

Ariane Burgess MSP
Convener
Local Government, Housing and Planning Committee

Dear Convener,

Thank you for the opportunity to discuss my portfolio's budget at committee on the 20 January and for your subsequent letter of the actions agreed during our session which I have addressed below.

Heat in Buildings

The Committee requested details of the sequencing work on regulatory reform undertaken by the Regulatory Review Group, including its advice on the sequence in which measures should be adopted and the recommended timescales.

I can confirm that the Regulatory Review Group's report and findings are in the process of being finalised. I will write to the Committee separately to share these findings and detail the next steps.

I will also provide a further separate update on the Private Rented Sector Energy Efficiency Regulations, which were raised during our discussion.

Cladding Remediation

Ms Gallacher raised the issue of what she saw as discrepancies between letters issued to homeowners in relation to cladding and the support available where a developer cannot be identified. A response to Ms Gallacher's correspondence has since been issued.

Since the early stages of the Cladding Remediation Programme, a range of correspondence has been issued to homeowners as the programme, its processes, and the statutory framework have developed. This includes letters issued during the pilot phase and prior to the introduction of the Housing (Cladding Remediation) (Scotland) Act 2024 and the Cladding Assurance Register (CAR).

I am aware of two different forms of words that detail the Scottish Government's position and the support it is willing to provide.

A letter from November 2024 stated:

“Where we are unable to identify the developer responsible for the construction of a building, or said developer is no longer operating, as appears to be the case for your building, the Scottish Government will use public funds to undertake the refreshed SBA and works needed to eliminate or mitigate any risk to human life that is (directly or indirectly) created or exacerbated by a building's external wall cladding system.

However, a letter issued in October 2025 stated:

“What we will fund will be determined by taking into consideration the findings of the SBA for the building in question. In all circumstances, the works that are

being funded by the Scottish Government in connection with a remediation project will be set out in confirmation of funding arrangements.

There may also be matters that are identified in the course of a building's assessment that are homeowner responsibilities, i.e. where they relate to other routine maintenance, repair or renewal measures, or are due to owner alterations, or where an assessment identifies measures which are not life safety fire risks that are directly or indirectly associated with the external wall cladding system.

This should not prevent necessary remediation works from continuing where needed."

Updated correspondence templates are now in use and have been for some time. These new templates provide clear distinctions between essential cladding remediation eligible for government funding, as identified by the SBA, and works that remain the responsibility of the homeowners or factors.

Notwithstanding the evolution of correspondence, there has been no change in Ministers' policy position which is that individual homeowners should not have to pay for the costs of essential cladding remediation where no responsible developer has been identified.

Housing

We also discussed opportunities through the Scottish National Investment Bank, including how new approaches to investment can support our housing ambitions and the work of the Housing Investment Taskforce supports this.

As set out in the Spending Review and Infrastructure Delivery Pipeline, the Scottish Government will work with partners including Scottish National Investment Bank to leverage additional private investment as part of supporting delivery of 36,000 affordable homes and our wider all-tenure ambition. The Bank is already accelerating its work to boost housing delivery in support of our national Housing Emergency Action Plan, including through its recent announcement of £50 million investment in Octopus Capital's Affordable Housing Fund. This helps demonstrate the Bank's key role in attracting private investment to this vital sector in Scotland.

The Scottish Government continues to benefit from the input and expertise of the Housing Investment Taskforce as part of both the implementation of its recommendations and also the wider policy and delivery opportunities.

I trust this update provides the clarity required as these programmes continue to progress and I would like to reiterate my thanks to the Committee for the constructive session.

Yours sincerely,

Màiri McAllan
Cabinet Secretary for Housing

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