PARLIAMENTARY DEBATES

HOUSE OF COMMONS
OFFICIAL REPORT
GENERAL COMMITTEES

Public Bill Committee

BUILDING SAFETY BILL

Sixteenth Sitting

Tuesday 26 October 2021

(Afternoon)

CONTENTS

New clauses considered.
Clause 1 agreed to.
Bill, as amended, to be reported.
Written evidence reported to the House.

No proofs can be supplied. Corrections that Members suggest for the final version of the report should be clearly marked in a copy of the report—not telephoned—and must be received in the Editor's Room, House of Commons,

not later than

Saturday 30 October 2021

The Committee consisted of the following Members:

Chairs: Philip Davies, Peter Dowd, Clive Efford, †Mrs Maria Miller

† Amesbury, Mike *(Weaver Vale)* (Lab)
† Bailey, Shaun *(West Bromwich West)* (Con)
† Baillie, Siobhan *(Stroud)* (Con)
† Byrne, Ian *(Liverpool, West Derby)* (Lab)
† Cadbury, Ruth *(Brentford and Isleworth)* (Lab)
Clarke, Theo *(Stafford)* (Con)
† Clarke-Smith, Brendan *(Bassetlaw)* (Con)
† Cooper, Daisy *(St Albans)* (LD)
† Hopkins, Rachel *(Luton South)* (Lab)
† Hughes, Eddie *(Walsall North)* (Con)
† Logan, Mark *(Bolton North East)* (Con)
† Mann, Scott *(Lord Commissioner of Her Majesty's Treasury)*
Osborne, Kate *(Jarrow)* (Lab)
† Pincher, Christopher *(Minister for Housing)*
† Rimmer, Ms Marie *(St Helens South and Whiston)* (Lab)
† Saxby, Selaine *(North Devon)* (Con)
† Young, Jacob *(Redcar)* (Con)

Yohanna Sallberg, Adam Mellows-Facer, Abi Samuels, *Committee Clerks*

† attended the Committee

Public Bill Committee

Tuesday 26 October 2021

(Afternoon)

[Mrs Maria Miller *in the Chair*]

Building Safety Bill

2 pm

The Chair: I remind the Committee that the House has asked Members and staff to take a covid lateral flow test twice a week if they are coming on to the parliamentary estate. Tests can be done at the testing centre or at home.

With the parish notices over, we will continue with new clause 12. The Minister was in the middle of his speech when we adjourned, so I invite him to complete his remarks.

New Clause 12

Assessment of the impact of building safety issues on access to insurance

"(1) Within one year of the day on which this Act is passed the Secretary of State must carry out a review of the impact of building safety issues, including the provisions of this Act, on access to insurance.

(2) The review as set out in subsection (1) shall include assessment of the United Kingdom insurance market.

(3) The review must consider the impact of building safety issues, confidence in the building safety industry and the impact of advice given by his Department on building safety given since 14 July 2017 on—

(a) the availability and cost of insurance for residential blocks;

(b) the availability and cost of professional indemnity insurance for workers in the building safety industry;

(c) requirements placed on buildings in order to access building insurance; and

(d) the wider insurance market.

(4) The review must make recommendation as to any further action needed by Government or the industry to improve access to affordable residential and professional insurance across the United Kingdom."—*(Mike Amesbury.)*

This new clause would ensure the Government publish an assessment of the impact of the building safety risks on the UK insurance market for residential buildings and professional indemnity insurance for those working in building safety.

Brought up, and read the First time, and Question proposed (this day), That the clause be read a Second time.

Question again proposed.

The Minister for Housing (Christopher Pincher): It is a pleasure to serve under your chairmanship, Mrs Miller. I was concluding my remarks in response to a comment from the hon. Member for Weaver Vale, who had asked about interventions that the Government may consider to ensure that the insurance industry is proportionate and fair in its pricing and its availability. He asked about the Competition and Markets Authority, and while I would not want to bind the hands of Her Majesty's Government on one particular intervention, it is certainly the case that nothing is off the table as we try to ensure that the insurance sector lives up to its responsibilities to deliver a fair and proportionate insurance-based set of products to its customers.

In concluding my contribution to the debate, the Government believe that a one-off review, as proposed under new clause 12, is not necessary or proportionate, and may well add inflexibility to the Government's response, which needs to be swift and flexible. I invite the hon. Gentleman to withdraw the new clause.

Mike Amesbury (Weaver Vale) (Lab): It is a pleasure to welcome you to your place, Mrs Miller, for the final time on this Committee's journey. I will withdraw the new clause, noting that we have the opportunity for more conversations on this matter on Report. I beg to ask leave to withdraw the motion.

Clause, by leave, withdrawn.

New Clause 13

Assessment of the impact of Act on access to mortgage finance

"(1) Within one year of the day on which this Act is passed, the Secretary of State must carry out a review of the impact of the provisions of this Act on access to mortgage finance for leaseholders.

(2) The review shall be laid before each House of Parliament.

(3) The review must consider the impact of building safety issues, confidence in the building safety industry and the impact of Government advice on building safety given since 14 July 2017 on—

(a) the availability and cost of mortgages and related financial services for leaseholders in the UK;

(b) difficulties accessing mortgage finance on the wellbeing of leaseholders; and

(c) the impact on the housing and housing finance markets.

(4) The review must recommend what industry changes and Government action are necessary to improve accessibility to mortgage finance for leaseholders."—*(Mike Amesbury.)*

This new clause would ensure that the Government publish an assessment considering the impact of the building safety crisis on leaseholder access to mortgage finance and its impact on the wider housing market.

Brought up, and read the First time.

Mike Amesbury: I beg to move, That the clause be read a Second time.

New clause 13 would ensure that the Government look into the impact on access to mortgage finance and make recommendations to Parliament on policy changes. Some estimates of the number of properties affected by this scandal put it at 1.3 million flats, and some indications suggest a cooling effect on the market for flats—up to 60% compared with three years ago.

Over the weekend, the Bank of England announced that it is looking into the potential impact on mortgage providers and their ability to cope with the crisis should leaseholders be unable to keep up their mortgage payments—something leaseholders across the country have told me they are increasingly worried about given the costs pushed on to their shoulders by the crisis. It is therefore vital that the Government and the Minister seek to properly understand the impact of allowing the current situation to continue, in terms of both the effect

on the overall property market and the devastating consequences for individual leaseholders. The Minister will point to the Government's interventions—several interventions now—that announced the unlocking of the market by trying to create restrictions on which buildings need EWS1 forms and require remediation. The evidence suggests that those announcements have not worked.

It is clear that the market is still making its own decisions, with the media reporting only weeks ago that several of the UK's largest mortgage lenders still require some buildings under 18 metres to obtain the EWS1 surveys. Some lenders have previously stated that they are waiting for the Government to withdraw advice note 14—something that the former Secretary of State promised would be coming within weeks at the start of last month, alongside everything that the Government need to do. However, it has not arrived.

The impact of the market impasse on the lives of individual leaseholders can be huge. Without being able to move, leaseholders are putting off having families, as has been documented throughout the passage of the Bill so far. Some are forced to sell their property at a discount to predatory cash buyers, and some even declare bankruptcy. Thanks to the slow roll-out of the building safety fund and the fact that the Government have still not announced the details of the loan scheme, more than eight months after it was first announced, leaseholders are trapped worrying that they will be left paying remediation costs—many are getting the bills as we speak.

The new Secretary of State has said he will look afresh at the situation, to ensure that the Department is doing everything it can to support leaseholders. I urge Ministers to accept the new clause, so that a full review can be carried out on what decisive Government action must be taken to fix this mess.

Christopher Pincher: To respond to something that the hon. Gentleman said earlier—that we might return to some matters in the future—the future, like the past, is another country. We will see what the Report stage has to offer us.

I can assure the Committee that the Government are working with industry to unlock the mortgage market for those in leasehold flats, to ensure that lenders act in a proportionate and sensible way. We are conscious that there are flat owners who cannot sell their properties and who remain stuck in them because of the excessive industry caution. Such people should not feel that they are living in homes that are unsafe.

To assess the effect of EWS1 on the market, we have secured an agreement from banks and building societies to publish aggregate lender EWS1 data, so that homeowners can see how the Royal Institution of Chartered Surveyors' EWS1 guidance is being applied and the effect of the process on mortgage applications, and we will continue to challenge industry on the inappropriate use of EWS1 forms. We have seen the expert advice that we received earlier this year from Dame Judith Hackitt and Ken Knight, who said that the use of EWS1 forms has got out of proportion. The degree of risk aversion is out of proportion, and it needs to be brought back into proportion—for example, EWS1 forms should not be used for buildings beneath 18 metres in height.

That advice has been accepted by a number of lenders to whom we have spoken, but to support the sector as we transition into a new regime, we have commissioned the British Standards Institute to produce a publicly available specification, the PAS 9980, which is a code of practice for professionals undertaking external wall assessments. That will provide a standard for professionals to follow, encouraging a consistency in approach that we have not seen to date. When it is published by the BSI, it will set out a methodology for professionals to follow and explain when a detailed assessment of an external wall is necessary. That code of practice will set out a methodology for professionals to follow, enabling us to withdraw the consolidated advice note to which the hon. Gentleman referred. The flexibility that we want is in line with our overall message on proportionality and the work that we are doing to ensure that more proportionate assessments of the external wall are carried out.

The Committee is well aware of the funds that the Government have allocated to high-rise buildings above 18 metres, and of the support that we are proposing to provide for buildings below 18 metres and above 11 metres, on which more detail will follow. Support will also be provided as a result of the Bill's passage. We are considering how residents' voices can be further strengthened in the remediation process. I will perhaps be able to say more about that at a later date, but we are minded to increase the voice of residents.

The Government also recognise and understand that construction professionals are struggling to obtain adequate professional indemnity insurance. We will continue to encourage the market to provide greater availability of adequate PII, and we will also make sure that our in extremis backstop measures are in place.

In view of the measures that we have already undertaken to encourage a more proportionate approach by industry, and the Government funding that we have made available so that residents and leaseholders have the peace of mind that they desire, I trust that the hon. Member for Weaver Vale will recognise that the new clause is unnecessary and that he will withdraw it.

Mike Amesbury: Although we will withdraw the new clause, we may come back to this issue on Report. I beg to ask leave to withdraw the motion.

Clause, by leave, withdrawn.

New Clause 14

AGENCY TO MANAGE BUILDING SAFETY WORKS AND FUNDING

"(1) Within six months of the day on which this Act is passed, the Secretary of State must create an agency referred to as the Building Works Agency.

(2) The purpose of the Building Works Agency shall be to administer a programme of cladding remediation and other building safety works, including—

(a) overseeing an audit of cladding, insulation and other building safety issues in buildings over two storeys;

(b) prioritising audited buildings for remediation based on risk;

(c) determining the granting or refusal of grant funding for cladding remediation work;

(d) monitoring progress of remediation work and enforce remediation work where appropriate;

(e) determining buildings to be safe once remediation work has been completed;

(f) seeking to recover costs of remediation where appropriate from responsible parties: and

(g) providing support, information and advice for owners of buildings during the remediation process."—*(Mike Amesbury.)*

This new clause would create a new body set up to oversee a programme of cladding remediation, including assessing the need for remediation, overseeing the process of remediation, managing funding of remediation and recouping costs where possible from appropriate parties.

Brought up, and read the First time.

Mike Amesbury: I beg to move, That the clause be read a Second time.

We have had the same strategy for at least 35 years. The Government's laissez-faire approach simply picked at the edges of a scandal threatening to engulf the whole housing market, mimicking the deregulation and the lack of accountability that caused the scandal in the first place, and leaving leaseholders caught up in a perfect storm. The individuals least able to bear the costs are not responsible for those mistakes.

We have tabled a lot of amendments and new clauses because although in many ways the Bill represents a step forward—at last—we want to highlight the large areas of this ongoing scandal that are not covered and will not be fixed by the Bill. It is clear, from looking at the amendment paper and considering all the aspects of the crisis that we are trying to address, that what is really wrong with the Government's approach is that there is no central plan. By tabling the new clause, we repeat our call for the Government to act across the piece to solve the crisis, to put in place a building works agency, and to do what should have been done in 2017. We need a more interventionist, hands-on approach.

We propose a team of experts to do what the Government have not done: to go from building to building to assess real risk and decide what needs to be fixed and in what order, use the building safety fund to get those buildings fixed, and oversee the work. Crucially, the Government could then sign off the buildings as safe and sellable, bringing certainty back to the market.

Finally, the Government could then take on those who are responsible for creating the crisis and who need to pay. That approach was put in place by a cross-party group of politicians and experts in Victoria, Australia, after the fire in Australia and, later, at Grenfell Tower. It requires our Ministers and the new Secretary of State to be prepared to step up, look afresh, as the new Secretary of State said, and lead from the front, rather than rely on a broken market and leaseholders on the precipice of bankruptcy. I hope that the Minister can accept the new clause. It will not be the last time that a variation of it is brought before the House.

2.15 pm

Shaun Bailey (West Bromwich West) (Con): It is a good to see you in the Chair again, Mrs Miller, on our final day of deliberations. I agree with the sentiments behind new clause 14, and what the hon. Member for Weaver Vale said about ensuring that, going forward, we do not face such issues. He mentioned the example of Victoria in Australia, which we have heard about a lot today. We have to be mindful that in the state of Victoria the number of properties that would fit within the category that we are talking about is 2,000, while in England it is 100,000. Although I see what he is saying, we cannot use the Victoria example as a direct crossover.

We also have to look at the structures in which the current remediation programme sits, because ultimately the new clause will effectively centralise the programme through the establishment of a building works agency and the prevention method. I agree with the sentiment: in the longer term, we will need to have a prevention mindset, as was touched on in the deliberations on previous clauses in this important Bill. However, we need to be mindful of the process in which remediation already sits. Clearly, enforcement is being done by local authorities at present.

Members from across the Committee have been very insistent, and we have had a lot of cross-party support—particularly from myself and the hon. Member for Liverpool, West Derby—when we have said that local authorities need to have the funding to follow through. I know what the hon. Member for Weaver Vale is trying to do with the new clause, which is effectively to say that, if we centralise it with a building works agency that not only deals with remediation but goes further to prevent the problem before it happens, we streamline the process. I can see the logic, but my concern is that we might end up, as an unintended consequence—we have talked a lot about unintended consequences in our deliberations—detract from the work that is already being done.

The new clause could come in within six months of the day on which the Bill is passed, but I am conscious that work is already happening to remediate ACM cladding in particular, which is obviously at the heart of this. My understanding from research is that 95% of the cladding either has already been remediated or is in the process of being remediated. As I said, from a philosophical point of view I am relatively comfortable, but we also have to be mindful of this measure being able to be utilised operationally. My concern is that we have a scheme in place at the moment that is not perfect and needs scrutiny but is working in its aim around remediation.

A big concern that the new clause attempts to address is the lag within that. Perhaps that is something that we need to be mindful of. It could be argued that centralisation, which is what the new clause seeks, could streamline the process, but we also have to be mindful of the reality that there will always be a delay between application and a decision on works and funding coming through. That is a practical reality. I do not know whether a new building works agency would completely eliminate that. That would concern me as well. We have got a process in place already, but does it really achieve the aims?

The Building Safety Regulator has been established. When we build new regulatory landscapes, we do not want to make them inaccessible and convoluted by bringing so many different players to the table.

Ian Byrne (Liverpool, West Derby) (Lab): It is a pleasure, Mrs Miller, to serve under your chairship. I thank the hon. Gentleman for letting me intervene. He talks about this being "convoluted", but we talked last week about a diagram to help the leaseholder understand where to go for help. Would not a single agency or body with oversight of funds, grants and levies, that controls the various streams of money and approves the schemes

once completed, make it easier for the leaseholder to tap into what is there and have an innate understanding of what they can actually do? At the moment, as he rightly says, there are many agencies, and the aim of the new clause is to bring them all under one body.

Shaun Bailey: The hon. Member makes an interesting point. On the face of it, we could say that the new clause streamlines the approach, but I still have a concern. For example, why could the agency not sit within the BSR or within the new regulator that we have just established? Why do we need to establish another one? I get his broader point—

Daisy Cooper (St Albans) (LD): Unless I have missed something, these are two entirely separate proposals for two entirely separate bodies that have two completely different functions. The Building Safety Regulator is there to regulate. The building safety works agency would oversee the remediation works. One regulates and one does the actual building work. They are two separate bodies. There is no confusion at all. A further amendment could put the building safety works agency within the regulator, but there is no need for that. They are two completely different bodies with two completely different remits.

Shaun Bailey: I can certainly see the hon. Lady's point, but my point is: why do we need to bring so many actors to the table? We are trying to build a system that is accessible. I get what she says, but we both know that for vulnerable leaseholders, things might not seem straightforward. When someone is in distress and difficulty, they will not know the difference between the building works agency and the BSR. I can show her that from my casework.

Daisy Cooper: I think it became incredibly clear in our evidence sessions that there are many innocent leaseholders who have effectively become lawyers. They understand the legislation in great detail, and it is hugely disappointing that the hon. Gentleman thinks that many of these innocent leaseholders would not be able to understand the difference between two different bodies when they themselves have effectively become experts on the legislation. As I say, they are two different bodies. Leaseholders themselves are calling for a programme of find, fix and fund, and the building works agency would be there to do the fixing.

Shaun Bailey: We did see that, and I certainly do not want to undermine the work that individual leaseholders have done to get a grasp of the system. That is not what I am trying to say. I want to see a system that is as easy as possible to navigate. Yes, we have seen those examples and I completely get that, but I could equally refer to individuals in states of absolute emotional distress who would have to deal with this system, as we have touched on under previous new clauses.

Mike Amesbury: We have the Building Safety Regulator, as the hon. Member rightly pointed out, centralising what works in co-operation with the other stakeholders, including local fire services and local authorities, which my hon. Friend the Member for Liverpool, West Derby advocated for. We also have the building safety fund. However, there sometimes seems to be a black hole in things. Things disappear and drift, and there is dither and delay. The new clause is about turbocharging the process, providing that leadership and drive that not only leaseholder residents require, but us collectively as legislators of the nation require to deal with this scandal.

Shaun Bailey: I think that we agree with the idea of turbocharging and streamlining the process, but where we disagree is on how we go about doing that. I question whether a building works agency in the form prescribed in the new clause would do that. My other slight concern is that we are already part way through a process of remediation. I want to see that process improved in the ambits in which it already sits. That is the point that I am trying to hammer home.

My concern is about the practical application. The hon. Member for St Albans rightly said, and I do not disagree with her, that many people have had to learn to navigate these difficult systems. On the flip slide, there will be many people who are totally lost and because of the circumstances they find themselves in, they may not be able to navigate these systems in the same way—notwithstanding her point, which I totally take on board; she is right.

To reiterate, I do not disagree with the sentiments expressed by the hon. Member for Weaver Vale and other hon. Members who have intervened. We do need a system that is accessible to those who have been most affected. My concern is about the practical application of new clause 14 and how it would work. I am conscious that we are already going through a process of remediation. The focus should be on ensuring that my right hon. Friend the Minister gets it absolutely right in the first instance.

Mike Amesbury: This is an emergency and an urgent crisis. We have a new Secretary of State, so we can look afresh at the matter. We have looked across the water at something that works. I know that Ministers, shadow Ministers and other stakeholders have spoken to governments in Victoria and New South Wales, looking at what has worked and sharing notes to take things forward. This is a crisis, so I would hope that the new Secretary of State can work with all stakeholders and politely bash heads together at almost a building safety summit. I hope that the matter will be looked at seriously to drive the process forward.

Shaun Bailey: The hon. Gentleman is right in what he says about moving things forward in the longer term, which is how I took it. It is incumbent on me and him to get the new Secretary of State to ensure that this works in the way that those who have been affected would expect. I am sure that my right hon. Friend the Minister is waiting with bated breath for the representations that I will make to him to ensure that this works.

The hon. Gentleman has drawn on the example of the Australian state of Victoria and the conversations that have taken place. Of course, it is important that we look at international examples when we are deliberating the best way to solve this problem—he is right to label it as a crisis, because it is a crisis. I have already articulated this point, but my concern about drawing direct parallels with Victoria is the quantity and scale involved. As I said in my opening remarks, there are 2,000 properties in Victoria that fit the criteria and would fall within new clause 14, as opposed to 100,000 in England alone. My

[Shaun Bailey]

concern is about how we ensure that this system is practically operational, but I do not disagree with the philosophical sentiment behind new clause 14: the idea of streamlining the process, of having a culture in the longer term that is about prevention, and ensuring that those individuals who need to access the system can do so.

2.30 pm

Mike Amesbury: I beg to ask leave to withdraw the clause.

The Chair: I think the hon. Member for West Bromwich West can continue, and then when we come to the vote, I will note that the hon. Member for Weaver Vale wishes to withdraw the clause. Mr Bailey, do you want to finish your remarks?

Shaun Bailey: In light of the hon. Gentleman's decision to withdraw the clause, I will conclude my speech. I would just like to get it on the record that I am very grateful for his intervention, and to all Members who have intervened. I do not disagree with the sentiment they have expressed: it is incumbent on all of us to work together to put pressure on Government to ensure that the Bill develops a system that works and looks after the most vulnerable.

Christopher Pincher: I will be brief. First, I congratulate my hon. Friend the Member for West Bromwich West: I do not think I have ever before seen the official Opposition withdraw an amendment at the behest of a Back-Bench Member. They usually wait until the Minister has spoken. That has put me in my place, if nothing else. *[Laughter.]*

I thank the hon. Member for Weaver Vale for withdrawing his new clause. I understand what he is attempting to achieve by it; I think I am right in saying that it was a manifesto commitment that the official Opposition made, and perhaps at the time it was a sensible and appropriate thing to do. However—it is sad to recall—that general election was nearly two years ago, and things have moved on.

A well-established remediation programme is already in place, as my hon. Friend the Member for West Bromwich West has mentioned: some 97% of buildings clad in ACM have either been remediated or are being remediated, and we believe that all ACM-clad buildings in scope have now been identified. As a result of the joint inspection team that we developed, which works with local authorities and housing associations to identify buildings with unsafe cladding that are in scope, that work is now over 80% complete, so it is hard to see how the time, effort and expense of setting up a new body to do that work would be well used.

I welcome the interest of the hon. Member for Weaver Vale in this matter. He raised the issue of Victoria, where—as my hon. Friend the Member for West Bromwich West has said—there are something like 2,000 buildings above three storeys. In England, we have something like 100,000 buildings above three storeys, and the hon. Member for Weaver Vale's new clause calls for an assessment of buildings over two storeys, so we are talking about a very significant extra degree of effort that would take time, expertise and expense that would be better served pursuing the mechanism that we are presently utilising.

However, I am grateful to the hon. Gentleman, and I do not propose to spend any more of the Committee's time debating this point, because I appreciate that we may vote very soon. I am sure we will come back to this point in future. Yes, we must knock some heads together and move rapidly to ensure that remediation is done as expeditiously as possible.

The Chair: The hon. Member for Weaver Vale has already indicated that he wishes to withdraw the new clause.

Clause, by leave, withdrawn.

New Clause 15

WAKING WATCH

"(1) Within one year of the day on which this Act is passed the Secretary of State must carry out and publish a review of the impact of the advice of his department since June 2017 on—

(a) the implementation of 24 hour 'waking watch' fire patrols and other interim fire safety measures in residential buildings in England awaiting fire safety works;

(b) costs arising from waking watches and other fire safety measures on leaseholders; and

(c) building insurance premiums and safety requirements of building insurance;

(2) The review must include an assessment of the effectiveness of waking watch as an interim fire safety measures, and a comparison with other measures must be included.

(3) The review must recommend industry changes and Government action necessary to reduce reliance on waking watch and interim fire safety costs for leaseholders."—*(Ruth Cadbury.)*

This new clause would ensure the Government undertake a review of waking watch policies.

Brought up, and read the First time.

Ruth Cadbury (Brentford and Isleworth) (Lab): I beg to move, That the clause be read a Second time.

It is a pleasure to serve under your chairship, Mrs Miller. New clause 15, which stands in my name and those of my hon. Friend the Member for Weaver Vale and others, addresses waking watch. It says that within a year, the Secretary of State must

"carry out and publish a review of the impact of the advice of his department since"

the Grenfell fire on

"the implementation of 24 hour 'waking watch' fire patrols and other interim fire safety measures in residential buildings in England…costs arising from waking watches…building insurance premiums and safety requirements of building insurance",

and the cost of other interim fire safety measures. Subsection (2) would require

"an assessment of the effectiveness of waking watch as an interim fire safety measures, and a comparison with other measures".

Subsection (3) would require the review to

"recommend industry changes and Government action necessary to reduce reliance on waking watch and interim fire safety costs"

that leaseholders face.

After the Grenfell Tower fire, waking watches were one of the solutions—one then thought of as temporary—to the cladding and fire safety crisis in residential buildings. All involved assumed that the crisis would pass as either buildings were deemed safe

or remediation works rendered them safe before too long. Sadly, more than four years on, too many residential buildings constructed in the last 20 years and awaiting remediation are still deemed by fire safety experts to be so unsafe that they require waking watch services—a 24-hour building patrol of at least two people, and more for larger buildings.

I will deal first with the other fire safety measures implied in the new clause. Subsection (1)(b) and (c) crucially focus on the costs that many leaseholders have faced because of waking watch programmes and others, along with the impact of insurance premiums, while awaiting a permanent solution to a building's fire safety risk. As we have heard many times before, insurance is one among a mounting series of costs hitting leaseholders. Research in *The Sunday Telegraph* recently showed that insurance premiums have increased by up to 1,200%. For one of my constituents, the cost has risen from £234 a year to £1,734.

I will now address waking watches. One of my constituents, a leaseholder in a flat in Hounslow, wrote to me about their experience and that of their neighbours. They live in a small block of 25 flats, half of which are for social rent. The block is being charged £48,000 per calendar month plus VAT. My constituent described the £48,000-a-month service as "three men" who

> "sit in a cleaning cupboard in the lobby and periodically patrol the small corridors connecting the flats and the stairwell to check for fires."

We have heard many serious concerns raised about the quality and standards of waking watches in our postbags. A report in *The Times* found that staff had joked about running out of Netflix programmes to watch, and a report by Which? in 2020 found similar concerns about staff even sleeping when they were on site. In my constituency, when flammable cladding went up—cladding that was awaiting removal—the waking watch in the adjacent block did nothing. Residents called the emergency services, not the waking watch service being paid to do so.

However, this is not about individual staff members; rather, it is about the wider system. Are there basic standards for waking watch contracts in residential buildings, or numbers of personnel per floor or per 10 flats? Are there stated skill levels, a job description or on-the-job reporting? For instance, anyone using a toilet in a restaurant, or even in the Palace of Westminster, will know when it was last cleaned and what to do if they feel that it does not reach a specific health and safety standard. Do leaseholders have an equivalent assurance as to the safe operation of the waking watch in their blocks, which is somewhat more serious than the cleanliness of a toilet? Certainly, they do not feel safe, based on our postbags.

Is waking watch really an interim measure? For my constituents in one block, a new management company came in and slightly reduced the price of the waking watch. A new fire alarm was fitted, which they were told would get rid of the requirement for waking watch, but—such luck—new guidance issued by the Government meant that the waking watch had to remain, so they continue to pay for it. There is nothing to help people in this situation. It is a rather fitting epitaph for the Government's approach not only to the cost of waking watch but to the fire and building safety crisis. As my constituent said,

> "nothing has changed in terms of leaseholders incurring a monthly expense. The announcement last year of a £30 million Waking Watch Fund (which has yet to pay any money out) will do nothing to help people in this situation."

Some buildings with a waking watch will soon be re-clad or their fire safety defects otherwise remediated; the owners will have done the right thing, or their building safety fund application will have been successful. However, sadly, too many buildings will continue to require a waking watch for the foreseeable future for a number of reasons, which in my constituency alone include: ineligibility for the building safety fund, as the fire risk is not one of inflammable cladding; the building being below 18 metres; or the owner or head lessee being in dispute with the builder over where the responsibility lies. If the owner or the head lessee is a housing association and some flats are for social rent, for which the building safety fund is not to be used, the housing association will have to fund the remediation from its precious capital fund, which is allocated to build new social rent housing, not to make good faults for which that housing association is not responsible, particularly when the block was built by a volume housebuilder and the housing association took over as part of a section 106 agreement. Finally, the other reason why waking watch may continue and safety defects go unrectified is if there is a disagreement between safety professionals as to the actual level of fire risk.

The specifics of each waking watch vary, but generally people are employed to monitor buildings, both internally and externally, for fire and to alert residents in the blocks should there be a fire—that is the theory anyway. A report by the National Fire Chiefs Council said that waking watches alone are

> "impracticable for a long-term solution",

yet they have become widespread and long-term. In London alone, nearly 600 buildings require a waking watch, and there are an estimated 1,000 buildings nationally. These waking watch services have to be funded somehow. The Minister will no doubt refer to the £30 million funding pot that is largely being spent on new alarms, but many reports have pointed out that that funding will not end the need for waking watches, as I pointed out.

I spoke this morning about the toll of the building safety crisis on the mental health of leaseholders. I know from listening to those in my constituency that widespread use of waking watch patrols only adds to their anxiety, on top of the rising bills. One constituent told me how hearing the footsteps is a constant reminder of the risk that so many leaseholders face. I urge the Government to consider the review that the new clause seeks and to provide real answers to the many thousands of leaseholders who hear those footsteps.

Christopher Pincher: I am grateful to the hon. Lady for raising this important point. I am aware that the use of waking watches, especially those put in place by building owners since Grenfell, is causing concern to residents. It is vital that they are used appropriately and only in the most limited circumstances. I hope that the hon. Lady will feel able to withdraw her amendment, although I understand the motivations behind it.

2.45 pm

Waking watch is a rapidly deployed, short-term risk mitigation strategy to give time for those responsible to install alarms or take action to mitigate risk, such as the

removal of unsafe cladding, which is fundamentally what the mitigation strategies that we have developed are about. It will allow residents to remain safe in their homes. The simultaneous evacuation guidance published by the National Fire Chiefs Council is clear: interim measures, including waking watch, should be used only in the short term. The responsible person should move quickly to install an alarm and then remediate, so that the risk that has necessitated the need for interim measures is addressed and the building can have a clear "stay put" evacuation strategy where appropriate.

The hon. Lady and other Members have highlighted some cases in which waking watch measures are being put in place without communication to residents and without a clear strategy for their removal. In too many cases, the costs of waking watch are being passed onto leaseholders, and the Government accept that these costs are the cause of huge concern.

Responsible persons are required to take a proportionate, risk-based approach to ensure the safety of all relevant persons under the fire safety order. Responsible persons are responsible for fire safety in their building. They should take measures to mitigate risk to relevant persons, including interim measures such as waking watch. We expect, as is set out in the simultaneous evacuation guidance, the responsible person to engage with affected leaseholders to explain the position. The responsible person should also engage with their local fire and rescue service when considering a change in a building's evacuation strategy and before implementing a waking watch.

Action is already being undertaken to encourage the use of more appropriate long-term measures. I am not sure that the report the hon. Lady is asking the Committee to recommend to the House offers any material, practical value or assistance to leaseholders in difficult positions. What we are doing now is of more immediate practical use to both responsible persons and leaseholders. We are already working with the National Fire Chiefs Council to review and strengthen the sector-led guidance in order to re-emphasise the temporary nature of waking watches and the alternative proportionate fire safety interventions to be considered before implementing a waking watch—particularly in buildings below 18 metres. We expect the revised guidance to be published shortly.

The hon. Lady mentioned the waking watch relief fund, which provides £35 million to incentivise the installation of a common alarm system. By the end of August that fund had allocated over £22.5 million, covering around 264 of the highest-risk buildings. We estimate that that has benefited over 20,000 leasehold dwellings. I appreciate what the hon. Lady is trying to achieve, but I remind her that on 16 September we reopened the waking watch relief fund so funds can be made available to those in the greatest need. I hope that the hon. Lady recognises that the practical application of new clause 15 will not be to offer any material assistance to leaseholders. On that basis, I encourage her to consider withdrawing her new clause.

Ruth Cadbury: I thank the Minister for his considered response to new clause 15. He said that the review our amendment seeks provides no practical use to leaseholders. I would suggest that having a review and putting it on the public record would be very valuable, because it might expose some of the issues.

Christopher Pincher: I sat down a little prematurely. What I might have said is that, as the hon. Lady will know, the House of Commons has many and varied methods to bring Ministers to the Dispatch Box to address questions or answer debates. I think she will find a way for her voice and the voice of leaseholders to be heard in this matter if she thinks it appropriate.

Ruth Cadbury: I hear the Minister's point. A review being incorporated into legislation would have a little bit more weight, particularly with a response being drafted by the Government, rather than through MPs bringing anecdotal evidence as part of their casework.

The Minister said that the waking watch mitigation is only there while the removal of unsafe cladding and the installation of fire alarms is awaited. As I have explained—he would know this if such a review was to take to place—the taking of those actions has not stopped waking watch being considered essential by the fire safety professionals employed by building owners and managers.

In the spirit of collaboration and collegiality, however, I beg to ask leave to withdraw the motion.

Clause, by leave, withdrawn.

New Clause 16

MONTHLY BUILDING SAFETY UPDATES

"(1) The Secretary of State must within three months of the day on which this Act passes and monthly thereafter lay before each House of Parliament a report on the progress of cladding remediation.

(2) The report must include an overview of—

(a) the progress of the remediation of non-ACM cladding;

(b) the remediation progress of—

(i) social residential buildings,

(ii) private sector residential buildings,

(iii) student accommodation,

(iv) hotels,

(v) hospitals,

(vi) care homes, and

(vii) publicly owned buildings identified has having in need of remediation due to unsafe cladding of any height,

(c) data collected from fire authorities, including—

(i) the numbers of waking watches,

(ii) other interim safety measures, and

(iii) fire alarms installed in residential buildings awaiting remediation or other building safety work.

(d) estimated dwelling numbers in all estimates.

(3) The report as set out in subsection (1) shall include—

(a) regional breakdowns of all data points;

(b) identify whether remediation has been funded through government funding, developer or freeholder funding, through warrantee or by other means; and

(c) detail what proportion of government funding has been allocated and paid out in the period since the last report was published.

(4) The report will no longer have to be published when all buildings identified as having cladding in need of remediation have completed remediation."—*(Mike Amesbury.)*

This new clause would ensure the Government provide regular written updates on the progress of the remediation programme of non-ACM cladding in line with what is currently published on ACM cladding.

Brought up, and read the First time.

Mike Amesbury: I beg to move, That the clause be read a Second time.

The new clause takes its lead from the Government's statistics on ACM remediation. The most recent release, the September 2021 "Building Safety Programme: monthly data release", covers 34 pages and breaks down in detail the types of building with ACM and the progress made in removing and replacing the dangerous cladding over time. It also covers the allocation of funding and gives an update on enforcement proceedings against owners of buildings yet to make their buildings safe. It is a detailed look at what progress is being made to tackle the ACM safety crisis.

We are not getting the same amount of information about non-ACM buildings. Instead, we receive an update covering the funding status of the 3,175 buildings that applied for the building safety fund. Although we are grateful that the Department is now releasing more information than previously on non-ACM funding, there is much more to be done to ensure that the Government's progress in fixing the crisis is as transparent as possible without risking the security of individual buildings.

The new clause suggests one additional point to be included in a non-ACM monthly report, which could also be included in the ACM monthly report—information collected from local fire authorities outlining the interim safety measures that have been put in place. As we have just heard from my hon. Friend the Member for Brentford and Isleworth, waking watch and other interim safety costs are playing a large part in pushing leaseholders to the brink. It is important that they are included in released information on our progress fighting this crisis.

I would be grateful if the Minister could outline why there is a difference in the data release for ACM and non-ACM remediation funding and progress. Does he agree that transparency and being able to track the progress of remediation, as well as the safety measures involved, are necessary to build back trust in the system and in the Government's interventions? If so, I hope that the Minister can accept the new clause.

Christopher Pincher: I hope that in responding relatively briefly to this new clause I can help the hon. Gentleman. I think that the new clause is unnecessary, and I want to assure him and the Committee that his intention has already been met by the Government, and will continue to be met.

In addition to the data released showing progress on ACM remediation, we also separately publish monthly data related to the progress of the building safety fund, covering remediation of unsafe non-ACM cladding, as well as monthly data on the waking watch relief fund. We will continually review the information we hold on cladding remediation and publish all appropriate information when it is ready, which involves undertaking necessary quality assurance. As we have done with the ACM database, we will expand the amount of data and analysis on remediation progress for buildings with unsafe non-ACM cladding when the data is available and once it has been appropriately quality assured.

The hon. Gentleman asks if we will do more; the answer is yes, but we will do it when we are able to provide quality data, properly quality assured. For example, further analysis is being undertaken related to the building safety fund, the data collection on the external wall systems on high-rise residential buildings and the material that is in use on residential buildings between 11 and 18 metres. Data on these areas will be published in due course, adding to what we already publish monthly.

The Committee has acknowledged that the data published on the progress of ACM remediation is high quality, full and transparent. We look forward to being able to do the same with non-ACM remediation and waking watch relief fund data as they are available. Given that explanation, I hope the hon. Gentleman will withdraw his new clause; we intend to deliver just what he is looking for.

Mike Amesbury: I welcome the Minister's commitment to expand the data that will be available in the public domain when it is quality assured. However, as a point of clarity: when is due course?

Christopher Pincher: Soon.

Mike Amesbury: I beg to ask leave to withdraw the motion.

Clause, by leave, withdrawn.

New Clause 17

PRESUMPTION OF ALLOWING URGENT BUILDING SAFETY REMEDIATION WORK

"(1) If a leaseholder or tenant has identified urgent building safety work needed to the property they occupy they should notify the freehold owner in writing.

(2) Should the freehold owner not reply to the written notification under subsection (1) within 90 days of receiving it there should be a presumption in favour of allowing the work to proceed.

(3) It is the freehold owner's responsibility to ensure that all leaseholders and tenants have the correct details to provide them with a written notification as set out in subsection (1).

(4) The Secretary of State may issue guidance on the application of this section.

(5) A court considering a matter relating to this section must have regard to any guidance issued under subsection (4)." —*(Daisy Cooper.)*

This new clause would introduce the presumption of consent for leaseholders to carry out urgent building safety work, where absent freeholders cannot be contacted, or refuse to respond.

Brought up, and read the First time.

Daisy Cooper: I beg to move, That the clause be read a Second time.

I spoke too soon early in proceedings; I thought I had finished all my new clauses for the day, but I forget about new clause 17. This new clause would introduce the presumption of consent for leaseholders to carry out urgent building safety work where absent freeholders cannot be contacted, or refuse to respond. I have moved this new clause following the evidence from the National Housing Federation, which spoke in detail about the challenges its members had faced when dealing with absent or offshore freeholders. Kate Henderson said in evidence to this Committee:

"We can have buildings that are owned by freeholders that are shell companies, and sometimes those companies then demise the internal parts of the building to a long-term leaseholder…Our members have told us that it can be really difficult to engage with the freeholder in this sort of set-up, especially when they need to do things such as assess external wall materials or identify what needs to be remediated."—[*Official Report, Building Safety Public Bill Committee,* 9 September 2021; c. 48, Q46.]

This new clause seeks to give the Government an opportunity to fix that specific problem.

[Daisy Cooper]

There is, of course, a precedent for the concept of a presumption of consent, because the Government introduced it in their own legislation on broadband earlier in the parliamentary session. When I put that to the National Housing Federation during our evidence session, Members may recall that the NHF said there were concerns that the legislation to enable residents to get fast broadband into their homes could cause fire safety defects if the people installing the broadband inadvertently went through firebreaks. I recognise that my proposal is not without problems, but given that leaseholders have been given a presumption of consent in order to get faster broadband put into their buildings—whether or not that might cause problems with firebreaks—if those buildings face fire safety problems, one can see why a presumption of consent might be a good thing.

At an earlier point in proceedings, the Minister and I had an exchange about this new clause, and I believe he raised the question of unintended consequences from that presumption. I hope he may be willing to expand on his concerns and provide assurances that he is aware that this is a challenge for social housing providers, and that the Government will look to address it either through this new clause or in an amendment of their own.

3 pm

Christopher Pincher: I am obliged again to the hon. Lady for raising this matter, which we recognise is an important one. She asked me to expand on the concerns that I raised about the applicability of the new clause, as opposed to the motivation behind it. We have three concerns, essentially, but I hope that she will be further reassured as I explain what we are doing to ensure that tenants and leaseholders are protected.

My first concern is that the new clause does not make it clear what type of work constitutes urgent building safety work, how that would be funded or the rationale regarding the introduction of a 90-day notice period. That lack of clarity presents opportunities for all sorts of legal interpretation that might see the proposal and the wording challenged in the courts.

My second concern is that tenants would have to wait at least 90 days before beginning remediation. I know that the hon. Lady will say to me that a lot of people have been waiting a lot longer than 90 days for their properties to be remediated, and I hear that concern, but I do not see how putting a 90-day window in law will help them or anybody else who might be affected by this challenge.

My third concern relates to the common parts of the building, which are not the responsibility of the leaseholders and tenants. The new clause therefore runs the risk of undermining the role of accountable persons and their building safety responsibilities over the common parts of the building, which we are mandating as part of the new building safety regime.

Those are my three concerns, but I want to offer the hon. Lady some reassurance that we consider that the Bill already delivers the policy intent of her new clause by ensuring that there is a robust definition in place that identifies the accountable persons for buildings that fall within scope. The Bill automatically places statutory obligations on those persons, making them responsible for effectively managing building safety in accordance with the new regime. That is in addition to their active repairing obligations in the lease.

If leaseholders or tenants raise a complaint about an urgent building safety works matter with an accountable person and the accountable person does not adequately address those concerns, rather than the tenants or leaseholders carrying out the work themselves, there will be mechanisms enabling them to raise their concerns directly with the Building Safety Regulator. The Building Safety Regulator will be well equipped to use their expertise and resources to assess whether urgent building safety works are required, and subsequently to take the necessary compliance and enforcement action. Because of their expertise, they will properly be able to identify what is urgent, and that will stand the test of any legal interrogation.

I hope that the hon. Lady will recognise that there are some practical challenges with the new clause, notwithstanding the intent that lies behind it. I hope that she will also see that, vested in the Bill that she has already been voting on—almost entirely favourably, I am pleased to say—is provision that gives leaseholders and tenants the sort of protections that she is looking for. I hope that she will withdraw the new clause.

Daisy Cooper: I thank the Minister for his assurances. I note that the issue was still raised by the National Housing Federation. I will go back to it to ensure that it feels comfortable that the definition of the accountable person and the mechanism that has been set up for other properties will in fact operate well enough if the freeholder is absent. I trust that the Minister will be happy to receive any representations from it if it sees any further issues. But at this point in the proceedings, I am happy to beg to ask leave to withdraw the motion.

Clause, by leave, withdrawn.

New Clause 20

ASSESSMENT OF THE IMPACT OF BUILDING SAFETY ISSUES ON SOCIAL HOUSING SECTOR HOMEBUILDING

"(1) Within one year of the day on which this Act is passed the Secretary of State must carry out and publish a review of the impact of building safety issues on properties provided by registered providers of social housing.

(2) The review must consider in particular—

(a) current and future housebuilding,

(b) current maintenance of homes provided by registered providers of social housing, and

(c) homelessness.

(3) The review must in particular consider the impact of building safety issues on social housing provider finances, including the amount of funding provided to registered providers of social housing to remediate buildings with combustible cladding and the advice given by his Department on building safety since 14 July 2017, on—

(a) the proportion of registered provider of social housing funds that was previously allocated to social homebuilding or the maintenance or improvement of current social housing which has instead been allocated to building safety work, and

(b) projections of future housebuilding by registered providers of social housing in comparison with Government housebuilding targets and national homelessness rates.

(4) The review must make any recommendations for Government action necessary to ensure—

(a) homebuilding targets are reached,

(b) current housing provided by registered providers of social housing is maintained and improved, and

(c) any rise in homelessness is prevented."—*(Mike Amesbury.)*

This new clause would require the Government to publish an assessment of the effect of building safety requirements on the maintenance of current homes and building of future homes by registered providers of social housing, and rates of homelessness.

Brought up, and read the First time.

Mike Amesbury: I beg to move, That the clause be read a Second time.

The new clause would ensure that the Government published an assessment of the impact of building safety costs on registered providers of social housing. The National Housing Federation last week announced that one in 10 affordable homes planned by housing associations will no longer be built, because of the costs of making buildings safe. The impact of the Government's decision to effectively lock out social landlords from funding, because costs are less likely to fall on the shoulders of leaseholders, is clear in the report: 12,900 out of 116,777 new affordable homes will be cut from plans in order to prioritise spending on building safety. Earlier this year, the G15 group stated that their bill would be £3.6 billion by 2036. Nationally, housing associations stated last year that it would cost £10 billion to make all homes safe from fire risk over the next 10 years. The National Housing Federation also announced last week that social rent homes would be the hardest hit, because they build the majority of that tenure within their own income envelope rather than with Government grants.

I need hardly remind the Minister that the country managed to build only 6,644 homes for social rent in 2019 and 2020, but lost 24,120 from the stock, resulting in a net loss of 17,476 homes for social rent. With one in 10 households stuck on waiting lists for more than five years to get a home, we absolutely cannot afford to be losing more social homes. We must build them at scale.

I was glad to hear that the new Secretary of State appears to agree with me and so I hope that addressing this aspect of the building safety crisis can form part of the thinking in this respect. It is not just home building itself that will be impacted. The 61 housing associations surveyed by the National Housing Federation said that they would have to divert £730 million away from routine maintenance such as upgrading kitchens or bathrooms or doing other essential safety work. Half a million social homes are considered to be non-decent—as we have seen in the coverage on ITV. Shockingly, 40% of those are classed as unfit for human habitation. These homes may have mould or damp, rodent issues, or physical damage.

Ruth Cadbury: My hon. Friend is giving an excellent description of the current state of much social rent housing. That is partly because the landlords—councils and housing associations—have not had adequate funding to bring them up to scratch, and the building safety crisis in relation to social rent homes is adding to that. The Minister may want to attack the Labour Government, because that is what Conservative Governments frequently do, but does my hon. Friend agree that, while the Labour Government brought 1 million social rent homes up to standard 20 years ago, such a programme needs to happen again now and this crisis is only making that pressure worse?

Mike Amesbury: I concur with my hon. Friend. When I was a councillor in the Manchester area, I saw the results of that very standards programme. But we cannot excuse landlords; it is on their shoulders to ensure that the types of horrific cases that we have seen are sorted quickly. We cannot afford to allow money to be taken away from tackling these issues. Analysis has shown that housing associations have paid six times as much as developers to get buildings fixed. Given the huge profits that have been made in the private sector, it is a scandal that it is not doing more to pay to fix faults, many of which it created.

The first amendment that Labour tabled in the Committee centred on the impact of climate change on building safety. Building safety considerations are competing with building green houses. The Government have announced funding, but it will take much more to ensure that social homes are warm and energy efficient. With housing accounting for 14% of our emissions, we must make that a priority.

The new clause would ensure that the Government looked at the impact of this crisis on future levels of house building in the UK by social home providers, on homelessness and on the maintenance of social homes. It would require them to make recommendations for action necessary to ensure that building safety issues do not inhibit our ability to reach the house-building targets, and that current provision of housing is maintained and improved.

Christopher Pincher: I am grateful again to the hon. Gentleman for raising an important matter. I do not believe that his amendment is necessary because a great deal of the information that he seeks about registered providers' finances, their house building and the decency of their properties is already published. For example, the global accounts published annually by the regulator of social housing contain detailed financial information about individual private registered providers of social housing that own or manage 1,000 or more homes. That includes how much they invest in new homes and in maintaining their existing properties. A summary of those providers' financial forecasts is typically published alongside the global accounts that set out their investment and development plans for the next five years.

The most recent global accounts published earlier this year reported increased spending by private registered providers on repairs and maintenance in 2019-20. They also showed a 13% increase in investment in new housing supply compared to the previous year, driven by greater spending on delivering new social homes for rent. That speaks volumes about how private registered landlords are continuing to invest in both new and existing homes, despite challenging circumstances. The hon. Member for Weaver Vale will know—we have debated it in the Chamber and elsewhere on a number of occasions—that the new affordable homes programme is worth more than £12 billion. It is the largest cash injection into affordable housing in a 15-year cycle. Of that, £8 billion has already been allocated and has been taken up by registered providers who are determined to build the homes that we require and that the hon. Gentleman has asked for.

Mike Amesbury: Residents in my constituency and across the country would not accept that definition of affordable homes: the Government have vandalised that definition over a number of years. How many homes were built for social rent last year?

3.15 pm

Christopher Pincher: I am obliged to the hon. Gentleman for asking that question. Since 2010, we have built nearly 150,000 homes for social rent, and 32,000 will be built in the new affordable homes cycle, market conditions permitting. That is double the number that were built under the current mechanism. We are building more social homes through the affordable homes programme. We are allowing councils to build homes, if they wish, by reducing the borrowing cap on the housing revenue account. We have created a hub in Homes England to help local authorities that do not have the wherewithal or the experience to build social homes to get that experience so that they can build those homes.

We are building affordable homes of a variety of types and tenures and we will continue to do that, market conditions permitting. We are also investing a significant amount of public funds in retrofitting properties in the social sector that absolutely need it to bring them up to the required standard. The heat and building strategy was announced just a few days ago. Before that, the social housing decarbonisation fund was making available £3.8 billion to decarbonise social properties to ensure that they are more energy efficient. The announcement that the Secretary of State for Business, Energy and Industrial Strategy made a few days ago will ensure that further hundreds of millions of pounds are made available for such things as home improvement grants. That is why we can say that we are dealing with this challenging issue and that the new clause is therefore unnecessary.

The quarterly survey produced by the regulator of social housing shows that private registered providers forecast £70.5 billion of investment in the development and acquisition of housing properties in 2021-22. That exceeds the amount in the 12-month forecast reported by the quarterly survey in the year before the pandemic.

I hope that the hon. Member for Weaver Vale will see that we are making significant investment, which will ensure that homes are brought up to a fit standard, and that the available global account data is transparent and clear. Although I am sure that we will have further debates about how much money is being allocated and where it is being spent, I hope that the hon. Gentleman will see that, in this particular instance, the new clause is unnecessary.

Mike Amesbury: I am sure we will have further discussions on Report, but I beg to ask leave to withdraw the motion.

Clause, by leave, withdrawn.

New Clause 22

ASSESSMENT OF THE IMPACT OF BUILDING SAFETY ISSUES ON SHARED OWNERSHIP

"(1) The Secretary of State must carry out a review of how the following issues impact on leaseholders of shared ownership leases—

(a) building safety issues,

(b) the amount of funding provided to the social housing to remediate buildings with combustible cladding, and

(c) rules surrounding shared ownership schemes and subletting, and the impact of advice given by his Department on building safety given since 14 July 2017.

(2) The review shall assess whether the issues listed in subsection (1)(a) to (c) has impacted on—

(a) costs incurred by leaseholders of shared ownership leases for remediation and other building safety related costs,

(b) access to mortgage finance by leaseholders of shared ownership leases, and

(c) the mental health and wellbeing of leaseholders of shared ownership leases.

(3) The review must make a recommendation as to whether Government action is necessary to—

(a) ensure adequate transparency is readily provided for leaseholders of shared ownership leases in relation to building safety issues,

(b) ensure future confidence in shared ownership schemes, and

(c) encourage increased rates of leaseholders purchasing remaining shares of their shared ownership lease home.

(4) A report setting out the conclusions of the review as set out in subsection (1) must be laid before each House of Parliament no later than 3 months after the day on which this Act is passed.

'shared ownership lease' has the same meaning as in section 76(3) of the Commonhold and Leasehold Reform Act 2002."—*(Mike Amesbury.)*

Brought up, and read the First time.

Mike Amesbury: I beg to move, That the clause be read a Second time.

The very notion of shared ownership implies to me—and I am sure to others in Committee—an element of joint responsibility. Yet it is abundantly clear that, when it comes to picking up the remediation costs to fix a plethora of faults throughout the landscape of shoddy development, there is nothing shared about it. I know that Ministers and departmental officials will have seen the emails, letters and case studies, many of them exposed by the media, that shine a light on the desperation of many residents in shared ownership properties. I was recently made aware of one such building in London, which was covered in flammable cladding and has wooden decking. It is under 18 metres, so leaseholders are not covered by the Bill. They are not classed as high risk. A bill for £85,000 per household from their housing association has just landed through their doors. Some residents own as little as 25% of their flat, but risk being responsible for 100% of the cost.

Ruth Cadbury: Does my hon. Friend agree—from what he was saying, I think he does—that the Government must address this iniquity in shared ownership, where shared owners own only a proportion of their flat yet are responsible for 100% of the cost? Does he also agree that for constituents such as mine, fire safety has been a crisis? They were evacuated from their homes at a week's notice by their social rent landlord from a property built by Berkeley Group. They are homeless, and they cannot get on the housing ladder, even though the housing association has been able to repay them the market cost of the share they own. Does he agree that that is wholly iniquitous?

Mike Amesbury: I do agree with my hon. Friend. That is a horrendous case and I hope things are resolved in the not-too-distant future.

Of course, elsewhere in the country, people who own as little as 10% of their flat face astonishing costs. Again, this is despite the Government's statement that buildings under 18 metres do not generally meet the definition of high risk. This situation requires a rethink of not only how the current crisis is impacting shared ownership leaseholders, but how our shared ownership system is set up and how risks are communicated to shared ownership leaseholders. Shared ownership should mean shared responsibility, not a grotesque responsibility put on people, often on low incomes, that will prevent their being able to join the housing market in other ways, trying to get a foothold on the property ladder, or indeed staircase, into full ownership.

This new clause would ensure that the Government look holistically at the impact of the crisis on shared ownership and their response to it. It would also ensure that the Government provide transparency on the potential building safety implications of shared ownership contracts and reinstate confidence in the shared ownership system.

Christopher Pincher: Again, I thank the hon. Gentleman for raising an important point. He is right to draw attention to the effect of building safety issues on leaseholders who purchased their home on a shared ownership basis. However, I do not think that this new clause is necessary, as the Government are already taking decisive action to support building owners to make their buildings safe without passing unavoidable costs to leaseholders of whatever type or tenure.

The Government, as the hon. Gentleman will know, are committed to providing grant funding for the cost of replacing unsafe cladding for all leaseholders in residential buildings of 18 metres and over in England. Shared ownership leaseholders can benefit from that funding on the same terms as other leaseholders. Fire risk is lower in buildings under 18 metres, and costly remediation work is usually not needed, as we have heard from the evidence provided by Dame Judith Hackitt and Sir Ken Knight, the former chief fire officer, earlier this year. Where fire risks are identified, they should always be managed, but managed proportionately.

We are looking closely at the specific issue of the 11 to 18-metre cohort to ensure that everything is being done to protect and support leaseholders, including those who purchased their home on a shared ownership basis. We will bring forward further detail on the support offer for leaseholders in those residential buildings once all the options have been fully considered; we have collected more data, as I may have said previously here and certainly mentioned in the Chamber yesterday.

I appreciate that not all building safety issues relate to unsafe cladding. However, long-standing, independent safety advice has been clear that it is unsafe cladding that poses the greatest risk to buildings because it can fuel a fire. The Government's approach prioritises action on the risks of unsafe cladding as the costs of remediating it are high and the risks posed are also very high.

That does not mean, however, that we absolve building owners of their responsibilities to ensure that their buildings are safe—far from it. They should continue to pursue all routes to meet the costs, protecting leaseholders from costs where they can. We voted on and agreed to that following our discussion of earlier clauses. We have introduced proposals for a residential property developers tax and for a levy—also a means of ensuring that those who can and should pay do pay.

The new clause refers specifically to the rules around subletting. Let me tell the hon. Member for Weaver Vale that I will be happy to consider how we might make it easier for shared owners affected by building safety issues to sublet their homes when that would help them. That will, of course, depend partly on the acquiescence of their mortgage lender, if they have one. I will have a look at that issue for him.

The hon. Gentleman also raised the important issue of access to mortgage finance. Earlier this year—in July, I think—the Department published an expert statement saying that we do not think there is any systemic risk of fire in buildings under 18 metres, so EWS1 forms should not be required by lenders for those buildings. We have had positive feedback from a number of lenders on that.

The Government introduced a new model of shared ownership in April; it is being delivered through the 2021 to 2026 affordable homes programme that I referred to earlier. That will ensure that shared ownership is more consumer friendly, easier to access and fairer, and leads to a better experience for a future generation of shared owners. The new model of shared ownership reduces the minimum initial share required for purchase to just 10%, down from 25%, and implements a 10-year period during which the landlord will support shared owners with the costs of maintenance and repairs on new build homes. That will certainly encourage shared ownership.

In the roll-out of the new affordable homes programme, the first £8 billion of the strategic partnership funding has been successfully allocated, which suggests that our strategic partners—local authorities, but largely housing associations—see the opportunities that the new model provides and are prepared to build new shared-ownership properties at affordable prices for more people.

We believe that shared ownership will continue to play a vital role in helping more people to realise their ambition to own their own home; that is why we are investing heavily in it and reforming it. It is also why we are determined to make sure that funding is available to protect shared owners from the unaffordable costs arising from the need to replace unsafe cladding.

In light of the assurances and reassurances that I have tried to provide the hon. Gentleman, I hope that he will withdraw the motion.

Mike Amesbury: I welcome the Minister's assurance and comments on actually doing an assessment of the subletting landscape; opportunities may exist in future. We might come back to the whole area of shared ownership, not only on Report but at other stages of the Bill. I beg to ask leave to withdraw the motion.

Clause, by leave, withdrawn.

New Clause 23

REVIEW OF USE OF COMBUSTIBLE MATERIALS

"(1) The Secretary of State must conduct a review on the use of combustible materials on external walls of buildings.

(2) The review set out in subsection (1) must include an assessment on whether the ban on the use of combustible materials on the external walls of buildings should be extended in scope with regard to—

(a) the types of materials used;

(b) the height threshold of buildings included; and

(c) the type of buildings included

(3) A report setting out the conclusions of the review must be laid before each House of Parliament no later than 6 months after the day on which this Act is passed."—*(Mike Amesbury.)*

Brought up, and read the First time.

3.30 pm

Mike Amesbury: I beg to move, That the clause be read a Second time.

New clause 23 would ensure that the Government publish a review, which they have yet to do, on the use of combustible materials and whether the scope of the current ban should be extended to other materials that are not covered at present; on whether the ban should be extended to a greater number of buildings, by lowering the height; and on the types of buildings included.

Of course, the Government have already commissioned a public consultation on the use of combustible materials on external walls of buildings. It was announced in June 2018, it opened in January 2020 and it closed five months later, but the outcome and Government response have yet to be published. The Government have introduced this Bill, which centres on building safety and seeks to define high risk, before it is clear exactly what the Government will consider to be unsafe cladding.

The Government consultation centred on other aspects, and the new clause raises other aspects, but again we come back to the problem of 18 metres. The scoping document for the consultation states:

"We consider that buildings with a residential use between 11-18m may be subject to similar levels of fire risk to many of those taller than 18m."

The document states that in the absence of "robust scientific evidence" to support that,

"the best option…is to reduce the height threshold to 11m now".

Is that still the Government's opinion? The consultation proposes that that should only apply to buildings going forward. Given the caution we have seen in the market in response to the changes in previous Government guidance, I understand that that could very well have further implications for existing buildings, but the alternative is to continue to allow new buildings to go up with materials that may be unsafe.

It is not acceptable that in the middle of a cladding crisis, the Government still have not published the outcome of the consultation after 18 months, when the consultation itself closed three and a half years after the Grenfell fire. It is not acceptable that, as reported earlier this year, around 70 schools and 25 hospitals and care homes have been constructed with combustible cladding since Grenfell. I urge the Minister to accept the new clause and publish such a review.

Christopher Pincher: The Committee should know that the level of risk in buildings is proportionate to their height. That has been reported to us here and in other forums, and it is well understood, so it is appropriate to focus the strict ban on high-rise buildings.

I assure the hon. Gentleman that his new clause, and the intention behind it, is being met by the Government. The Government have already amended the building regulations to ban the use of combustible materials in and on the external walls of new tall buildings in the Building (Amendment) Regulations 2018—SI No. 1230. Combustible materials are not permitted on the external walls of new buildings over 18 metres containing dwellings, or on new hospitals, residential care premises, dormitories in boarding schools and student accommodation over 18 metres in height. We have restricted the use of materials in the external walls and specified attachments of those buildings to those achieving the top two "reaction to fire" classifications.

We are already committed to reviewing the ban annually through advice from bodies such as the Building Regulations Advisory Committee, as made clear in the explanatory memorandum published alongside the amendment made to the building regulations to ban the use of combustible materials in and on the external walls of buildings.

As the hon. Gentleman has identified, a review was conducted in 2019 and the Government subsequently published in January 2020 a consultation on proposed changes to the ban. The consultation included proposals to amend the scope, using a height threshold and the buildings covered. The consultation received, I think, 850 responses. We continue to analyse those responses to ensure that we achieve the right and proper, and best, outcome. I am entirely determined to make sure that that happens as rapidly as possible, and certainly to make sure that we respond effectively to that consultation. With that assurance, I hope that the hon. Gentleman will withdraw the new clause.

Mike Amesbury: I thank the Minister for his response. In terms of publication, can he put a date on that?

Christopher Pincher: In very due course.

Mike Amesbury: In the spirit of collaboration, I beg to ask leave to withdraw the motion.

Clause, by leave, withdrawn.

New Clause 24

REVIEW OF GOVERNMENT SUPPORT FOR BUILDING SAFETY MATTERS

"(1) The Secretary of State must conduct a review of Government support of building safety matters, including but not limited to an assessment of the adequacy of—

(a) the measures in this Act, and

(b) the Building Safety fund and its use.

(2) A report setting out the conclusions of the review as set out in subsection (1) must be laid before each House of Parliament no later than 3 months after the day on which this Act is passed."—*(Mike Amesbury.)*

Brought up, and read the First time.

Mike Amesbury: I beg to move, That the clause be read a Second time.

It is fantastic to be able to say this: this final new clause—[HON MEMBERS: "Hear, hear!"]—gives us an opportunity to look both at the Bill's measures and at the support available for building safety, because it relates to the adequacy of the building safety fund. I

want to concentrate primarily, and fairly briefly, on the use of funding with regard to management fees, agents and product managers, and on the role of managing agents and freeholders in agreeing funding contracts.

Recent Government statistics show that 600 buildings had remediation costs of £2.5 billion. I would be grateful if the Minister could clarify whether the Government's building safety funding covers that total cost, or are parts of it not covered? The cost per building is about £4 million. Having been contacted by leaseholders across the country, I know that the fees charged by some managing agents and project managers are taking up to 14% of the total building remediation costs, as is the case with a building in Manchester. If the remediation costs of that building reach the £4 million mark, over half a million pounds will go to managing agents and project managers.

Back in June, my hon. Friend the Member for Manchester Central (Lucy Powell), the shadow Housing Secretary, was told in response to a question that the Government were not tracking the management and administration fees that leaseholders were being charged for applications for grants from the building safety fund. Will the Minister confirm whether the Government have begun to look at the overall amount that agents are charging for applications to the building safety fund? Is the Department looking at the management and professional fees that are being charged for individual applications? With only £5.1 billion in the Government's pot, we cannot afford for agents to charge the taxpayer and resident leaseholders more than is fair for their time and work.

Fees are even higher for the waking watch relief fund, with one agent charging over a third of the cost of installing a fire alarm. I have also recently been made aware of a case in which agents are threatening to charge leaseholders for the cost of the failed building safety application. A failed application, on top of the threat, also means that leaseholders face the cost of being issued with invoices to fix the mess in that particular building. There is clearly little impetus for professionals to adopt a true risk-based approach if fees are based on percentage rates of works required. The situation is only made worse with concerns over professional indemnity insurance, leading to risk-averse advice on remediation from fire engineer experts, as we have heard throughout this Committee.

As I have said in debates on a good few amendments up until now, a centralised and co-ordinated building assessment strategy would go a long way towards mitigating the wide range of fees levied and would help guarantee a consistent approach to managing the current pot of funds. I hereby move this last new clause.

Christopher Pincher: Although the hon. Gentleman says that this is his last new clause, sadly it is not mine, but we are nearly there. I am grateful to the Committee for its indulgence, patience and good humour throughout the several sittings in which we have enjoyed one another's company.

I will talk about the tracking of fees in response to some of the hon. Gentleman's questions in a moment, but I assure him that his intentions are already being met in the Bill by clause 139, which we debated last Thursday. That clause provides for a widely framed review of the effectiveness of the building regulatory regime, which includes building safety. The review will form part of the programme of reviews conducted or commissioned by the Department, which includes a review considering whether architectural practices should also be regulated.

To clarify, during the debate on clause 135 it was mentioned that clause 138 deals with the regulation of architecture firms, but I ought to confirm that the Architects Registration Board regulates only individual architects, rather than practices. I was told to tell the Committee that and so, being a good Minister, I have.

Returning to clause 139, it provides the Secretary of State with the discretion to specify wider matters for the reviewer to consider. That could include an assessment of the performance of the building safety fund—the performance of the fee mechanism and how fees are charged and paid. The tracking of performance may be another area that the review could consider.

The three-month timescale indicated in the new clause is impractical. The transition plan, which was published alongside the Building Safety Bill, indicates that the majority of the provisions will not be enacted until 12 to 18 months after the Bill achieves Royal Assent. Therefore, a review after three months—when many of the Bill's provisions will not have even begun or, if they have, will be very nascent—would be insufficient to assess the adequacy of those provisions. I hope that the hon. Gentleman recognises that practical challenge. Furthermore, we do not think that the short period of operation for those that will be in effect gives enough time to consider their effectiveness.

It is our position that five years is a reasonable period to allow for the establishment of the BSR, after which a reviewer will be able to consider an established regulatory system. If the hon. Gentleman has specific concerns about the building safety fund, I shall be happy to hear about them. We have always had a good relationship across the Chamber. I am conscious, as I am sure he will be, that there are many mechanisms that the House of Commons may use to achieve proper scrutiny of Ministers and arm's length Government bodies and funds for which both are accountable. I look forward to that scrutiny and having a proper, timely review process to scrutinise and assess the way in which the building safety regime, including the building safety fund, is run over the longer term. With that explanation, I respectfully ask the hon. Gentleman to withdraw his new clause.

3.45 pm

Mike Amesbury: We all have a shared interest in ensuring that the maximum amount of funding provided by the taxpayers goes towards remediating buildings and making them safe. I will follow up on the Minister's kind offer to look at buildings on a case-by-case basis. I have referred to one, but people have certainly expressed concerns about the management and project fees charged for other buildings. Based on that, I beg to ask leave to withdraw the clause.

Clause, by leave, withdrawn.

Clause 1

OVERVIEW OF ACT

Question proposed, That the clause stand part of the Bill.

Christopher Pincher: Only in the wonderful, marvellous, mysterious process that is House of Commons procedure could we come to clause 1 at the end of our deliberations

[Christopher Pincher]

on all the clauses. None the less, I am pleased to invite the Committee to debate it now. The Committee will no doubt be very familiar with the clauses of the Bill, but for the purposes of total completeness—we have an hour and 13 minutes left—I will inform the Committee of what the clause sets out.

The Parliamentary Under-Secretary of State for Levelling Up, Housing and Communities (Eddie Hughes): Briefly!

Christopher Pincher: The first clause—briefly, Mrs Miller—acts as an overview of its constituent parts, which for the benefit of the Committee I may just run through again—or maybe I won't. There are six parts and they contain provisions intended to secure the safety of people in or about buildings and to improve the standard of buildings.

Part 1 is purely an introductory overview. Part 2 establishes the Building Safety Regulator, sets out its functions in relation to buildings in England and provides key powers to enable it to undertake its functions. Part 3 amends the Building Act 1984, setting out the provisions for the new regulatory regime during the design and construction phase of the buildings in scope of the said regime. It also provides for the registration of building inspectors and building control approvers to improve competence levels through better regulation. Part 4 is concerned with buildings in scope during their occupation. It defines and places duties on the accountable person for building safety risks in their building and improves on aspects of accountability such as engagement with residents and the transparency of building safety information.

Part 5 details further provisions regarding safety and standards. For example, it provides arrangements for a new homes ombudsman scheme, requiring developers to become and remain members of it. It creates powers to make provisions about construction products. It removes the democratic filter that requires social housing residents to refer unresolved complaints to a designated person or wait eight weeks before they can access redress through the housing ombudsman. It also changes certain provisions in relation to the procedures of the Architects Registration Board. The aim is that an architect will be able to appeal against a decision taken by the ARB to remove them from the register, and I will consider whether a non-judicial appeal route should also be made available for architects to challenge such a decision.

Finally, part 6 contains general clauses about the commencement of the Bill's provisions and covers applications to the Crown and other standard clauses. Clause 1 is uncontentious. It is an important overview intended to detail the Bill's thematic structure, which is perhaps why it is so very dry. It may have been surmised during the passage of this Committee's deliberations that many of the individual clauses and their amendments are rather dry. None the less, they have an important intent: to ensure that this country's building safety is improved significantly, so that all sectors of society, be they developers, local authorities, architects and designers, building owners or residents, can have confidence in the industry that designs, builds and supports the homes in which people live. Members may have disagreed from time to time on matters in the Bill, but none of us disagrees about what we intend of it.

I am grateful to you, Mrs Miller, and the other Chairs for the occasional indulgence that you have allowed us. I am grateful to all the Clerks and the officials of the House for their support in bringing this Committee stage to a conclusion. I am grateful to my officials for all that they have done to provide us with the details and data to allow us to debate these provisions effectively. I am grateful to the Committee for the collegiate and collaborative way in which everybody has contributed to what we will report to the House. On that basis, and with an hour and eight minutes in hand, I commend clause 1 to the Committee.

Mike Amesbury: I thank you, Mrs Miller, and Mr Davies, Mr Dowd and Mr Efford for chairing proceedings professionally and impartially over the past few weeks. I thank the Clerks and all the staff on the parliamentary estate. I also thank every member of this Committee, from both sides of the House. We have had passion, consideration and great, appropriate humour from time to time. I am sure that on Report, and during the other stages of the Bill, we will collectively contribute towards making people safer in safer buildings.

The Chair: Before I put the question, I should say, because the Committee has quite a lot of new Members, that sometimes those thank yous are done as points of order right before the close. I am grateful, as I am sure others are, for those thanks—it is very kind.

Question put and agreed to.

Clause 1 accordingly ordered to stand part of the Bill.

Bill, as amended, to be reported.

3.54 pm

Committee rose.

Written evidence reported to the House

BSB51 Competence Steering Group

BSB52 Association of Consultant Approved Inspectors (ACAI)

BSB53 Fire Sector Federation

BSB54 Chartered Institute of Building (CIOB)