

Notice of Non-Key Executive Decision

Subject Heading:	Application for and spending of grant funding from the Cladding Safety Scheme in connection with cladding remediation works at Highfield Towers.
Decision Maker:	Neil Stubbings, Strategic Director, Place
Cabinet Member:	Cllr Paul McGeary, Cabinet Member for Housing & Property
ELT Lead:	Neil Stubbings, Strategic Director, Place
Report Author and contact details:	James Johnson, Senior Project Manager, Housing Services Email: james.johnson@havering.gov.uk Tel: 01708 432144
Policy context:	Supports the outcomes within the Corporate Plan: <u>Places</u> Making sure that our neighbourhoods are a great place to live by investing in them and keeping them clean, green and safe.
Financial summary:	This report seeks authorisation to apply for and spend government grant monies. The Council are prohibited from re-charging leaseholders for cladding remediation due to the protections afforded to leaseholders under the Building Safety Act 2022. This government grant will cover some of the costs incurred by the Council.
Relevant Overview & Scrutiny Sub Committee:	Places

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Is this decision exempt from being called-in?	Yes. The decision is exempt from call in as it is a Non key Decision
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The subject matter of this report deals with the following Council Objectives

People - Supporting our residents to stay safe and well **X**

Place - A great place to live, work and enjoy **X**

Resources - Enabling a resident-focused and resilient Council

Part A – Report seeking decision

DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION

For the reasons detailed in this report, the Strategic Director of Place is recommended to approve the Council accepting and spending a grant of £250,000 being the amount of the pre-tender financial support provided to the Council by Homes England pursuant to the terms of the PTS Agreement for cladding remediation works at Highfield Towers. In addition, the Strategic Director of Place is recommended to approve the Council signing all necessary legal agreements in connection with this.

The grant is available through the government's Cladding Safety Scheme, this being a funding scheme to help landlords make up the loss of the leaseholders' share of the costs of such works to higher-risk buildings. The Council are prohibited from re-charging this cost back to leaseholders under the provisions of the Building Safety Act 2022. The Council will be advised what amount is available when the application has been considered by the scheme.

The Council will also seek further funding, which will be the subject of a separate governance report.

AUTHORITY UNDER WHICH DECISION IS MADE

Part 3 Responsibility for Functions
Part 3.3 Officer Delegations

Scheme 3.3.3 – Powers common to Strategic Directors

5.1 To apply for, accept and thereafter spend / allocate any grant funding connected with their directorate provided that any match funding or residual liabilities can be met from the existing budget of the directorate. For the avoidance of doubt this delegation shall allow the acceptance of any grant offered / allocated to the Council without any application.

STATEMENT OF THE REASONS FOR THE DECISION

The replacement of the rainscreen cladding at Highfield Towers is part of an existing major works project. The work is required as the cladding has been identified in a PAS9980 Fire Risk Appraisal of External Walls (FRAEW) and the building's safety case as requiring improvement to modern fire safety standards. The Building Safety Regulator has reviewed the building safety case and is now expecting the Council to get this work undertaken within the timescale stated.

The government has, in the Building Safety Act 2022, afforded protections to qualifying leaseholders from being re-charged for cladding remediation works. The purpose of the Cladding Safety Scheme is to provide funding to help make up the shortfall to landlords. It is

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therefore appropriate that the Council apply for and use this funding for the works. Failure to do so would be disadvantageous to the Council and put further pressure on the Council's resources. The Council will be required to enter into a Grant funding agreement with the government in connection with the grant of this funding.

The amount of funding that the Council will receive is to be confirmed, but the following points are pertinent:

1. There are 76 flats at Highfield Towers of which 13 are privately owned on a long lease. Of these, all are 'qualifying leaseholders' as defined by the rules of the Cladding Safety Scheme. The Council can therefore apply for funding with the calculation of the sum payable being based on 13/76 of the total cost of the cladding remediation works.
2. The budget estimate for the work, prepared by Calford Seaden, is £4,389,840 and based on that the Council anticipates it will be allocated a total of £750k grant funding.
3. Homes England are offering the Council £250,000 initially as pre-tender financial support to assist with to enable the Council to progress the technical and contractual requirements for remedial work required at Highfield Towers to address either defective and/ or unsafe cladding. The funding should not be used for installing new or replacement materials.
4. The application for pretender support under the programme has been initially approved by Homes England in the sum of £250,000 excluding VAT of pre-tender support funding, subject to due diligence for the application for full funding.
5. The pre-tender support will be made pursuant to Section 19 Housing and Regeneration Act 2008.

OTHER OPTIONS CONSIDERED AND REJECTED

The Council can either accept this funding, or not accept it. There is therefore only one alternative option, which is to do nothing.

Option 1 – do nothing

There is nothing apparently onerous about applying for and accepting this funding other than the cost of the staff time it will take, which will be kept to a minimum. Therefore, not applying would be disadvantageous to the Council and, by extension, the citizens of the London Borough of Havering.

PRE-DECISION CONSULTATION

None.

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NAME AND JOB TITLE OF STAFF MEMBER ADVISING THE DECISION-MAKER

Name: James Johnson

Designation: Senior Project Manager

Signature: 

Date: 15 July 2025

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Part B - Assessment of implications and risks

LEGAL IMPLICATIONS AND RISKS

All multi-occupied residential buildings with two or more sets of domestic premises now need the Fire Risk Assessment under the Regulatory Reform (Fire Safety) Order 2005 to include an assessment of their external walls.

As the Responsible Entity for the building only the Council can apply for, accept and enter into the funding agreement.

S91 of the [Building Safety Act 2022](#) includes provisions on engagement with leaseholders and residents that the Council must adhere to.

The Council has a general power of competence under Section 1 of the Localism Act 2011 to do anything that an individual may generally do provided it is not prohibited by other legislation and the power is exercised in accordance with the limitations specified in the Act. This gives the Council the ability to accept and deploy the funding as set out within the body of this report.

FINANCIAL IMPLICATIONS AND RISKS

The Council can apply for funding based on the number of qualifying leaseholders in the block. There are 76 flats in Highfield Towers, of which 13 are privately owned and meet the criteria of the Cladding Safety Scheme. The Scheme is managed by Homes England on behalf of MHCLG.

This Non-Key decision, which follows a Key Decision (April 2025) for the wider scheme, is to allow the authority to receive £250,000 Pre-Tender financial Support (PTS) grant from Homes England in order to carry out this phase of the project.

There will be a separate decision required for funding to support the cost of the works, later in the year.

The nature of the grant is Capital. The Grant Funding Agreement contains a number of reasonable conditions on the authority and it will be up to the authority to abide by them. For example, works being satisfactory for Building Control and post works, an acceptable Fire Risk Assessment (FRA) that demonstrates the risk mitigation to the building. The grant states what is Eligible Expenditure and claims must be submitted via the Homes England Portal.

Estimated cost of the cladding remediation works:	£ 4,389,840
Percentage of Leasehold Flats: (13/76)	17.1%
Total Anticipated Grant funding:	£ 750,894,

This is made up as follows:

1. Initial Grant Funding for Pre-Tender Support £ 250,000
2. Remaining Grant Funding £ 500,894

Our Project Team and consultants will need to manage the procurement and later works to ensure that costs are correctly identified as eligible or not, as the grant funding will not cover costs that are recoverable from leaseholders where the Building Safety Act 2022 doesn't apply or what is attributable to the Council in respect to being the HRA Landlord.

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**HUMAN RESOURCES IMPLICATIONS AND RISKS
(AND ACCOMMODATION IMPLICATIONS WHERE RELEVANT)**

The recommendations made in this report do not give rise to any identifiable HR risks or implications that would affect either the Council or its workforce

EQUALITIES AND SOCIAL INCLUSION IMPLICATIONS AND RISKS

An EHIA (Equality and Health Impact Assessment) has not been completed and is not required for this decision. The Council seeks to ensure equality, inclusion, and dignity for all. There are no equalities and social inclusion implications and risks associated with this decision.

ENVIRONMENTAL AND CLIMATE CHANGE IMPLICATIONS AND RISKS

No direct implications.

BACKGROUND PAPERS

None

APPENDICES

None

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Part C – Record of decision

I have made this executive decision in accordance with authority delegated to me by the Leader of the Council and in compliance with the requirements of the Constitution.

Decision

Proposal agreed

Details of decision maker

Signed



Neil Stubbings
Strategic Director of Place

Date: 18th July 2025

Lodging this notice

The signed decision notice must be delivered to Committee Services, in the Town Hall.

For use by Committee Administration

This notice was lodged with me on _____

Signed _____