House of Commons

Report Stage: Thursday 2 December 2021

Building Safety Bill, As Amended
(Amendment Paper)

This document lists all amendments tabled to the Building Safety Bill. Any withdrawn amendments are listed at the end of the document. The amendments are arranged in the order in which it is expected they will be decided.

Debbie Abrahams **NC1**

To move the following Clause—

"Review of payment practices and building safety

(1) The Secretary of State must, within 60 days of the day on which this Act is passed, establish a review of the effects of construction industry payment practices on building safety in general and on safety in high-risk buildings in particular.

(2) The review must, in particular, consider—

(a) the extent to the structure of the construction market incentivises procurement with building safety in mind,

(b) the extent to which contract terms and payment practices (for example, retentions) can drive poor behaviours, including the prioritisation of speed and low cost solutions and affect building safety by placing financial strain on supply chain,

(c) the effects on building safety of other matters raised in Chapter 9 (procurement and supply) of Building a Safer Future, the final report of the Independent Review of Building Regulations and Fire Safety, published in May 2018 (Cm 9607),

(d) the adequacy for the purposes of promoting building safety of the existing legislative, regulatory and policy regime governing payment practices in construction, including the provisions of Part II of the Housing Grants, Construction and Regeneration Act 1996, and

(e) recommendations for legislative, regulatory or policy change.

(3) The Secretary of State must lay a report of the findings of the review before Parliament no later than one year after this Act comes into force."

Member's explanatory statement
This new clause would put an obligation on the Secretary of State to review the effects of construction industry payment on practices on building safety and to report the findings to Parliament.

Peter Aldous **NC2**

To move the following Clause—

"Building regulations: property protection

(1) The Building Act 1984 is amended as follows.

(2) In section 1 (Power to make building regulations), after subsection (1)(f), insert—

"(g) furthering the protection of property".

(3) In Schedule 1 (Building Regulations), in paragraph 8(5A)—

(a) after "1(1)(a)" insert "(d), (e) and (g)";

(b) after "flooding" insert "and fire"."

Member's explanatory statement
This new clause would add "furthering the protection of property" to the list of purposes for which building regulations may be made under the Buildings Act 1984, and extends the purposes for which persons carrying out works on a building may be required to do things to improve building resilience.

NC3

Keir Starmer
Lucy Powell
Mike Amesbury
Ruth Cadbury
Sir Alan Campbell

To move the following Clause—

"Remediation costs and Building Works Agency

(1) The remediation costs condition applies where a landlord has carried out any fire safety works to an applicable building in consequence of any provision, duty or guidance arising from—

(a) the Housing Act 2004;

(b) the Regulatory Reform (Fire Safety Order) 2005;

(c) the Building Safety Act 2021;

(d) any direction, recommendation or suggestion of any public authority or regulatory body;

(e) such other circumstances or enactment as the Secretary of State may prescribe by regulations or in accordance with subsection (9), below.

(2) If the remediation costs condition is met, then the costs incurred by the landlord in connection with those matters may not be the subject of a demand for payment of service charges, administration charges or any other charge permitted or authorised by any provision of any long lease.

(3) Any demand for payment which contravenes this section shall be of no force or effect and will have no validity in law.

(4) Any covenant or agreement, whether contained in a lease or in an agreement collateral to such a lease, is void in so far as it purports to authorise any forfeiture or impose on the tenant any penalty, disability or obligation in the event of the tenant refusing, failing or declining to make a payment to which this section applies.

(5) The remediation costs condition applies to demands for payment before the landlord incurs the costs in the same way as it applies to demands for payment made after the costs have been incurred.

(6) The remediation costs condition does not apply where the landlord is a company in which the majority of the shares are held by leaseholders or where the landlord is an RTM company.

(7) Within six months of the day on which this section comes into force, the Secretary of State must create an agency referred to as the Building Works Agency.

(8) The purpose of the Building Works Agency shall be to administer a programme of cladding remediation and other building safety works, including—

(a) overseeing an audit of cladding, insulation and other building safety issues in buildings over two storeys;

(b) prioritising audited buildings for remediation based on risk;

(c) determining the granting or refusal of grant funding for cladding remediation work;

(d) monitoring progress of remediation work and enforce remediation work where appropriate;

(e) determining buildings to be safe once remediation work has been completed;

(f) seeking to recover costs of remediation where appropriate from responsible parties; and

(g) providing support, information and advice for owners of buildings during the remediation process.

(9) The Building Works Agency shall also have power to recommend that the Secretary of State exercises his power under clause (1)(e) in such terms and to such extent that it sees fit. If such a recommendation is made, the Secretary of State must, within 28 days, either—

(a) accept it and exercise the power under clause 1(e) within 28 days of acceptance; or

(b) reject it and, within 28 days of rejection, lay before Parliament a report setting out the reasons for rejection.

(10) In this section—

(a) "fire safety works" means any work or service carried out for the purpose of eradicating or mitigating (whether permanently or temporarily) any risk associated with the spread of fire, the structural integrity of the building or the ability of people to evacuate the building;

(b) "applicable building" means a building subject to one or more long leases on the day on which section comes into force;

(c) "service charge" has the meaning given by s.18, Landlord and Tenant Act 1985;

(d) "administration charge" has the meaning given by Schedule 11, Commonhold and Leasehold Reform Act 2002;

(e) "long lease" has the meaning given by sections 76 and 77 of the Commonhold and Leasehold Reform Act 2002;

(f) "RTM company" has the meaning given by section 113 of the Commonhold and Leasehold Reform Act 2002.

(11) This section comes into force on the day on which this Act is passed."

Stephen McPartland **NC4**
Royston Smith
Dr Julian Lewis
Anne Marie Morris
Sir Mike Penning
Sir Robert Neill
Andrew Rosindell
Tom Tugendhat
Mr Peter Bone
Mrs Pauline Latham
Henry Smith
Caroline Ansell
Neil Coyle
Caroline Nokes
Damian Green
Rehman Chishti
Stephen Hammond
Mr William Wragg
Mr John Baron
Sir Peter Bottomley
Bob Blackman
Tracey Crouch
Chris Green
Dr Matthew Offord
Mr Andrew Mitchell
Sir Iain Duncan Smith

To move the following Clause—

"Building Safety remediation and works: zero-rating for Value Added Tax purposes

(1) The Value Added Tax Act 1994 is amended as follows.

(2) In section 35(1A)(b) at the end leave out "and".

(3) In subsection 35(1A)(c) leave out the final full stop and insert ", and".

(4) After subsection 35(1A)(c) insert—

"(d) building safety remediation or building safety works of the type described in item 4A of the table in paragraph 1 of Group 5 of Schedule 8 to this Act."

(5) After subsection 35(2) insert—

"(2A) For the purposes of subsection (2), the Commissioners shall make regulations providing for a period of not less than 6 months to be open for claims for repayment of VAT in relation to supplies under subsection 35(1A)(d) where the date of supply is between 14 June 2017 and 31 July 2022."

(6) In the table at paragraph 1 of Group 5 of Schedule 8, after existing item 4 insert new item 4A—

"The supply in the course of—

(a) remediation of any defect in any external wall of any building containing two or more residential dwellings; or

(b) remediation of any defect in any attachment to any external wall of any building containing two or more residential dwellings; or

(c) the installation of a new or upgraded communal fire alarm system, other than to replace a communal system which has reached the end

of its working life, or a communal system which has broken down as a result of failure to make reasonable repairs over time; or

(d) remediation of any internal or external defect other than a defect described in paragraphs (a), (b) or (c); or

(e) any building safety works carried out by an accountable person under section 86 of the Building Safety Act 2021

of any services related to the remediation."

(7) In the table at paragraph 1 of Group 5 of Schedule 8, in item 4 replace "item 2 or 3" with "item 2, 3 or 4A".

(8) After note 24 insert a new note as follows—

"(25) For the purposes of item 4A in the table above—

"defect" means anything posing any risk to the spread of fire, the structural integrity of the building or the ability of people to evacuate the building, including but not limited to any risk identified in guidance issued under Article 50 of the Regulatory Reform (Fire Safety) Order 2005 (S.I. 2005/1541) or any risk identified in regulations made under section 59 of the Building Safety Act 2021;

"external wall" has the same meaning as in Article 6 of the Regulatory Reform (Fire Safety) Order 2005 (S.I. 2005/1541);

"remediation" means any step taken to eradicate or to mitigate a defect, including employment of any person temporarily or permanently to assist in evacuation of any part of a building, and whether or not the defect in question existed at the date any dwelling in the building was first occupied. Remediation does not include anything required in consequence of omitting to effect reasonable repairs or maintenance to all or any part of the building over time, or anything which is the responsibility of the occupant of a dwelling in the building."

(9) This section comes into force on 1 August 2022."

Member's explanatory statement
This new clause allows recovery of VAT on building safety remedial works paid since 14 June 2017 and makes future supplies of materials, goods and services for building safety remediation projects zero-rated for Value Added Tax.

Stephen McPartland **NC5**
Royston Smith
Dr Julian Lewis
Anne Marie Morris
Sir Mike Penning
Sir Robert Neill
Andrew Rosindell
Tom Tugendhat
Mr Peter Bone
Mrs Pauline Latham
Henry Smith
Caroline Ansell
Sir Peter Bottomley
Caroline Nokes
Damian Green
Rehman Chishti
Stephen Hammond
Mr William Wragg
Mr John Baron
Bob Blackman
Tracey Crouch
Chris Green
Dr Matthew Offord
Mr Andrew Mitchell
Sir Iain Duncan Smith

To move the following Clause—

"Fire safety defects and defective dwellings

(1) The Housing Act 1985 is amended as follows.

(2) In section 528(1)(a) leave out the final ", and" and insert ", or".

(3) After section 528(1)(a) insert—

"(aa) buildings in the proposed class are defective as a result of their external walls or any attachment to the external walls, whether as a result of the design or construction of the external walls or the attachment in question; or

(ab) buildings in the proposed class are defective as a result of anything which in the opinion of the Secretary of State poses a building safety risk or the ability of anyone to evacuate the building, whether or not the building is a higher-risk building, and"

(4) In section 528(1)(b) for "paragraph (a)" substitute "paragraphs (a), (aa) or (ab)".

(5) In section 528(1)(b) at the end insert ", or in the opinion of the Secretary of State is materially difficult to mortgage, insure or sell compared to non-defective dwellings."

(6) After section 528(4) insert—

"(4A) A designation may identify any part of a building or class of buildings, any design feature, any material used in the construction of that building, any error in workmanship or installation or anything missing from that building, whether or not it should have been included when the building was constructed.

(4B) A designation may be made if the defect requires the employment of any person, whether on a permanent or temporary basis, specifically to assist with the evacuation of that building or part of that building."

(7) After section 528(6) insert—

"(7) In this section—

"building safety risk" has the same meaning as in section 59 of the Building Safety Act 2021.

"external wall" has the same meaning as in Article 6 of the Regulatory Reform (Fire Safety) Order 2005 (S.I. 2005/1541).

"higher-risk building" has the same meaning as in section 62 of the Building Safety Act 2021."

(8) In section 559(1)(a) omit the final ", and" and replace it with ", or".

(9) After section 559(1)(a) insert—

"(aa) buildings in the proposed class are defective as a result of their external walls or any attachment to the external walls, whether as a result of the design or construction of the external walls or the attachment in question; or

(ab) buildings in the proposed class are defective as a result of anything which in the opinion of the local housing authority

poses a building safety risk or the ability of anyone to evacuate the building, whether or not the building is a higher-risk building, and"

(10) In section 559(1)(b) for "paragraph (a)" substitute "paragraphs (a), (aa) or (ab)".

(11) In section 559(1)(b) at end insert—

"or in the opinion of the local housing authority materially difficult to mortgage, insure or sell compared to non-defective dwellings."

(12) After section 559(4) insert—

"(4A) A designation may identify any part of a building or class of buildings, any design feature, any material used in the construction of that building, any error in workmanship or installation or anything missing from that building, whether or not it should have been included when the building was constructed.

(4B) A designation may be made if the defect requires the employment of any person, whether on a permanent or temporary basis, specifically to assist with the evacuation of that building or part of that building."

(13) After section 559(6) insert—

"(7) In this section—

"building safety risk" has the same meaning as in section 59 of the Building Safety Act 2021;

"external wall" has the same meaning as in Article 6 of the Regulatory Reform (Fire Safety) Order 2005 (S.I. 2005/1541);

"higher-risk building" has the same meaning as in section 62 of the Building Safety Act 2021."

(14) This section comes into force on the day this Act is passed."

Member's explanatory statement

This new clause is suggested before clause 126. This new clause amends Part XVI of the Housing Act 1985 (originally enacted as the Housing Defects Act 1984) to empower the government and local authorities to designate dwellings with cladding and fire safety defects as defective and to provide grant support for remediation.

Stephen McPartland **NC6**
Royston Smith
Dr Julian Lewis
Anne Marie Morris
Sir Mike Penning
Sir Robert Neill
Andrew Rosindell
Tom Tugendhat
Mr Peter Bone
Mrs Pauline Latham
Henry Smith
Caroline Ansell
Sir Peter Bottomley
Caroline Nokes
Damian Green
Rehman Chishti
Stephen Hammond
Mr William Wragg
Mr John Baron
Bob Blackman
Tracey Crouch
Chris Green
Dr Matthew Offord
Mr Andrew Mitchell
Sir Iain Duncan Smith

To move the following Clause—

"Duty on the Secretary of State to report on designations under Part XVI of the Housing Act 1985

(1) Within the period of six months beginning with the day on which this section comes into force, the Secretary of State must—

(a) consider the financial impact on leaseholders in England and Wales of building safety advice given by his department since 14 June 2017; and

(b) in conjunction with the Treasury and the Prudential Regulation Authority, consider the impact of building safety advice given by his department since 14 June 2017 on the supply of mortgage finance for leasehold flats in England and Wales; and

(c) publish a report setting out his determination, in light of the factors identified in paragraphs (a) and (b), as to whether designations under section 528 or section 559 of the Housing Act 1985 would improve conditions for leaseholders, or would improve the supply of mortgage finance for leasehold flats in England and Wales.

(2) If the Secretary of State's report under subsection (1) concludes that designations under section 528 or section 559 of the Housing Act 1985 would improve financial conditions for leaseholders in England and Wales, or would improve the supply of mortgage finance for leasehold flats in England and Wales, then at the same time as publishing his report he must—

(a) make arrangements to provide all necessary funding;

(b) make the appropriate designations under section 528 of the Housing Act 1985; and

(c) advise local housing authorities to make appropriate designations under section 559 of the Housing Act 1985.

(3) Before making any regulations bringing into force any section in Part 4 of this Act, the Secretary of State must make arrangements for—

(a) a motion to the effect that the House of Commons has approved the report prepared under subsection (1), to be moved in the House of Commons by a minister of the Crown; and

(b) a motion to the effect that the House of Lords to take note of the report prepared under subsection (1), to be moved in the House of Lords by a minister of the Crown.

(4) The motions required under subsections (3)(a) and (3)(b) must be moved in the relevant House by a Minister of the Crown within the period of five calendar days beginning with the end of the day on which the report under subsection (1) is published.

(5) If the motion tabled in the House of Commons is rejected or amended, the Secretary of State must, within 30 calendar days, publish a further report under subsection (1) and make arrangements for further approval equivalent to those under subsection (2).

(6) The Secretary of State shall make a further report under subsection (1) at least every 90 calendar days beginning with the day of any rejection or amendment by the House of Commons under subsection (5) until otherwise indicated by a resolution of the House of Commons.

(7) In this section—

"leaseholder" means the registered legal owner of a long lease; and

"leasehold flat" means a flat owned by a leaseholder; and

"long lease" has the same meaning as in section 76 of the Commonhold and Leasehold Reform Act 2002.

(8) This section comes into force on the day this Act is passed."

Member's explanatory statement
This new clause is suggested before clause 126.It places a time-limited duty on the Secretary of State to consider making designations under Part XVI of the Housing Act 1985 to provide funding for cladding and fire safety remediation and for Parliament to approve the plans for doing so.

Stephen McPartland **NC7**
Royston Smith
Dr Julian Lewis
Anne Marie Morris
Sir Mike Penning
Sir Robert Neill
Andrew Rosindell
Tom Tugendhat
Mr Peter Bone
Mrs Pauline Latham
Henry Smith
Caroline Ansell
Sir Peter Bottomley
Caroline Nokes
Damian Green
Rehman Chishti
Stephen Hammond
Mr William Wragg
Mr John Baron
Bob Blackman
Tracey Crouch
Chris Green
Dr Matthew Offord
Mr Andrew Mitchell
Sir Iain Duncan Smith

To move the following Clause—

"Building Safety Indemnity Scheme

(1) There shall be a body called the "Building Safety Indemnity Scheme" (referred to in this Act as "the Scheme").

(2) The purpose of the Scheme shall be to collect money from levies and to disburse the money raised from those levies in the form of grants to leaseholders to pay all or any part of the following types of costs—

(a) remediation of any defect in any external wall of any building containing two or more residential units; or

(b) remediation of any defect in any attachment to any external wall of any building containing two or more residential units; or

(c) remediation of any internal or external defect other than a defect described in paragraphs (a) or (b); or

(d) any building safety works carried out by an accountable person under section 86; or

(e) any other cost of a type specified by the Secretary of State in regulations made under this section.

(3) The Scheme may disburse money for the benefit of leaseholders in any type of building, whether or not a higher-risk building and whether or not the building was first occupied before the coming into force of this Act.

(4) The levy imposed by the Scheme shall be determined by reference to each of the following—

(a) the Scheme's best estimate of the reasonably likely total cost of grants to cover any type of cost described in subsection (2);

(b) the Scheme's best estimate of the costs of raising and administering the levy; and

(c) the Scheme's best estimate of the costs of processing applications for grants to leaseholders and disbursing funds to leaseholders from monies raised by the levy.

(5) Members of the Scheme subject to levies shall include the following—

(a) any person seeking building control approval;

(b) any prescribed insurer providing buildings insurance to buildings containing two or more residential units, whether or not the buildings are higher-risk buildings;

(c) any prescribed supplier of construction products subject to regulations made under Schedule 9 to this Act;

(d) any prescribed lender providing mortgage finance in the United Kingdom, whether or not secured over residential units in higher-risk buildings; and

(e) any other person whom the Secretary of State considers appropriate.

(6) The Scheme is to consult with levy paying members before determining the amount and duration of any levy.

(7) The Scheme must provide a process by which leaseholders, or persons acting on behalf of leaseholders, can apply for grants for the types of costs specified in subsection (2).

(8) The Scheme must provide an appeals process for the Scheme's decisions regarding—

(a) the determination of the amount of any levy; or

(b) the determination of any grant application.

(9) A building control authority may not give building control approval to anyone unless—

(a) the person seeking building control approval is a registered member of the Scheme, or that person becomes a registered

member of the Scheme before the building control approval is given; and

(b) the person seeking building control approval pays all levies made on that person by the Scheme before the building control approval is given.

(10) The Secretary of State must provide that any regulations made under Schedule 9 to this Act provide, as a condition of approval of any regulated construction product, that any prescribed supplier of such a product—

(a) is a registered member of the Scheme, or that prescribed supplier becomes a registered member of the Scheme; and

(b) that the prescribed supplier pays all levies made on that person by the Scheme.

(11) Any liability to pay a levy under this section does not affect the liability of the same person to pay an additional levy under section 57 of this Act.

(12) Within a period of 12 months beginning with the coming into force of this section, the Secretary of State must make regulations providing for—

(a) the appointment of a board to oversee the Scheme;

(b) the staffing of the Scheme;

(c) the creation and maintenance of a public register of members of the Scheme;

(d) the preparation of the best estimates described in subsection (4);

(e) the amount, manner and timing of payment of the levies on members of the Scheme under this section;

(f) the process of joining the Scheme;

(g) the process of leaseholders applying to the Scheme for grants towards any of the types of costs specified in subsection (2);

(h) the process for handling any appeals against decisions of the Scheme on any levy or any grant;

(i) the Scheme to make an annual report to Parliament; and

(j) any other matters consequential to the Scheme's operation.

(13) Regulations made under this section are to be made by statutory instrument.

(14) A statutory instrument under this section may not be made unless a draft of the instrument has been laid before and approved by a resolution of each House of Parliament.

(15) In this section—

"building" has the same meaning as in section 29;

"building control approval" has the same meaning as in paragraph (1B)(2) of Schedule 1 to the Building Act 1984;

"building control authority" has the same meaning as in section 121A of the Building Act 1984;

"defect" means anything posing any risk to the spread of fire, the structural integrity of the building or the ability of people to evacuate the building, including but not limited to any risk identified in guidance issued

under Article 50 of the Regulatory Reform (Fire Safety) Order 2005 (S.I. 2005/1541) or any risk identified in regulations made under section 59;

"external wall" has the same meaning as in Article 6 of the Regulatory Reform (Fire Safety) Order 2005 (S.I. 2005/1541);

"higher-risk building" has the same meaning as in section 59;

"prescribed" means prescribed by regulations made by the Secretary of State;

"remediation" means any step taken to eradicate or to mitigate a defect, including employment of any person to temporarily assist in evacuation of any part of a building, and whether or not the defect in question existed at the date any residential unit in the building was first occupied. Remediation does not include anything required in consequence of omitting to effect reasonable repairs or maintenance to all or any part of the building over time, or anything which is the responsibility of an occupant of a residential unit within the building;

"residential unit" has the same meaning as in section 29.

(16) This section shall come into force on the day this Act is passed."

Member's explanatory statement
This new clause is suggested after clause 126, requiring the government to establish a comprehensive fund, equivalent to the Motor Insurers' Bureau, to provide grants to remediate cladding and fire safety defects of all descriptions, paid for by levies on developers, building insurers and mortgage lenders.

Stephen McPartland **NC8**
Royston Smith
Dr Julian Lewis
Anne Marie Morris
Sir Mike Penning
Sir Robert Neill
Andrew Rosindell
Tom Tugendhat
Mr Peter Bone
Mrs Pauline Latham
Henry Smith
Caroline Ansell
Sir Peter Bottomley
Caroline Nokes
Damian Green
Rehman Chishti
Stephen Hammond
Mr William Wragg
Mr John Baron
Bob Blackman
Tracey Crouch
Chris Green
Dr Matthew Offord
Mr Andrew Mitchell
Sir Iain Duncan Smith

To move the following Clause—

"Implied terms in residential building and residential renovation contracts

(1) Every residential building contract is to be taken to contain terms that—

(a) the residential unit is fit for the purpose of ordinary residential occupation and is likely to remain so for a reasonable period if kept in appropriate repair;

(b) the residential unit in question is constructed in all material respects as described or stated on the approved plans;

(c) the residential unit is not subject to any building safety risk;

(d) the materials incorporated in the residential unit are as described in any approved plans;

(e) the materials incorporated in the residential unit are of satisfactory quality;

(f) the design of the residential unit is of a reasonable standard;

(g) the design of the residential unit is prepared with reasonable care and skill;

(h) all works in connection with the construction of the residential unit are executed with reasonable care and skill; and

(i) the residential unit complies in all material respects with all applicable statutory requirements and with all applicable building regulations in force as at the date of completion.

(2) Every residential renovation contract is to be taken to contain terms that any renovation works—

(a) do not render the unit unfit for the purpose of ordinary residential occupation;

(b) do not create any building safety risk;

(c) do not involve the incorporation of materials in the residential unit which are not as described in any approved plans;

(d) do not involve the incorporation of materials in the residential unit which are not of satisfactory quality;

(e) are executed with reasonable care and skill; and

(f) do not render the residential unit materially non-compliant with any applicable statutory requirement or with any applicable requirement of building regulations in force as at the date of completion.

(3) For the purposes of subsections (1) and (2), where the residential unit forms part of a building consisting of two or more residential units, the internal and external common parts of that building necessary for the reasonable occupation of any of the residential units are also to be taken to be subject to the same terms.

(4) A residential unit is fit for the ordinary purpose of residential occupation if it would be regarded as such by a reasonable person and taking into account—

(a) the ordinary costs of repair and maintenance of that residential unit by reference to that unit's location and specific characteristics;

(b) any marketing materials provided before the sale of the residential unit in question; and

(c) whether that unit was marketed, designed or intended to be occupied by any particular class of persons, whether by age, by gender or by physical or mental disability.

(5) For the purposes of this section—

(a) a matter is material if it would be considered material if known or discovered by a reasonable purchaser of that residential unit before completing a purchase of that residential unit on ordinary commercial terms;

(b) a design is of a reasonable standard if a designer of average competence would have produced the same or a similar design;

(c) a material is of satisfactory quality if it would meet the requirements for satisfactory quality of goods under section 9 of the Consumer Rights Act 2015; and

(d) a material is as described if it would meet the requirements for description of goods under section 11 of the Consumer Rights Act 2015.

(6) The terms taken to be included in any residential building contract or residential renovation contract are enforceable by any owner of the residential unit provided or renovated under the contract in question.

(7) A term of a residential building contract or a residential renovation contract is not binding on the owner of a residential unit provided or renovated pursuant to that contract if it would exclude or restrict any liability in relation to the terms implied by this section.

(8) The reference in subsection (7) to excluding or restricting a liability also includes preventing an obligation or duty arising or limiting its extent.

(9) An agreement in writing to submit present or future differences to arbitration is not to be regarded as excluding or restricting any liability for the purposes of this section.

(10) In this section—

"approved plans" means any document submitted as part of obtaining building control approval;

"building control approval" has the same meaning as in paragraph (1B) of Schedule 1 to the Building Act 1984;

"building safety risk" has the same meaning as in section 59, whether or not the residential unit is in a higher-risk building;

"higher-risk building" has the same meaning as in section 62;

"owner" means the registered legal owner of the residential unit from time to time, including any trustee holding a beneficial interest on behalf of a third party and any transferee or assignee of the original owner;

"residential unit" has the same meaning as in section 29;

"residential building contract" means a contract made in the course of business involving work on or in connection with the construction of a residential unit (whether the dwelling is provided by the erection or by the conversion or enlargement of an existing building);

"residential renovation contract" means a contract made in the course of business involving work on an existing residential unit, except where it is expected that, on completion of the work, it will have ceased to be a residential unit or will otherwise have ceased to exist."

Member's explanatory statement

This new clause, proposed to be inserted after clause 128 strengthens consumer rights for future buyers by implying terms that houses and flats are built, and are renovated, to reasonable

standards of quality and compliant in all material respects with the law and with building regulations.

Stephen McPartland **NC9**
Royston Smith
Dr Julian Lewis
Anne Marie Morris
Sir Mike Penning
Sir Robert Neill
Andrew Rosindell, Caroline Nokes, Bob Blackman
Tom Tugendhat, Damian Green, Tracey Crouch
Mr Peter Bone, Rehman Chishti, Chris Green
Mrs Pauline Latham, Stephen Hammond, Dr Matthew Offord
Henry Smith, Mr William Wragg, Mr Andrew Mitchell
Caroline Ansell, Mr John Baron, Sir Iain Duncan Smith
Sir Peter Bottomley

To move the following Clause—

"Implied terms: limitation

(1) The Limitation Act 1980 is amended as follows.

(2) After section 5 insert—

"5A Time limit for actions related to breach of implied terms in residential building contracts and residential renovation contracts

An action in respect of the breach of the term implied into a residential building contract or a residential renovation contract by section (Implied terms in residential building and residential renovation contracts) of the Building Safety Act 2021 may not be brought after the expiration of 25 years from the date on which the cause of action accrued.""

Member's explanatory statement
This new clause provides for a 25 year limitation period for breaches of the terms implied by the amendment proposed above.

Stephen McPartland **NC10**
Royston Smith
Dr Julian Lewis
Anne Marie Morris
Sir Mike Penning
Sir Robert Neill
Andrew Rosindell, Caroline Nokes, Bob Blackman
Tom Tugendhat, Damian Green, Tracey Crouch
Mr Peter Bone, Rehman Chishti, Chris Green
Mrs Pauline Latham, Stephen Hammond, Dr Matthew Offord
Henry Smith, Mr William Wragg, Mr Andrew Mitchell
Caroline Ansell, Mr John Baron, Sir Iain Duncan Smith
Sir Peter Bottomley

To move the following Clause—

"Implied terms: mandatory insurance

(1) No member of the new homes ombudsman scheme created by this Act may offer for sale or sell any residential unit unless —

(a) every potential purchaser is provided on request with an accurate written summary of the terms of a prescribed policy applying to the residential unit when completed; and

(b) in accordance with any relevant regulation made under this section, or under section 131, or under section 132, the person offering for sale or the seller of the residential unit arranges a valid prescribed policy and provides a copy of a valid prescribed policy given to the purchaser of the residential unit on the day of the transfer to the purchaser of legal title in the residential unit.

(2) Any person in the course of business providing a residential unit under a residential building contract or renovations to a residential unit under a residential renovation contract must obtain a valid prescribed policy.

(3) No term of any residential building contract or residential renovation contract is enforceable unless a valid prescribed policy is in force in respect of such a contract.

(4) Within a period of six months beginning on the day this section comes into force, the Secretary of State must make regulations prescribing insurance terms for the purposes for this section, including—

(a) the creditworthiness of any insurer or warranty scheme under this section;

(b) the name of any warranty scheme which in the opinion of the Secretary of State achieves the purposes of this section;

(c) the minimum terms of any insurance or warranty under this section;

(d) that any policy or warranty scheme also provides reasonably adequate cover for any claim under sections 1 and 2A of the Defective Premises Act 1972 and section 38 of the Building Act 1984;

(e) a policy term or a warranty term of not less than the limitation period for making claims under any term implied into a residential building contract or residential renovation contract by this Act; and

(f) to bring into force section [Implied terms in residential building and residential renovation contracts] and section [Implied terms: limitation].

(5) Regulations made under this section are to be made by statutory instrument.

(6) A statutory instrument under this section may not be made unless a draft of the instrument has been laid before and approved by a resolution of each House of Parliament.

(7) In this section—

"new homes ombudsman scheme" means the scheme established under section 129;

"prescribed" means prescribed in regulations made by the Secretary of State, whether under this section, or under section 131, or under section 132;

"residential building contract" has the same meaning as in section [Implied terms in residential building and residential renovation contracts];

"residential renovation contract" has the same meaning as in section [Implied terms in residential building and residential renovation contracts]; and

"residential unit" has the same meaning as in section 29.

(8) This section shall come into force on the day this Act is passed."

Member's explanatory statement
This new clause provides that members of the New Homes Ombudsman Scheme may not sell any new flat or house unless they provide insurance for 25-years to cover breach of implied terms as to quality.

Stephen McPartland **NC11**
Royston Smith
Dr Julian Lewis
Anne Marie Morris
Sir Mike Penning
Sir Robert Neill
Andrew Rosindell
Tom Tugendhat
Mr Peter Bone
Mrs Pauline Latham
Henry Smith
Caroline Ansell
Sir Peter Bottomley
Caroline Nokes
Damian Green
Rehman Chishti
Stephen Hammond
Mr William Wragg
Mr John Baron
Bob Blackman
Tracey Crouch
Chris Green
Dr Matthew Offord
Mr Andrew Mitchell
Sir Iain Duncan Smith

To move the following Clause—

"Limitation Period for claims under section 38 of the Building Act 1984

(1) Section 38 of the Building Act 1984 is amended as follows.

(2) In section 38(4) after "includes" insert "economic loss,".

(3) After section 38(4) insert—

"(5) No right of action for damages for economic loss under this section shall accrue until any person to whom the duty is owed has actual knowledge of breach that duty.

(6) Notwithstanding anything in subsection (5) or any regulations made under this section, an action for damages for economic loss under this section shall not be brought after the expiration of twenty-five years from the date the breach of duty occurred.

(7) For the purposes of subsection (6), where there is more than one actionable breach of duty causing economic loss and the breaches in question occurred on different dates, then time runs only from the date of the last such breach.

(8) Any right of action under this section other than a right of action for damages for economic loss shall be subject to section 11 and section 14A of the Limitation Act 1980."

(4) This section shall come into force at the end of the period of two months beginning on the day on which this Act is passed."

Member's explanatory statement
This new clause proposed for the Building Act 1984 enables claims for recovery of monetary damages (economic loss) and provides that the time limit for claims start when a resident becomes aware of a breach, subject to a 25-year longstop date.

Stephen McPartland **NC12**
Royston Smith
Dr Julian Lewis
Anne Marie Morris
Sir Mike Penning
Sir Robert Neill
Andrew Rosindell
Tom Tugendhat
Mr Peter Bone
Mrs Pauline Latham
Henry Smith
Caroline Ansell
Sir Peter Bottomley
Caroline Nokes
Damian Green
Rehman Chishti
Stephen Hammond
Mr William Wragg
Mr John Baron
Bob Blackman
Tracey Crouch
Chris Green
Dr Matthew Offord
Mr Andrew Mitchell
Sir Iain Duncan Smith

To move the following Clause—

"Abolition of the rule preventing recovery of economic loss in certain actions relating to damage or defects in buildings

(1) In any prescribed statutory action for damages, there is no bar to recovering economic loss.

(2) In any action for damages for negligence in relation to the construction or renovation of any residential unit, other than an action for damages to which section 11 or section 14A of the Limitation Act 1980 applies, there is no bar to recovering economic loss.

(3) This section shall apply to any right of action accruing on or after the day this section comes into force.

(4) For the purposes of this section —

"prescribed statutory action for damages" means any action for damages for breach of section 1 or section 2A of the Defective Premises Act 1972.

"residential unit" means any dwelling or other unit of residential accommodation, including any internal or external common parts of any building necessary for the occupation of that residential unit.

(5) This section shall come into force at the end of the period of two months beginning on the day on which this Act is passed."

Member's explanatory statement
This new clause abolishes the rule preventing the recovery of economic loss from developers and other professionals in claims for negligence and in claims under the Defective Premises Act 1972.

Stephen McPartland **NC13**
Royston Smith
Damian Green
Henry Smith
Bob Blackman
Anne Marie Morris
Mrs Pauline Latham
Dr Julian Lewis
Sir Robert Neill
Dr Matthew Offord
Mr William Wragg
Mr Andrew Mitchell
Sir Mike Penning
Chris Green
Stephen Hammond
Sir Iain Duncan Smith
Tom Tugendhat
Mr John Baron
Andrew Rosindell
Sir Roger Gale

To move the following Clause—

"Leaseholder Costs Protection

(1) This section applies to a relevant building where a landlord has carried out any fire safety works to a building in consequence of any provision, duty or guidance arising from—

(a) the Housing Act 2004;

(b) the Regulatory Reform (Fire Safety Order) 2005;

(c) this Act;

(d) any direction, recommendation or suggestion of any public authority or regulatory body; and

(e) such other circumstances or enactment as the Secretary of State may prescribe by regulations.

(2) If any of the conditions in subsection (1) are met, then the costs incurred by the landlord in connection with those matters may not be the subject of a demand for payment of service charges, administration charges or any other charge permitted or authorised by any provision of any long lease.

(3) Any demand for payment which contravenes this section shall be of no force or effect and will have no validity in law.

(4) Any covenant or agreement, whether contained in a lease or in an agreement collateral to such a lease, is void insofar as it purports to authorise any forfeiture or impose on the tenant any penalty, disability or obligation in the event of the tenant refusing, failing or declining to make a payment to which this section applies.

(5) This section applies to demands for payment before the landlord incurs the costs in the same way as it applies to demands for payment made after the costs have been incurred.

(6) This section does not apply where the landlord is a company in which the majority of the shares are held by leaseholders or where the landlord is an RTM company.

(7) For the purposes of this section, a relevant building is any building containing one or more residential dwellings let on a long lease.

(8) In this section—

"administration charge" has the meaning given by Schedule 11 to the Commonhold and Leasehold Reform Act 2002;

"fire safety works" means any work or service carried out for the purpose of eradicating or mitigating (whether permanently or temporarily) any risk associated with the spread of fire, the structural integrity of the building or the ability of people to evacuate the building;

"long lease" has the meaning given by sections 76 and 77 of the Commonhold and Leasehold Reform Act 2002;

"residential dwelling" means any dwelling or other unit of residential accommodation, including any internal or external common parts of any building necessary for the occupation of that residential unit;

"service charge" has the meaning given by section 18 of the Landlord and Tenant Act 1985;

"RTM company" has the meaning given by section 113 of the Commonhold and Leasehold Reform Act 2002.

(9) This section comes into force on the day on which this Act is passed."

Member's explanatory statement
This new clause prevents the costs of any fire safety or building safety remedial works being passed on to leaseholders.

Paul Maynard **NC14**
Mr Clive Betts

To move the following Clause—

"Staircase standards

The Secretary of State must by regulations make provision requiring staircases in all new build properties to comply with British Standard 5395-1."

Peter Aldous **1**

Clause 3, page 2, line 13, at end insert—

"(aa) furthering the protection of property, and"

Member's explanatory statement
This amendment would require the building safety regulator to exercise its functions with a view to furthering the protection of property, which is intended promote longer term protections for occupant safety and reducing fire damage and cost.

Stephen McPartland **2**
Royston Smith
Dr Julian Lewis
Anne Marie Morris
Sir Mike Penning
Sir Robert Neill
Andrew Rosindell
Tom Tugendhat
Mr Peter Bone
Mrs Pauline Latham
Henry Smith
Caroline Ansell
Sir Peter Bottomley
Caroline Nokes
Damian Green
Rehman Chishti
Stephen Hammond
Mr William Wragg
Mr John Baron
Bob Blackman
Tracey Crouch
Chris Green
Dr Matthew Offord
Mr Andrew Mitchell
Sir Iain Duncan Smith

Clause 126, page 133, line 17, at end insert—

"(d) In respect of remediation works completed before the coming into force of this section, apply for any refund of VAT due under section 35(1A)(d) of the Value Added Tax Act 1994 and credit the whole amount of any such refund received to leaseholders pro-rata in accordance with the terms of the lease."

Member's explanatory statement
This amendment is consequential on NC4. Where works have already been carried out, this new subclause requires the landlord to obtain any retrospective VAT refund and to credit the whole amount of that VAT refund to leaseholders.

Stephen McPartland **5**
Royston Smith
Dr Julian Lewis
Anne Marie Morris
Sir Mike Penning
Sir Robert Neill
Andrew Rosindell
Tom Tugendhat
Mr Peter Bone
Mrs Pauline Latham
Henry Smith
Caroline Ansell
Sir Peter Bottomley
Caroline Nokes
Damian Green
Rehman Chishti
Stephen Hammond
Mr William Wragg
Mr John Baron
Bob Blackman
Tracey Crouch
Chris Green
Dr Matthew Offord
Mr Andrew Mitchell
Sir Iain Duncan Smith

Clause 127, page 135, line 29, leave out "at the time the work is completed" and insert "when any person to whom the duty under this section is owed has actual knowledge of breach of that duty."

Member's explanatory statement
This amendment provides that time to make a claim in respect of building renovations under section 2A of the Defective Premises Act 1972 only runs from the date a resident has knowledge of the breach, subject to a 25-year longstop.

Stephen McPartland **6**
Royston Smith
Dr Julian Lewis
Anne Marie Morris
Sir Mike Penning
Sir Robert Neill
Andrew Rosindell
Tom Tugendhat
Mr Peter Bone
Mrs Pauline Latham
Henry Smith
Caroline Ansell
Sir Peter Bottomley
Caroline Nokes
Damian Green
Rehman Chishti
Stephen Hammond
Mr William Wragg
Mr John Baron
Bob Blackman
Tracey Crouch
Chris Green
Dr Matthew Offord
Mr Andrew Mitchell
Sir Iain Duncan Smith

Clause 127, page 135, line 33, at end insert—

"(9) Notwithstanding anything in subsection (8), an action for damages for breach of the duty in this section, insofar as that action relates only to the original work in question, shall not be brought after the expiration of twenty-five years from the date the work in question is completed."

Member's explanatory statement
This amendment provides that time to make a claim in respect of building renovations under section 2A of the Defective Premises Act 1972 only runs from the date a resident has knowledge of the breach, subject to a 25-year longstop.

Stephen McPartland **4**
Royston Smith
Dr Julian Lewis
Anne Marie Morris
Sir Mike Penning
Sir Robert Neill
Andrew Rosindell
Tom Tugendhat
Mr Peter Bone
Mrs Pauline Latham
Henry Smith
Caroline Ansell
Sir Peter Bottomley
Caroline Nokes
Damian Green
Rehman Chishti
Stephen Hammond
Mr William Wragg
Mr John Baron
Bob Blackman
Tracey Crouch
Chris Green
Dr Matthew Offord
Mr Andrew Mitchell
Sir Iain Duncan Smith

Clause 128, page 136, line 1, leave out "15 years" insert "25 years"

Member's explanatory statement
This amendment proposes a longer period for claims under the Defective Premises Act 1972 and the Building Act 1984 considering the recent history of cladding and fire safety related defects and retrospective guidance issued by the government.

Stephen McPartland **7**
Royston Smith
Dr Julian Lewis
Anne Marie Morris
Sir Mike Penning
Sir Robert Neill
Andrew Rosindell
Tom Tugendhat
Mr Peter Bone
Mrs Pauline Latham
Henry Smith
Caroline Ansell
Sir Peter Bottomley
Caroline Nokes
Damian Green
Rehman Chishti
Stephen Hammond
Mr William Wragg
Mr John Baron
Bob Blackman
Tracey Crouch
Chris Green
Dr Matthew Offord
Mr Andrew Mitchell
Sir Iain Duncan Smith

Clause 128, page 136, line 11, at end insert—

"(2A) In section 1(5) of the Defective Premises Act 1972 for "time when the dwelling was completed" substitute "time when any person to whom the duty under this section is owed has actual knowledge of breach of that duty".

(2B) After section 1(5) of the Defective Premises Act 1972 insert—

"(6) Notwithstanding anything in subsection (5), an action for damages for breach of the duty in this section, insofar as that action relates only to the original construction of the building in question, shall not be brought after the expiration of twenty-five years from the time the dwelling is completed.""

Member's explanatory statement
This amendment provides that time to bring a claim for damages under section 1 of the Defective Premises Act 1972 only runs from the date a resident has knowledge of a breach, subject to a 25-year longstop in relation to claims related to failures during the original construction.

Stephen McPartland **8**
Royston Smith
Dr Julian Lewis
Anne Marie Morris
Sir Mike Penning
Sir Robert Neill
Andrew Rosindell
Tom Tugendhat
Mr Peter Bone
Mrs Pauline Latham
Henry Smith
Caroline Ansell
Sir Peter Bottomley
Caroline Nokes
Damian Green
Rehman Chishti
Stephen Hammond
Mr William Wragg
Mr John Baron
Bob Blackman
Tracey Crouch
Chris Green
Dr Matthew Offord
Mr Andrew Mitchell
Sir Iain Duncan Smith

Clause 128, page 136, line 19, leave out subsection (5)

Member's explanatory statement
The Human Rights Act 1998 already protects defendants' rights in relation to retrospectively extended limitation periods. Removing subsection (5) removes the material risk a court may construe clause 128 in a way that means it has no practical benefit and will lead to years of costly litigation for leaseholders.

Stephen McPartland **9**
Royston Smith
Dr Julian Lewis
Anne Marie Morris
Sir Mike Penning
Sir Robert Neill
Andrew Rosindell
Tom Tugendhat
Mr Peter Bone
Mrs Pauline Latham
Henry Smith
Caroline Ansell
Sir Peter Bottomley
Caroline Nokes
Damian Green
Rehman Chishti
Stephen Hammond
Mr William Wragg
Mr John Baron
Bob Blackman
Tracey Crouch
Chris Green
Dr Matthew Offord
Mr Andrew Mitchell
Sir Iain Duncan Smith

Clause 128, page 136, leave out line 27 and line 28

Member's explanatory statement
This amendment is consequential to Amendment 8 because the defined term "Convention Rights" is no longer required.

Stephen McPartland **10**
Royston Smith
Dr Julian Lewis
Anne Marie Morris
Sir Mike Penning
Sir Robert Neill
Andrew Rosindell
Tom Tugendhat
Mr Peter Bone
Mrs Pauline Latham
Henry Smith
Caroline Ansell
Sir Peter Bottomley
Caroline Nokes
Damian Green
Rehman Chishti
Stephen Hammond
Mr William Wragg
Mr John Baron
Bob Blackman
Tracey Crouch
Chris Green
Dr Matthew Offord
Mr Andrew Mitchell
Sir Iain Duncan Smith

Clause 128, page 136, line 29, leave out "90 days" and insert "2 years"

Member's explanatory statement
This amendment allows a period of up to 2 years, instead of 90 days, to obtain the necessary expert evidence required to issue viable claims under the Defective Premises Act 1972.

Stephen McPartland **3**
Royston Smith
Dr Julian Lewis
Anne Marie Morris
Sir Mike Penning
Sir Robert Neill
Andrew Rosindell
Tom Tugendhat
Mr Peter Bone
Mrs Pauline Latham
Henry Smith
Caroline Ansell
Sir Peter Bottomley
Caroline Nokes
Damian Green
Rehman Chishti
Stephen Hammond
Mr William Wragg
Mr John Baron
Bob Blackman
Tracey Crouch
Chris Green
Dr Matthew Offord
Mr Andrew Mitchell
Sir Iain Duncan Smith

Clause 132, page 139, line 17, at end insert—

"(f) require members of the scheme under paragraph (a) to obtain policies of insurance that meet the requirements of section (Implied terms: mandatory insurance)."

Order of the House

[21 July 2021]

That the following provisions shall apply to the Building Safety Bill:

Committal

1. The Bill shall be committed to a Public Bill Committee.

Proceedings in Public Bill Committee

2. Proceedings in the Public Bill Committee shall (so far as not previously concluded) be brought to a conclusion on Tuesday 26 October 2021.
3. The Public Bill Committee shall have leave to sit twice on the first day on which it meets.

Proceedings on Consideration and Third Reading

4. Proceedings on Consideration shall (so far as not previously concluded) be brought to a conclusion one hour before the moment of interruption on the day on which proceedings on Consideration are commenced.
5. Proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion at the moment of interruption on that day.
6. Standing Order No. 83B (Programming committees) shall not apply to proceedings on Consideration and Third Reading.

Other proceedings

7. Any other proceedings on the Bill may be programmed.