



Department for Levelling Up, Housing & Communities

Rt Hon Michael Gove MP

*Secretary of State for Levelling Up, Housing and
Communities*

Minister for Intergovernmental Relations

**Department for Levelling Up, Housing and
Communities**

4th Floor, Fry Building
2 Marsham Street
London SW1P 4DF

Email: michael.gove@communities.gov.uk

10 January 2022

Dear Residential Property Developer Industry

GOVERNMENT APPROACH TO BUILDING SAFETY

Following my statement in the House of Commons on building safety, I am writing to ask you to work with me to deliver a lasting industry solution to fix this crisis.

In relation to 11-18m buildings, the vast majority are safe. Others that do have combustible cladding may also be safe or can be made safe through effective use of existing or new fire safety measures such as sprinklers and alarms. There are, however, a small number of residential buildings with unsafe cladding which must be addressed.

It is neither fair nor decent that innocent leaseholders, many of whom have worked hard and made sacrifices to get a foot on the housing ladder, should be landed with bills they cannot afford to fix problems they did not cause.

Government has accepted its share of responsibility and made significant financial provision through its ACM remediation programme and the Building Safety Fund. Some developers have started doing the right thing and funded remedial works and I commend them for those actions. But too many others have failed to live up to their responsibilities.

I am now offering a window of opportunity, between now and March, for the industry as a whole to work with my department through open and transparent negotiations to agree a settlement that will restore confidence and ensure the industry that caused the problem pays to fix it.

A new deal with industry must be built around clear commitments from developers, that you should:

1. Agree to make financial contributions this year and in subsequent years to a dedicated fund to cover the full outstanding cost to remediate unsafe cladding on 11-18m buildings, estimated currently to be £4bn;
2. Fund and undertake all necessary remediation of buildings over 11m that you have played a role in developing (ie both 11-18m and 18m+). Any work undertaken by developers themselves on 11-18m buildings will reduce the total cost of cladding remediation that has be paid for through the proposed 11-18m fund; and
3. Provide comprehensive information on all buildings over 11m which have historic fire-safety defects and which you have played a part in constructing in the last 30 years.

I hope you will also commit to work with us to take forward all necessary remediation work at pace – prioritising those buildings with the greatest risks first and in all cases finding the quickest and most proportionate solution to make buildings safe.

I will open discussions through a roundtable that brings together 20 of the largest housebuilders and developer trade bodies, followed by ongoing negotiations with all those in scope.

In addition, given leaseholders and those affected by the Grenfell Tower tragedy are central to this process, we will be working closely with them throughout and will bring them to the table to discuss solutions at appropriate junctures. I do not intend for these discussions to take place behind closed doors.

I expect a public commitment to this framework by early March. At that point we must have a clear, fully-funded plan of action that we can make available to the public and to affected leaseholders.

I am sure you are as committed as I am to fixing a broken system. I want to work with you to deliver the programme I have set out. But I must be clear, I am prepared to take **all steps necessary** to make this happen, including restricting access to government funding and future procurements, the use of planning powers, the pursuit of companies through the courts and – if the industry fails to take responsibility in the way that I have set out – the imposition of a solution in law if needs be.

Our home should be a source of security and pride. For too many of the people living in properties your industry has built in recent years, their home has become a source of misery. This must change.

I look forward to working with you over the coming weeks to deliver a just deal for industry, leaseholders and the taxpayer.

With every good wish,

A handwritten signature in black ink that reads "Michael Gove". The signature is written in a cursive, slightly slanted style.

**Rt Hon Michael Gove MP
Secretary of State for Levelling Up, Housing and Communities
and Minister for Intergovernmental Relations**