END OUR CLADDING SCANDAL

What's still going wrong?

Long story short, **the previous government set up an enormously complicated system that means some leaseholders in some buildings may be protected from some safety risks**. Labour has done little to correct this haphazard, half-baked approach.

Our inbox tells the sorry tale of the multiple interrelated ways harm continues to be caused to the ordinary people who thought Labour would save them, but who instead have been cast adrift and left scrambling for answers. These include but are by no means limited to the following areas.

There remains no clear funding route for **non-cladding defects in grant funding schemes**. We welcome the improved oversight and alignment between funding and external wall risk in the Cladding Safety Scheme, but gaps remain. Buildings can have dangerous internal safety risks that are identified but left unfunded, with qualifying leaseholders forced to pay and non-qualifying leaseholders still on the hook for ruinous costs.

"Cladding" remediation is forward-funded but homes are being made half safe; leaseholders and residents are left exposed to safety risks, huge insurance premiums and homes that are unsellable to mortgaged buyers.

Non-Qualifying Leaseholders, arbitrarily and unfairly ruled out of the protections, have had their lives torn apart. After multiple meetings with Michael Gove and policy officials, the Conservatives committed to correct the unfair weighting of the leaseholder protections against those who owned properties jointly – described by government officials as an unintended "marriage penalty" – in November 2023.

Following the sudden calling of the 2024 general election, this amendment fell away but we were led to believe it would be put in place by Labour if it came to power as part of its manifesto commitment to better protect leaseholders. Disappointingly, after many months of dithering and seeming failure to direct officials, Labour appears to have chosen to hide behind the excuse that it is too long since the leaseholder protections were introduced to make even this straightforward change.

Last April, Alex Norris told the Housing Select Committee that he recognised the issue of "in perpetuity" status remaining attached to non-qualifying leases - even where sold to a first-time buyer - although we suspect that was a reflection of policy officials' realisation that this continued designation would have a huge impact on flat sales / lending rather than a desire to help non-qualifying leaseholders. Apparently, Labour was "looking very closely" at how this issue could be addressed, but what this actually means remains unknown.

The November 2023 promise, to ensure those who caused building-safety defects in **enfranchised buildings** pay to fix them, also fell away and remains unresolved under Labour. The failure to protect leaseholders who followed government encouragement to take control and ownership of their buildings lays bare the siloed thinking of policy officials, which continues unabated to this day.

Shared owners: we welcomed the July 2025 announcement confirming that social landlords would be given equal access to grant funding, but commitments on subletting these providers made to access such funding in the Joint Plan to accelerate remediation of social housing (see actions 20, 21 and 22) are not being adhered to and there has been no response from the Government to our long-standing request for buyback funding for unmortgageable and unsellable shared ownership flats. Join the Shared Owners' Network for regular updates.

The **Developer Remediation Contract** lacks meaningful enforcement and transparency. In theory, it should deliver holistic remediation; in practice, developers are allowed to minimise scope and delay progress.

The developers broke the law by failing to ensure homes were safe from the risk of fire spread, as they focused relentlessly on their profits over the safety of residents. Instead of holding them fully to account, the previous government created a system that allowed the developers to mark their own homework and get away with doing as little as possible as slowly as they wished. Labour knew this in opposition and we've reminded them constantly since they came to power, but we have yet to see any change.

There is no visible grip of the 4,500+ buildings within the contract, echoing the black hole of the Building Safety Fund. Government promises, such as auditing developer assessments and ensuring best practice measures on communication, have led nowhere. Developers are allowed to literally tick a box to pretend they are meeting their commitments, and this is being accepted at face value.

It is patently absurd that the Contract permits developers to refuse to fund interim measures such as waking watches even where these are required following their assessment – with leaseholders told they can (probably) recover the costs via a Remediation Contribution Order (if they have the energy, time and money) – and the taxpayer on the hook to fund a communal alarm.

There is talk about consequences but without defined deadlines, clear penalties or a genuine backstop – such as guaranteed access to grant funding with full cost recovery from developers – the Developer Remediation Contract will just continue to be an exercise in buck-passing.

In opposition, Matthew Pennycook recognised the need to have a firm grip over those developers and sought clarity on when the Responsible Actors Scheme would be extended beyond the initial signatories. Unfortunately, Minister Pennycook has changed his mind and, after delaying commencement of the Building Safety Levy, Labour is now consulting on expanding the "small development exemption" so that more developers will be able to escape paying the levy.

In the era of "build, baby, build", Labour's manifesto commitment to ensure those responsible for the building safety crisis pay to put it right has been forgotten. The fear of upsetting the developers they are relying upon to build more homes, supported by billions in taxpayer subsidies, has left leaseholders in those buildings bereft of hope.

Inconsistent and subjective risk assessment standards continue to undermine safety. The "proportionate" approach embedded in PAS 9980 allows combustible materials to remain in place where risks are deemed "tolerable", despite widespread concern. The Government has known about these concerns for years - PAS 9980 is now being reviewed by the British Standards Institution, ahead of the Government's plans to cement the Standard into law, but it looks like the review will focus primarily on methodology and will do little to ensure resident safety is prioritised.

Faulty and ambiguous government guidance and a failure to police the regulatory system effectively created this crisis. The shifting landscape of risk assessment – from Consolidated Advice Notes to

PAS 9980 (not forgetting Robert Jenrick's "Independent Expert Statement" in July 2021) – has caused immense confusion across the system and added to leaseholders' emotional and financial suffering.

Therefore, it is the Government that must provide consistency to ensure assessments are reviewed critically, conclusions are grounded in robust test evidence, assumptions are based on worst-case scenarios, and risks identified are reduced to the fullest extent.

The current minimum-standard approach fuels ongoing problems with insurance and mortgage lending.

Labour has failed to tackle the **buildings insurance** quagmire with any real urgency. With both Conservative and Labour governments, Treasury has repeatedly rejected simple solutions, such as agreeing to pay for fire-related claims over a set amount, which would instantly reduce premiums by bringing down the maximum payout an insurer would have to make in the event of a fire.

It is over three years since the FCA's September 2022 report recommended state backing for a Reinsurance Scheme. It's nearly five years since we told the Government that this was the quickest way to reduce the harm being caused to ordinary people, and nearly three years since Matthew Pennycook said ministers must act decisively to drive those costs down by looking to "quickly establish a risk-pooling scheme with government backing".

Labour has said it is working "with insurers" to consider whether it might possibly think about maybe doing *something* to reduce the huge bills leaseholders continue to receive. However, all we have seen is another consultation – on ensuring leaseholders have *transparency* over how much they are being ripped off – and yet another round of data collection that will likely lead nowhere.

Insurance premiums look set to remain cripplingly high, causing annual service charges to climb over 1% of property value, depressing the housing market and locking people into homes they cannot sell at anything near to what they paid.

Despite commitments first made over three years ago, **mortgage lending** remains a mess on the ground even where remediation has taken place. We hear constantly from people who have been forced to sell at a loss just to escape their living nightmare.

The lack of certainty and lender confidence has been caused by inconsistent funding schemes, a focus on life-critical remediation, the demarcation between qualifying and non-qualifying leaseholders, Leaseholder Certificates and Landlord Certificates. The ongoing requirement for EWS1 forms continue to cause havoc at buildings of all heights.

People are forced into renting their flats as sales to mortgaged buyers fall through. Labour's focus on building more homes ignores the fact that first-time buyers are unable to climb onto the first rung of the housing ladder, which remains in tatters as the shocks rumble through the wider flat sales market.

The work of the **Building Safety Regulator** (BSR) – established initially in the Health & Safety Executive based on monstrously complex legislation drafted by MHCLG officials, has caused untold pain – whether unacceptable delays at Gateway 2 or the onerous Building Assessment Certificate requirements under the new high-rise regime.

The political focus remains on addressing the issues for new builds, with the approval time for those now coming down to the statutory 12 weeks, but there is little evidence in the public domain of the same focus on meeting the statutory 8-week target for remediation, with approval rates stuck at 34 weeks (eight months!) and inconsistent communication from the BSR during that time.

The Building Assessment Certificate (BAC) process remains Kafkaesque. Allied with a lack of clear guidance, the conflicting legislation and usual siloed policy thinking have created a consultant's charter, with huge costs being forced onto leaseholders for Safety Case Reports and supporting assessments as well as for the BSR's desktop reviews once a BAC application is called in.

The impact of the complicated funding schemes, conflicting legislation and threats of criminal sanction on **volunteer resident directors** – leaseholders encouraged to take control of their homes – has been enormous. Volunteer directors have been left unsupported for years and still face huge challenges in ensuring their homes are made fully safe, particularly at buildings in the Developer Remediation Contract.

In short, Labour has prioritised rhetoric over meaningful reform, the interests of industry over those of the people it was voted in to represent, and new housing supply over existing safety. Until these gaps are addressed, acceleration alone will not deliver justice or meaningful respite. People will not be able to be safe or feel safe in their homes. Unaffordable costs will continue to land. Leaseholders and residents will remain trapped.