GREATER LONDON AUTHORITY

REQUEST FOR MAYORAL DECISION - MD3415

Delegating delivery of cladding remediation funding programmes to Homes England

Executive summary:

As part of its Remediation Acceleration Plan, the government announced over £1bn of new funding and a change in eligibility rules, to allow the social sector equal access to cladding remediation funds. This was alongside the government's commitment to establishing new funds to support buildings that would otherwise be paying for waking watch, and for exceptional cladding remediation on buildings under 11 metres tall. The government is seeking to deliver this in line with its commitment to streamline remediation funding delivery through the Homes and Communities Agency (HCA) - trading as Homes England (HE).

As part of this process of streamlining the Ministry of Housing, Communities and Local Government (MHCLG) has decided to run all new cladding remediation scheme applications through a single national process. Therefore, it has asked that the GLA stop taking applications to any of its cladding remediation programmes; and that any future applications for cladding remediation funding on social or private sector residential buildings over 11 metres tall, and for the funds set out above, are processed and delivered by HE. MHCLG may also seek to further streamline delivery of remediation funds it administers nationwide, including in Greater London, by having these delivered by HE.

MHCLG has also asked that the GLA transfers some buildings in the GLA's Building Safety Fund (BSF) that would benefit from that streamlined approach; and commits to reviewing the progress of some others, to see whether a transfer to HE would be beneficial to progress. There is a shared understanding that a significant proportion of more advanced or complex projects in the BSF should remain with the GLA until completion. However, these will be kept under review, with a mechanism in place to enable them to be administered by HE if the GLA agrees this would be beneficial to progress. Details of this are set out below.

The GLA's work in this area would remain substantial, including the accelerating the progress of a cohort of its BSF buildings and completing and implementing London's Local Remediation Acceleration Plan, in partnership with Government. The GLA will continue to manage projects in its aluminium composite material (ACM) programmes to completion.

Decision:

That the Mayor agrees that, from the date that the Instrument of Delegation at Appendix 1 to this MD is signed by the Mayor and Homes England consents to it in writing:

- the GLA will no longer accept new applications to any of the cladding remediation funds it manages
- the Homes and Communities Agency, trading as Homes England, will be authorised to exercise such of the GLA's powers, under sections 30 and 34 of the GLA Act, as HE considers necessary or expedient for the purpose of undertaking or continuing all or any activities in order to administer applications for funding, in accordance with the eligibility criteria and rules of any applicable government schemes for such funding, but subject to the conditions of the Instrument of Delegation, in respect of:
 - applications already received by the GLA under its Building Safety Fund, but on condition that the powers
 delegated to Homes England shall not be exercised by it in respect of any such application or groups of such
 applications unless the GLA's Executive Director of Housing and Land consents to this in accordance with
 Appendix A of the Instrument of Delegation
 - new applications for government funding for the remediation of unsafe cladding systems on residential buildings which are at least 11 metres tall, eligible residential buildings under 11 metres tall and for government funding to address issues in residential buildings with unsafe cladding systems that need a waking watch
 - any applications for funds currently managed by MHCLG for cladding remediation work in Greater London, should MHCLG wish to transfer them to Homes England.

Mayor of London	
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I confirm that I do not have any disclosable pecuniary interests in the proposed decision and take the decision in compliance with the Code of Conduct for elected Members of the Authority.

The above request has my approval.

Signature:	Date:
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PART I - NON-CONFIDENTIAL FACTS AND ADVICE TO THE MAYOR

Decision required

1. Introduction and background

- 1.1. In June 2017, the disaster at Grenfell Tower revealed the widespread use of unsafe cladding systems on buildings across the country. Recent government estimates suggest that between 5,900 and 9,000 buildings of at least 11 metres in height across England have or had unsafe cladding systems.
- 1.2. The government initially launched a series of funds to facilitate the remediation of unsafe cladding systems on residential buildings over 18 metres:
 - the Private Sector Cladding Remediation Fund (PSCRF)
 - the Social Sector Cladding Remediation Fund (SSCRF)
 - the Building Safety Fund (BSF) for dangerous non-ACM cladding systems.
- 1.3. Mayoral Decisions (MDs) 2346, 2490 and 2630 approved the GLA's role in administering the majority of this funding in Greater London. The Ministry of Housing, Communities and Local Government (MHCLG) retained responsibility for the delivery of remediation funding for a cohort of social sector buildings over 18 metres that did not have ACM, but had other unsafe cladding systems identified on their external walls.
- 1.4. In 2021, MD2774 outlined the Mayoral decision for the GLA to administer a proportion of the £30m of nationwide funding via the Waking Watch Relief Fund. This was to pay for the costs of installing a common fire alarm system in eligible residential buildings with unsafe cladding systems.
- 1.5. In July 2023, the Secretary of State for Levelling Up, Housing and Communities launched a new £4bn grant scheme for the remediation of eligible buildings, of 11–18 metres in height, with unsafe cladding systems. This is the Cladding Safety Scheme (CSS). MD3004 delegated delivery of the Greater London element of this programme to The Homes and Communities Agency (HCA), trading as Homes England (HE).
- 1.6. There has been criticism of the way this system operated, including from the Mayor and the Public Accounts Committee¹. In response, the government has proposed a series of measures to streamline the processing of applications for grants and to cut the cost of scheme administration.
- 1.7. In April 2025, the Ministry of Housing, Communities and Local Government (MHCLG) asked that HE assume responsibility for delivering remediation funding for 53 social sector buildings over 18 metres tall in London that were eligible for funding. MHCLG also requested that HE should deliver remediation funding for any further social sector buildings that might apply for support through that fund. MD3363 authorised a delegation of the GLA's powers to HE for these purposes. This MD empowers HE to administer any cladding remediation projects in Greater London currently managed by MCHLG, should MHCLG decide in future that such projects should be handled by HE.
- 1.8. In June 2025 MHCLG announced "over £1bn of new investment to accelerate the remediation of social housing, by giving social housing providers equal access to government funding." On 17 July 2025 MHCLG set out that this means that instead of a leasehold unit, but there must be at least one unit owned by a provider registered with the Regulator of Social Housing with 1) a rent that is no more than 80 per cent of the local market rent, inclusive of service charge 2) under a social rent or 3) as a shared-ownership unit. MHCLG currently estimates that this will provide a top-up in funding for some of the 229 social sector buildings already in schemes nationwide and have not started remedial works by the end of June 2025, and around 1,200 new buildings that have not started remedial works coming into schemes for the first time. This is likely to have a significant and positive impact in

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¹ Reports published in 2020 and 2024.

Greater London, and as part of its commitment to streamline remediation funding delivery, MCHLG has requested that this funding in Greater London be administered by HE.

- 1.9. For the reasons set out below, it is proposed that the GLA will no longer accept applications for the ACM cladding remediation funds (MD2346 and MD2490), the BSF (MD2630), or the Waking Watch Fund (MD2774). Projects in the GLA's BSF would be retained by the GLA, and a proportion will be kept under review. For those that are reviewed, it is proposed to have a mechanism in place to enable them to be administered by HE, under delegated authority from the GLA, if this is beneficial to progressing the applications and delivery.
- 1.10. Approval is also sought to delegate delivery of cladding remediation funding for any private or social sector residential buildings in London at least 11 metres, or eligible buildings under 11 metres; or residential buildings eligible for waking watch relief funding.
- 1.11. The proposed delegation is contained in the Instrument of Delegation at Appendix A and has been agreed by HE and MHCLG.
- 1.12. The GLA's work in this area would remain substantial, including accelerating the progress of a cohort of its BSF buildings and completing and implementing London's Local Remediation Acceleration Plan, in partnership with Government. The GLA will continue to manage projects in its aluminium composite material (ACM) programmes to completion.

2. Objectives and expected outcomes

- 2.1. The government's Remediation Acceleration Plan (December 2024) outlines its aim to streamline and accelerate delivery of cladding remediation. MHCLG has requested that GLA transfer, to HE's Cladding Safety Scheme (CSS), buildings over 18 metres in London that would be eligible for the BSF scheme administered by the GLA, but have not yet signed a grant funding agreement or started on site; stop accepting applications; and delegate delivery to HE for future eligible projects in Greater London.
- 2.2. MHCLG has announced at least an additional £1bn funding for social housing cladding remediation, alongside a change in funding eligibility rules for social housing. Following this, and in line with its streamlining objectives in the Remediation Acceleration Plan, MHCLG has also requested that funding for any further social or private sector buildings of at least 11 metres in height; eligible buildings under 11 metres; and buildings under waking watch that are eligible for government funding would be delivered in the same way, via HE.
- 2.3. The GLA has assessed the risks and benefits of transferring delivery of funding for the cohort of buildings referred to within paragraph 2.2 and determined that it will have positive impacts for these social sector buildings. To maintain pace on more established projects already being managed by the GLA, all buildings in the ACM remediation funds (MD2346 and MD2490) will continue to be managed by the GLA. The GLA will regularly review buildings in the BSF (MD2630) to assess whether these should be transferred to HE. Buildings that are transferred are expected to benefit from the CSS's automated system and streamlined processes, with the benefits of streamlined oversight that delivery through a single system could bring.
- 2.4. Although the GLA will retain a significant proportion of buildings currently in the BSF, there would be a mechanism in place to enable them to be administered by HE, if this is beneficial to progressing the applications and delivery. To this end, this MD delegates authority for HE to administer and deliver the BSF projects retained by the GLA, on condition that the powers delegated to HE shall not be exercised by it in respect of any such application, or groups of such applications, unless the GLA's Executive Director consents to this in accordance with Appendix A of the Instrument of Delegation. The Executive Director, Housing and Land, liaising with the Deputy Mayor for Housing and Residential Development, will review progress quarterly, and consider whether such consent should be given.

3. Equality comments

- 3.1. Under Section 149 of the Equality Act 2010, as a public authority, the Mayor of London must comply with the public sector equality duty which provides that the Mayor must have due regard to the need to eliminate unlawful discrimination, harassment and victimisation and any other conduct prohibited by the Act; and to advance equality of opportunity, and foster good relations, between people who have a protected characteristic and those who do not. This involves having due regard to the need to remove or minimise any disadvantage suffered by those who share a relevant protected characteristic that is connected to that characteristic; taking steps to meet the different needs of such people; and encouraging them to participate in public life or in any other activity where their participation is disproportionately low.
- 3.2. The relevant protected characteristics under Section 149 of the Equality Act are: age, disability, gender reassignment, pregnancy and maternity, marital or civil partnership status, race, religion or belief, sex, and sexual orientation. Compliance with the duty may involve ensuring people with a protected characteristic are provided with all the opportunities that those without the characteristic would have.
- 3.3. Granting the delegations in this decision would support timely and consistent implementation of the remediation works across England, to the benefit of all leaseholders and social sector residents. This should particularly benefit residents who are elderly or have disabilities and who may find it more difficult to evacuate from a tower block in an emergency. In such circumstances, these residents may face a greater level of safety risk making the need to remediate these buildings at pace even more pressing.
- 3.4. In MD2630, the GLA raised concerns about the equality impact of excluding social landlords from full access to the BSF. MHCLG has confirmed that social landlords will have "equal access" to remediation funding, which means that a social rental unit, an affordable rental home or a shared ownership home will be funded in the same way as leaseholder homes are funded. The government has committed at least £1bn of additional funding to ensure this happens. This MD is facilitating delivery of this, which will support an estimated 400+ social sector buildings in London.
- 3.5. MHCLG has confirmed that both the BSF and CSS have been subject to comprehensive equalities impact assessments. HE and MHCLG are subject to the Public Sector Equality Duty and, where relevant, are required to consider that duty in future activities and decisions pursuant to this delegation.

4. Other considerations

Key risks and issues

- 4.1. The 2023 Public Body Review of HE recommended that responsibility for administering building safety schemes was moved from HE in the medium term. MHCLG and HE assert that the recommendation was not related to HE's performance in administering the schemes, rather it reflected the view that the remediation of cladding falls outside of the HE mission. The government has taken the decision to commit to increasing HE's remit through the National Remediation System and the drive to streamline funding through its CSS in the long term.
- 4.2. There is a risk that the transfer of buildings between funding schemes in different organisations affects pace of remediation, particularly for those buildings that are due to start remediation in the next 3-12 months. This could negatively affect the wellbeing of residents, potentially drive up costs and affect overall programme performance. To mitigate this, the GLA will retain the majority of buildings in its BSF and keep a proportion under quarterly review to consider whether to transfer to HE, rather than transfer at this stage.
- 4.3. Leaseholders and campaign groups may perceive the lack of GLA's direct involvement negatively, but given positive feedback about HE's CSS so far, this risk is minimal. With a new role via a local

remediation acceleration plan for London, the GLA will work in partnership with HE, MHCLG and regulators to accelerate the pace of remediation of all buildings above 11m in London. The GLA will take steps to ensure Londoners and campaign groups are aware of the new role and actions being taken by this partnership.

Links to Mayoral strategies and priorities

- 4.4. The London Housing Strategy set out the Mayor's commitment to improve the safety and quality of homes, including ensuring the remediation of unsafe cladding where it exists on high rise residential buildings. By supporting the government's efforts to streamline and boost remediation funding and taking forward a new partnership to deliver a Local Remediation Acceleration Plan for London the GLA is taking clear steps to improve London's housing stock, one of the Mayor's programmes.
- 4.5. The Mayor is committed to working in partnership with government, as well as local and national agencies and regulators, to accelerate the pace of remediation. The Mayor will continue to work in partnership with the Government to achieve its aim for all high-rise buildings with unsafe cladding in a government funded scheme to have been remediated as soon as possible, and at the latest by the end of 2029.
- 4.6. The Mayor is committed to ensuring that residents are safe, and feel safe, in their homes; and that all buildings with unsafe cladding systems are remediated so that residents can have peace of mind. The impact of unsafe cladding is widely reported to have had an adverse impact on the mental wellbeing of leaseholders. The Mayor's priorities include reducing health and income inequalities by ensuring Londoners' mental health and physical health are equally valued and supported. This is aligned to delivering this cladding remediation programme consistently and at pace with the rest of England.

Consultations and impact assessments

4.7. MHCLG and HE are working together on a communications plan to communicate to applicants to the funds and residents affected. It is not considered necessary to undertake any further consultation in relation to this decision.

Conflicts of interest.

4.8. There are no conflicts of interest to declare from any of the officers involved in the drafting and clearance of this MD.

5. Financial comments

- 5.1. This decision is seeking approval for the Mayor to authorise that HE assume responsibility for:
 - a. applications already received [and registered] by the GLA under its BSF scheme (as of the date that this IoD is signed by the Mayor and HE) but on condition that the powers delegated to HE shall not be exercised by it in respect of any such application or groups of such applications unless the GLA's Executive Director consents to this in accordance with Appendix A of the Instrument of Delegation
 - b. any future applications for any government funding scheme related to the remediation of unsafe cladding systems on all residential buildings 11m and over in London, on eligible residential buildings under 11m in London, and for funding to address issues in residential buildings with unsafe cladding systems which need a waking watch
 - c. any applications for funds currently managed by MHCLG for cladding remediation work in London, should MHCLG seek to transfer them to HE.
- 5.2. The transfer of responsibility to HE is expected to meet the government's objective of streamlining and accelerating remediation of unsafe cladding systems.

5.3. This delegation has no financial impact on the GLA. HE will incur the cost and responsibility of delivering the scheme in London. The volume of cases that staff currently oversee will drop slightly, but many complex and challenging cases will remain with the GLA to manage, enabling staff at the GLA to focus on driving the pace of cladding remediation and establishing the London Local Remediation Acceleration Plan partnership.

6. Legal comments

- 6.1. Section 30 of the GLA Act allows the Mayor, acting on behalf of the GLA, and after appropriate consultation, to do anything that the Mayor considers will further the promotion of economic development and wealth creation, or social development; or the improvement of the environment in Greater London.
- 6.2. Section 32 of the GLA Act provides that the power under section 30 is exercisable only after consultation with such bodies or persons as the GLA considers appropriate in the particular case. Paragraph 4.7, above, notes that the GLA has consulted with HE, and that it is not considered that any further consultation is appropriate.
- 6.3. Section 33 of the GLA Act requires the GLA, when exercising a section 30 power, to make appropriate arrangements with a view to securing that there is due regard to the principle that there should be equality of opportunity for all people. In addition, section 149 of the Equality Act 2010 requires that GLA and the Mayor have due regard to the need to eliminate unlawful discrimination, harassment and victimisation; and to advance equality of opportunity, and foster good relations, between people who share a protected characteristic and those who do not. Pursuant to this duty, section 3 of this MD above sets out the equality implications of the proposed decision. As is noted in that section, HE is also subject to statutory duties under the Equality Act 2010.
- 6.4. Section 34 of the GLA Act provides a further power for the Mayor to do anything that is calculated to facilitate, or is conducive or incidental to, the exercise of any of his functions (including his functions under section 30).

Delegation to HE

- 6.5. HE's objects are specified in the Housing and Regeneration Act 2008 (the HRA 2008) and include improving the supply and quality of housing in England and securing the regeneration or redevelopment of land or infrastructure in England. The HRA 2008 provides that HE may do anything it considers appropriate for the purposes of its objects, or for purposes incidental to those purposes.
- 6.6. HE's powers in the HRA 2008 used to cover the whole of England, including Greater London. From 1 April 2012 HE's powers to operate in Greater London ceased, by virtue of the Localism Act 2011. As a consequence, HE no longer has the legal power to operate in Greater London; its property, rights and liabilities in Greater London were transferred to the GLA by statutory transfer scheme.
- 6.7. Sections 38(1) and (2) of the GLA Act allows the Mayor to authorise HE to exercise his functions under the Act on behalf of the GLA, including those contained in sections 30 and 34. It is therefore necessary that the Mayor delegates his powers under sections 30 and 34 to HE, to enable it to carry on the activities specified in this MD in Greater London on behalf of the GLA.
- 6.8. Section 38(3) of the GLA Act requires that HE must consent to the delegation in writing. HE has consented to the delegation; and will, in due course, be providing formal written consent to the Mayor.
- 6.9. Section 38(7) of the GLA Act gives HE the power to exercise any functions delegated to it by the Mayor pursuant to section 38, whether or not HE would otherwise have had that power and irrespective of the nature of that function.

- 6.10. Section 38(10) of the GLA Act requires the delegation to be in writing. The proposed Instrument of Delegation is attached at Appendix A. The Mayor may impose conditions on any delegations under section 38(1), and a number of conditions have been included in addition to the delegation.
- 6.11. The powers contained in sections 30 and 34 of the GLA Act, which are to be delegated to HE, are sufficient to enable HE to do all things it considers necessary or expedient to undertake the activities specified in the Instrument of Delegation at Appendix A.
- 6.12. Where HE exercises the Mayor's powers under delegation, it is likely that the GLA would retain legal liability for HE's exercise of those delegated powers.

Appendices and supporting papers:

Appendix A – Instrument of Delegation.

Public access to information

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FoIA) and will be made available on the GLA website within one working day of approval.

If immediate publication risks compromising the implementation of the decision (for example, to complete a procurement process), it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary. **Note**: This form (Part 1) will either be published within one working day after it has been approved or on the defer date.

Part 1 - Deferral

Is the publication of Part 1 of this approval to be deferred? NO

Part 2 - Sensitive information

Only the facts or advice that would be exempt from disclosure under FoIA should be included in the separate Part 2 form, together with the legal rationale for non-publication.

Is there a part 2 form - NO

ORIGINATING OFFICER DECLARATION: Drafting officer: Francesca Woodward has drafted this report in accordance with GLA procedures and confirms the following:	Drafting officer to confirm the following (✓)
Sponsoring Director: <u>Tim Steer</u> has reviewed the request and is satisfied it is correct and consistent with the Mayor's plans and priorities. Mayoral Adviser:	✓
Tom Copley has been consulted about the proposal and agrees the recommendations.	✓
Advice: The Finance and Legal teams have commented on this proposal.	✓
Mayoral Delivery Board This decision was agreed by the Mayoral Delivery Board on the 28 July 2025.	✓

CHIEF FINANCE OFFICER:

I confirm that financial and legal implications have been appropriately considered in the preparation of this report.

Signature: Date: 31/07/2025

CHIEF OF STAFF:

I am satisfied that this is an appropriate request to be submitted to the Mayor

Signature: Date: 31/07/2025