 28 June 1992. This is because the Building Safety Act has extended the limitation period of the Defective Premises Act 1972 (DPA) to 30 years.

Further information is covered in section 135 of the Act and its associated Explanatory Notes:

legislation.gov.uk/en/ukpga/2022/30/section/135/enacted.

If work was completed at any time in the 12 months after 28 June 1992, you have until 27 June 2023 to initiate proceedings, otherwise, the 30-year limitation will apply. We expect you to establish if this impacts your building as we will now assess this as part of your application.

# Engaging regularly with your leaseholders and residents

We expect you to inform both leaseholders and residents on your application to the BSF, regularly updating them on progress and responding to their questions. We set this out in our guidance and on our BSF leaseholder resident support page:

https://www.gov.uk/guidance/find-support-as-a-leaseholder-or-resident-of-a-building-in-the-building-safety-fund-bsf-process

We hope you have found this information useful. If you have already been allocated a caseworker, please contact them if you have any immediate questions relating directly to your application. Otherwise, please contact us at: BSFEnquiries2022@levellingup.gov.uk

Yours faithfully,

#### **Alistair Watters**

Director, Building Remediation and Grenfell