

Rt Hon Rachel Reeves MP and Rt Hon Angela Rayner MP  
Chancellor of the Exchequer and Deputy Prime Minister  
His Majesty's Treasury and the Ministry of Housing, Communities & Local Government  
London  
SW1

28 March 2025

**RE: Social tenants' ongoing lack of access to government cladding remediation schemes**

Dear Chancellor and Deputy Prime Minister

We are writing jointly on behalf of the National Housing Federation (NHF), the representative body for housing associations in England, and the Local Infrastructure and Net Zero Board of the Local Government Association, which represents councils, regarding social landlords' ongoing lack of access to the government's cladding remediation schemes.

Resident safety is social housing providers' number one priority. Since the tragic fire at Grenfell Tower, our members have been working urgently to identify and remediate buildings with combustible materials. We welcome the government's Remediation Acceleration Plan and your commitment to removing unsafe cladding at increased pace.

The design of the Building Safety Fund and the Cladding Safety Scheme excludes the vast majority of social tenants from public support. 90% cent of funding for non-ACM cladding works has gone to private building owners to support remediation, with only the remaining 10% going to social tenants. These arrangements are iniquitous, because social housing tenants, through their rents, are paying for the mistakes of developers and contractors who profited from constructing defective buildings. They are inefficient, acting as a significant barrier to accelerating remediation. And they wrongly prioritise tenure over risk, with the pace of remediation determined on the identity of the landlord rather than fire safety considerations.

**The impact of current arrangements on affordable housing supply**

We strongly support the government's objective to increase housing supply where local consent is given. Your pledge to introduce the biggest boost to social and affordable housing in a generation is welcomed.

Housing associations and councils understand that the government faces significant fiscal pressures, with public services across a range of areas requiring investment. Social housing

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providers face extremely tough choices of their own right now. Last year affordable housing starts fell by over 90% in London, the region with the greatest housing need, because of the pressure on housing associations' balance sheets and the need to divert resources to building safety.

The Public Accounts Committee's recent report highlights their concerns about social landlords' ongoing lack of access to existing schemes and the impact of this on government's wider housebuilding targets. We strongly welcome the government's recent announcement of additional funding for the existing Affordable Homes Programme as a down-payment on future investment at the Spending Review. However, without equal access to the government's cladding remediation schemes, alongside the package of vital measures outlined below, **the only responsible course of action for many organisations will be to scale back delivery of new homes**, to ensure that they can continue to invest sufficiently in existing homes, including building safety, and to meet regulatory requirements.

However, granting social housing tenants equal access to government cladding remediation schemes – a call that is supported by Grenfell United, End Our Cladding Scandal, and the Housing, Communities and Local Government Select Committee – would act as a vital component of rebuilding social landlords' financial capacity. **The NHF's new analysis shows that if the £3.8bn that the NAO estimates it will cost social landlords to remediate existing buildings was instead to be invested in developing new homes, it could result in an additional 91,000 new affordable homes being built.** It would generate vital additional financial capacity to enable our members to increase supply, particularly in London and the South East, where housing demand is greatest. The NHF has provided officials in your departments with further details of this analysis.

### **The opportunity at the Spending Review**

As this research outlines, it will only be possible for social housing providers to build these additional affordable homes if equal access to cladding remediation schemes is accompanied by a package of measures to rebuild their financial capacity. A long-term, above-inflation rent settlement, a fair and consistent return to rent convergence, and ambitious grant support to unlock investment in greener, warmer, safer new and existing homes, are essential to rebuild financial capacity and enable our members to implement the change the government has a mandate to deliver.

Social housing providers stand ready to act as mission-delivery partners for government. But they will only be able to do so as part of the biggest boost to social and affordable housing in a generation if they are given the required financial backing – including equal access to the government's cladding remediation schemes - at the forthcoming Spending Review.

We would welcome the opportunity to discuss this further and are happy to provide any additional information on any of the matters referred to in this letter.

Yours sincerely



Kate Henderson, Chief Executive, National Housing Federation



Councillor Adam Hug, Chair of the Local Infrastructure and Net Zero Board, Local Government Association

CC:

Rt Hon. Darren Jones MP, Chief Secretary to the Treasury

Alex Norris MP, Minister for Building Safety

Matthew Pennycook MP, Minister for Housing and Planning