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Dear Convener.

CLADDING REMEDIATION PROGRAMME – UPDATE ON PROGRAMME EXPANSION AND THE SCOTTISH SAFER BUILDINGS ACCORD

I write to provide you with an update on the work the Scottish Government has been carrying out to identify and remediate unsafe cladding, particularly the Single Building Assessment programme and the Scottish Safer Buildings Accord.

Single Building Assessment

In a statement to Parliament last May I made a commitment to an expansion of the pilot Single Building Assessment programme. In May there were 26 buildings in our pilot programme, this has now increased to 105 buildings at different stages of the Single Building Assessment process.

The initial approach for the Single Building Assessment pilot involved giving grants to homeowners through a property factor. Sixteen Single Building Assessments were commissioned through this approach, which we have referred to as Pathway 1.

In my May statement I confirmed that we would build on our learning and change that approach. Using the powers and procurement tools available to Scottish Government, we would procure fire assessors and engineers on behalf of residents in buildings, an approach termed Pathway 2. This approach is now in place and progressing and eight Single Building Assessments have been commissioned through this pathway.

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As part of this process we have established a dynamic purchasing framework for the programme. This framework began earlier this month and, together with the Pathway 2 approach, will provide a quicker route to assessments for homeowners. In addition three Single Building Assessments are being commissioned in partnership with developers. Fourteen Single Building Assessments have reached a reporting stage and remediation has started on one building.

Quarterly Update

Information on the number of buildings in the Single Building Assessment Pilot, and the level of spend on the programme, is published and updated on a quarterly basis on the Scottish Government website - <u>Single Building Assessment programme: spending information - gov.scot (www.gov.scot)</u>.

The quarterly update was published in January and covered spend to 1 January. The next set of quarterly data will cover the period up to the 1 April. However, it may be helpful to note that as of the end of February total spend on the programme was just under £1.3 million while the total level of committed spend at that date was just over £1.7 million. The overall level of spend on the programme will increase as we process payments and commission work through March so the regular quarterly spend data will be higher than the current spend data.

Waking Watch

While it is our expectation that the majority of buildings that are assessed during the lifetime of the programme will be found to be safe, I have always been clear that, if immediate action is needed to safeguard residents, we would take action. This has been the case in two buildings where, on advice from fire safety engineers, we have established a waking watch as a precautionary measure to safeguard residents. In one of those buildings Scottish Government is meeting the costs of the waking watch while developers have agreed to meet the costs for the second building.

The £1.7 million committed spend figure excludes the commitment to fund a Waking Watch in the developer linked building. We will include these costs in our public data, although separately identified, since the developers have agreed to reimburse Scottish Government for these costs. We are also working closely with the developers in that building to enhance the alarm system to allow the waking watch to be reduced or stood down.

Scottish Safer Buildings Accord

Since last May the Scottish Government has been in discussions with Homes for Scotland and developers on a Scottish Safer Buildings Accord and over that time we have had detailed and positive discussions about securing an agreement to remediate buildings in Scotland. We have made progress in some areas, agreeing with Homes for Scotland, and developers, that the programme of identification, assessment and remediation of buildings will be delivered in more than one wave with each wave focused on a different cohort of developers. In the first wave our discussions have focused on developers who operate across the UK and who have already signed the UK Government Pledge.

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Through these discussions developers have accepted the principle of developer responsibility and that home owners should not pay developer costs associated with life critical fire safety remediation and mitigation work. In negotiations developers have committed to undertaking a fire risk assessment and, where required, the remediation of their properties in Scotland.

Unfortunately, there remain a small number of outstanding, but critical issues on which we have not been able to agree. The main point of impasse being an unwillingness of developers to accept the need to work to legal Scottish Building Standards. Developers want to apply a single approach to Building Standards across the UK even when remediating buildings in Scotland.

The law on building standards in Scotland cannot be set aside by developers or the Scottish Government. Remediation or building work in Scotland are required to do so in line with Scottish Building Regulations passed by the Scottish Parliament in 2022 ensure relevant building works are captured by a Building Warrant and subject to scrutiny by Building Standards. Those regulations then require no combustible materials to be left on a building above 11 meters in height. This is a legal *minimum* standard.

This means that, at this point in time, we have not been able to come to agreement with Homes for Scotland and developers on the Accord, as – and I am sure the Committee would agree - developers who are working in Scotland need to adhere to Scottish standards and this is not an issue on which there can be compromise.

We have made strong progress in our discussions, especially over the last few months and I have today written to Homes for Scotland and encouraged developers to reconsider their position. The Scottish Government remains committed to seeking to secure an agreement in principle with developers and thereafter to agree a legally binding contract with developers but this must be on the basis of accepting Scottish Building Regulations. Firms operating in Scotland must adhere to the laws that are in place in Scotland.

The safety of home owners and residents is at the heart of this programme and I am very aware of how very stressful and unsettling this is for them. The Scottish Government is determined to ensure that buildings with potentially unsafe cladding are remediated and, as I said in my statement to Parliament last year, if the Accord was not going to be agreed I would use the full powers of the Scottish Parliament to safeguard homeowners and residents. This includes introducing primary legislation and we are now preparing options at pace.

Despite these challenges we have worked closely and positively with developers in delivering the Cladding Remediation Programme and will continue to do so. In partnership with developers across Scotland we are commissioning Single Building Assessments and working to assess and remediate buildings. We will continue to engage positively and constructively with developers in continuing this work and providing reassurance for home owners and residents.

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Mortgage and Insurance

I am also mindful of the ongoing mortgage and insurance issues which many homeowners are experiencing. Regulation of mortgage lending is a matter entirely reserved to the UK Government. Therefore, I am unable to intervene with the UK Government's policies or their decisions regarding individual lending.

However, I would expect any changes in the lending market in England to be extended to all nations of the United Kingdom. The Scottish Government engages regularly with UK Finance to ensure the mortgage lending easements announced recently applying to England and Wales can work in tandem with the cladding programme for the benefit of both lenders and homeowners in Scotland. We have been clear with UK Finance and the UK Government on this issue.

Whilst I know the Committee will find the information on the Accord as disappointing as I do, I hope you find this update of use. I gather the Committee has indicated that they will use an upcoming meeting to discuss these issues with Scottish Ministers and look forward to that session.

Yours sincerely,

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