



Ministry of Housing,  
Communities &  
Local Government

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8 May 2019

Dear Melanie

Thank you for your letter of today. I have carefully considered the issues you have raised about my proposal to fund the remediation of private sector buildings over 18m which have unsafe Aluminium Composite Material (ACM) cladding. In particular, I have considered the implications for the Department in demonstrating compliance with the principles set out in Managing Public Money.

I am glad that you agree that it is not acceptable for residents to continue living indefinitely in buildings with unsafe ACM cladding. While we have made sure that interim safety measures are in place in all high-rise residential buildings with unsafe ACM cladding, they do not guarantee safety for an indefinite period, and require regular maintenance and vigilance to preserve them.

Therefore my urgent priority is to increase the pace at which the cladding is removed and replaced. We must ensure the permanent safety of these buildings as swiftly as possible. The Prime Minister and I have also reiterated that leaseholders should not bear the cost of remediation. It is incumbent on us to end the uncertainty and stress they have been living under.

I am persuaded that, having considered a number of alternatives, the only effective way to achieve this increase in pace and to protect leaseholders financially is to fund the remediation of all private residential high-rise buildings with unsafe ACM cladding, except where a warranty provider has accepted liability.

I have noted the steps the Department will take to manage the risk of repercussion. I am clear that, as we implement the recommendations of Dame Judith Hackitt's Review of Building Safety and consider the future of the leasehold system, we must devise solutions that will mitigate the risk of leaseholders facing other unfair and large one-off costs to rectify safety issues.

However, these reforms will take time to put in place. I remain convinced that leaseholders should not be penalised for what was an industry wide failure to ensure fire safety standards were met. I accept that agreeing to provide taxpayer funding in this circumstance does not meet Managing Public Money principles.

I understand that, in making these choices, the taxpayer will pick up the vast majority of remedial costs. However, I have considered that against the safety implications for residents and the need for pace. I consider those two factors to be more important.

It is the unique combination of an industry-wide failure, the particularly acute risk presented by ACM cladding, the high costs to individual leaseholders and the lack of other routes of recourse for leaseholders that is driving my decision to act in this case. You should therefore take this note as a formal direction to implement the Private Sector Remediation Fund for ACM Cladding. It is my judgement that this course of action is in the best interests of the people living in those buildings with unsafe ACM cladding.

Finally I would like to record my thanks to officials in the Department, who I know have worked very hard to identify all those buildings at risk and to ensure that progress is being made.

A handwritten signature in blue ink, appearing to read 'James Brokenshire', is centered on the page. The signature is fluid and cursive, with a prominent initial 'J'.

**RT HON JAMES BROKESHIRE MP**