



Richard Goodman
Director General
Department for Levelling Up, Housing & Communities
2 Marsham Street
London SW1P 4DF

16 February 2022

Dear Richard

GOVERNMENT APPROACH TO AGREEMENT ON BUILDING SAFETY

Thank you for your letter of 11 February following the submissions from HBF's members on relevant building safety information.

While some builders may respond separately, I thought it worthwhile setting out a general industry response based on many conversations I have had with members since your letter was sent on Friday evening.

As has been discussed between HBF colleagues and DLUHC officials over recent weeks, without improved visibility in several areas, including ongoing consideration of the government's latest guidance (through the new PAS 9980) and the related position of RICS and lenders, it is very challenging for members to make commitments in the way that is being sought, especially within the timescales as set out.

Members have shared concerns with HBF about the lack of cost controls within the Building Safety Fund and the ACM Fund meaning that in some cases the sums applied for and awarded through the Fund appear to be abnormally large or have generated 'betterment' beyond the remediation necessary to make buildings safe.

Our priority must be to ensure buildings are safe and that leaseholders are not bearing costs, but general upgrades to decades old buildings should not be in scope and awards should not have been made on such a basis. Given that the Building Safety Fund is being financed from a specific tax on UK home builders (RPDT) and from general taxation this discipline is vital.

I very much welcome your commitment in your latest letter that the Department intends to share aggregated data received from home builders. As you are aware, we believe that transparency in this process is absolutely key and it is very important that our members, the wider industry and other actors have a better understanding of the Government's estimates around the number of buildings that require remediation and the likely total cost of doing so. This is particularly important as it becomes clearer that relatively few buildings that are in need of remediation have been built by recognised UK home builders over the past 30 years.



As set out in my response of 9 February, I look forward to writing to you before 25 February with a more complete response to the Government's requests of UK home builders.

Yours ever,

A handwritten signature in black ink, appearing to read 'J.A. Baseley', with a stylized flourish underneath.

Stewart Baseley
Executive Chairman