



Llywodraeth Cymru
Welsh Government

Welsh Government
Building Safety
Developer Remediation

PACT

Between

THE WELSH GOVERNMENT

and

COUNTRYSIDE PARTNERSHIP

Welsh Government and Developers' Pact

We (the developer) agree with the principle that leaseholders should not have to pay for any costs associated with life-critical fire-safety remediation work arising from the design, construction or refurbishment of the building they live in; we want to work constructively and in good faith with you (the Welsh Government) and building owners/responsible parties, in order to achieve this.

We are therefore pleased to confirm we will take responsibility for performing (or otherwise funding and procuring) remediation works to address life-critical fire-safety issues on all residential buildings in Wales which are 11 metres and over in height that we have developed or refurbished (other than solely as a contractor) ("**our Buildings**").

We will work closely with you to establish an approach for determining the nature and scope of remediation and/or mitigation works that is proportionate and consistent. This process will take into account learning over time and will inform what is required to remediate and/or mitigate life-critical fire-safety issues, on the basis of the Agreed Principles (as set out below).

Recognising that time is of the essence in finalising these arrangements, and carrying out the remediation work to our Buildings, we are committed to working at pace with you to get everything in place to make this happen. We want leaseholders and tenants to be assured that their building will be made safe from life-critical threat as quickly as is reasonably possible, and that they will not need to pay the costs of our remediation works. We confirm that we will work rapidly and in good faith with officials in the Welsh Government over the coming months to agree the necessary documentation required to achieve the Agreed Principles.

We will publish this letter, together with the Agreed Principles, on our website as soon as this letter is dated so that leaseholders are aware of our public commitments. We are happy for the same documents to be published on the Welsh Government website or any other publishing or media platform.

Additionally, for any of our Buildings which have already been identified as falling within the scope of the Agreed Principles, within one month of the date of this letter, we will deliver to you a proposal (including a proposed schedule) for contacting the relevant freeholders and leaseholders to confirm that their building is covered by this letter (and the Agreed Principles) and detailing the next steps that we will take to meet your objectives. For any other buildings, we will agree a process with you to ensure prompt communication with relevant freeholders and leaseholders as required.

Agreed Principles

The following principles are agreed between Welsh Government and each Participant Developer (as defined below) in relation to remediation and/or mitigation works (or the funding and/or procurement of such works) on all residential buildings of a height of 11 metres and over in Wales.

The Welsh Government and each Participant Developer intends to enter into legally binding documentation in the coming months that will expand on, and gives effect to, the Agreed Principles set out below.

Remediation and/or mitigation work

In these Agreed Principles, the following terms will have the meaning given to them below:

- Participant Developers:** Means each developer that has played a role in the development or refurbishment of Buildings (as defined below), or as applicable, the Home Builders Federation on behalf of that developer.
- Buildings:** All residential buildings in Wales 11 metres and over in height that: (i) require remediation and/or mitigation work to address life-critical fire-safety issues; and (ii) have been built or refurbished in the 30 years prior to 5 April 2022 by a Participant Developer.
- Obligation** Each Participant Developer will commit to, amongst other obligations (to be agreed in the legal documentation), fund and undertake at its own cost, and as quickly as reasonably possible, all necessary remediation and/or mitigation work (subject to building owner consent).
- Such work will be proportionate and focused on addressing life-critical fire-safety issues arising from design, construction or refurbishment defects on Buildings which the relevant Participant Developer played a role in developing or refurbishing (as applicable). This includes situations where design and construction at the time were compliant with building regulations but excludes situations where defects have arisen solely as a result of any post-completion alterations not undertaken or procured by the relevant Participant Developer.
- This obligation extends to any role the Participant Developer has played, whether on its own behalf or on behalf of others (including in relation to development for registered providers under section 106 of the Town and Country Planning Act

1990). However, it excludes work carried out solely as a contractor (where the nature of the profit is contract rather than development profit).

The scope of works (or level of funding) will not be required to cover any improvement work which goes beyond that required for life-critical fire-safety issues, other than:

- improvement work that is necessary to comply with any applicable law or building regulations at the time the relevant works are carried out; and
- improvement work that is inherently incidental to the works undertaken.

Standard: Buildings will be assessed and remediated proportionately to the standard as articulated in the PAS9980 methodology and other industry standards relevant to ensuring the Building meets a life-critical safety standard. The Welsh Government will work with each Participant Developer, and where appropriate, the relevant Fire and Rescue Service and local authority to agree the means of auditing and assuring this standard.

Monitoring: Each Participant Developer will commit to demonstrate that it has either provided funding for or carried out remediation and/or mitigation works in accordance with the Standard as quickly as is reasonably possible. The Welsh Government will work with each Participant Developer, to agree a mechanism for each Participant Developer to demonstrate on an ongoing basis that such funding or remediation and/or mitigation work is being progressed as quickly as reasonably possible. Such mechanism will be set out in the legal documentation to be put in place between each Participant Developer and the Welsh Government, or as otherwise agreed between them from time to time.

Duty to inform: The legal documentation will contain provisions requiring Participant Developers to report periodically to the Welsh Government on:

- the progress of its remediation and/or mitigation works.
- the timeline for completing its remediation and/or mitigation works; and

- steps taken to identify further Buildings that require remediation and/or mitigation works to be carried out.

The accuracy and completeness of such information will be subject to periodic, formal attestation by the directors of the relevant Participant Developer.

Each Participant Developer commits to:

- provide the Welsh Government with all relevant data that it has within its possession or control in relation to Buildings which have been built or refurbished in the 30 years prior to 5 April 2022 by that Participant Developer; and
- provide any such additional data that the Welsh Government may reasonably request from time to time.

Audit and verification:

The legal documentation will contain appropriate audit and verification provisions to ensure that:

- for Buildings, information supplied by each Participant Developer is complete, true, accurate and not misleading; and
- for any other buildings, information supplied by each Participant Developer will be as accurate as reasonably possible having regard to the age of those buildings.

Claims:

The legal documentation will make it clear that nothing in this pledge constitutes a waiver of any civil claims, rights or remedies (including under contracts of insurance/warranties) which may be available to any Participant Developer, freeholder, leaseholder and/or residents' management company.

Dispute resolution:

The Welsh Government will work with each Participant Developer, to agree an independent and fair mechanism in the legal documentation for resolving disputes arising between Participant Developers and, for example, managing agents, freeholders, leaseholders, lenders and/or insurers in relation to any remediation and/or mitigation works, and the Participant Developers will endeavour to ensure that such processes are reflected in their arrangements with the relevant managing agents, freeholders, leaseholders, lenders and/or insurers (as the case may be).

Engaging leaseholders: The legal documentation will contain provisions relating to, amongst other things:

- the process by which leaseholders, freeholders, residents and/or residents' management companies of affected Buildings should be engaged by Participant Developers (which will include a requirement for Participant Developers to provide frequent updates to the relevant parties on the progress of the remediation and/or mitigation works, and provide to them with the latest delivery plans for such remediation and/or mitigation works); and
- the mechanism through which leaseholders, residents and/or residents' management companies can engage with the relevant Participant Developer.

We Countryside Partnerships have read and agree to this Pact

Name	Mike Woolliscroft
Role Designation	Group Co-Chief Executive
Signature	
Date	26/7/22