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Sent: 15 August 2025 13:37
To: localplan@york.gov.uk; [REDACTED]
Cc: Cooke, Alison(City Development); Stockdale, Alison; Suzanne Yates
Subject: RE: CIL Statement of Modifications consultation on behalf of Hungate (York) Regeneration Limited [LICH-DMS.FID580037]
Attachments: CIL Statement of Modifications consultation - Lichfields obo Hungate (York) Regeneration Limited 15.08.25(34089727.3).pdf

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Dear Sir / Madam

On behalf of our client, Hungate (York) Regeneration Limited (HYRL), please see attached a formal representation to the City of York Council (CoYC) Community Infrastructure Levy (CIL) Draft Charging Schedule Modifications (2025) in order to object to the proposed modifications, in particular Modification 2.

The contact details of Suzanne Yates are below, and also on the attached letter.

Suzanne Yates
Planning Director
BA (Hons) MSc MRTPI

We have confirmed with the Programme Officer under separate cover that Lichfields and Hungate (York) Regeneration Limited wish to participate in CIL Examination in Public in respect of the modifications, and specifically Modification 2.

Should you require any further information, or any clarification on the attached, please let me know. Otherwise, I would be grateful if you could confirm receipt of the attached letter, and that this will be issued to the Inspector in advance of the examination.

Kind regards

Sally

Sally Furminger
Associate Director
BA (Hons) MSc MRTPI

Lichfields.uk 

The Funding Dilemma

Cracking the Business Case code

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City of York Council
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Station Rise
York
YO1 6GA

ID 140**BY EMAIL****Date:** 15 August 2025**Our ref:** 50370/13/SC/SY/34089727v3

Dear Sir/Madam

CIL Statement of Modifications Consultation**City of York Community Infrastructure Levy (CIL) Draft Charging Schedule Modifications - Representation on behalf of Hungate (York) Regeneration Limited**

On behalf of our client, Hungate (York) Regeneration Limited (HYRL), Lichfields is writing to submit a formal representation to the City of York Council (CoYC) Community Infrastructure Levy (CIL) Draft Charging Schedule Modifications (2025) in order to object to the proposed modifications, in particular Modification 2.

My contact details are as follows:

Suzanne Yates
Planning Director

BA (Hons) MSc MRTPI

[REDACTED]

[REDACTED]

[REDACTED]

As confirmed by separate email to the Programme Officer, Lichfields and Hungate (York) Regeneration Limited wish to participate in the CIL Examination Hearing in respect of the modifications, and specifically Modification 2. Further detail is provided below.

Introduction

In January 2024, on behalf of HYRL, we submitted representations on the draft Charging Schedule and we understand that those are before the Inspector. These latest representations, which are directly related to the 'Hungate' site (ST32), add to those representations, addressing matters raised in the responses to the last representations and objecting to the consequential modifications.

As the Hungate site benefits from outline planning permission, with a number of approved Reserved Matters and standalone applications, CoYC has determined that the Hungate site should not be regarded as a Strategic Site and should instead fall within the 'Residential dwellings within the City of York' category which would incur a fee of £150 per sqm based on the updated CIL Viability Study Addendum (June 2025).

For the reasons outlined in our previous representations it is considered that the Hungate development is unable to support a CIL charge of any amount. The Hungate site (allocation ST32) should therefore be rated at £0 and included in the list of sites under Modification 2. Furthermore, the modelling for Purpose Built Student Accommodation scenario also demonstrates that the Hungate development would be unable to support a CIL charge of any amount. As such, HYRL are unable to support the Draft Charging Schedule as modified. There are three main issues that we wish to raise and discuss at the forthcoming Examination Hearing, which we have registered to attend, as set out below.

1. Context

Hungate (York) Regeneration Limited (HYRL) is a development consortium focused on the delivery of Hungate (ST32). Hungate (ST32) is a large previously developed site (4.6Ha) and is one of three allocated Strategic Sites that are within the designated city centre, and is a key brownfield development scheme within York City Centre which has long been identified as an important regeneration opportunity.

The site is subject to a series of planning approvals for a mix of residential dwellings, shops, offices, leisure uses and community facilities.

Outline planning permission was originally granted for the entirety of the site in 2006 (application ref: 02/03741/OUT) and renewed in 2012 (application ref: 12/02282/OUTM).

Blocks A, B and C (Phase 1) were developed under this original planning permission which is now complete and occupied. Block E was developed under a separate, detailed planning application granted in 2014 (application ref: 13/03015/FULM) and is now complete and occupied.

Following this, a new hybrid planning permission was granted for the remaining phases of development (including Blocks D, F, G and H) in 2017 (application ref: 15/01709/OUTM). This included an updated masterplan which provided detailed proposals for the development of Blocks D and F, and outline parameters for Blocks G and H.

An independent assessment of viability was undertaken at this stage which concluded that the development could not deliver a policy compliant level of affordable housing, and this has formed the benchmark for the determination of applications across the Hungate site, including in recent years, in recognition of the ongoing, and worsening, viability issues with the site.

Block F was developed out under this permission and is now complete and occupied. Reserved matters have been approved for Block G, and a new standalone application approved in respect of Block D, both of which have been implemented on site but remain undeveloped.

The opportunity to submit reserved matters in respect of the outline permission for Block H expired on 25 April 2021. A standalone detailed application was submitted for Block H in February 2021 (ref: 21/00280/FULM) and members resolved to grant planning permission at committee in January 2025 and is awaiting conclusion of the accompanying legal agreement as a result of a significant backlog of legal agreements to be concluded. This latest application was afforded a reduction in the required level of affordable housing in recognition of the ongoing viability issues associated with the site's development and recognition that individual plots on the Hungate site should not be considered in isolation due to the sitewide costs of bringing forward the regeneration of Hungate site. This concept was recognised and agreed with CoYC in 2015 as part of the independent viability assessment undertaken as part of application 15/01709/OUTM, as detailed below.

Whilst it is hoped that planning permission for ref. 21/00280/FULM will be granted prior to the adoption of CIL following conclusion of the legal agreement, the draft Section 106 deed of variation has now been with CoYC for over 6 months and remains outstanding. Should the S106 agreement remain unsigned at the point at which CIL is adopted then this would stifle delivery of this block and likely the deliverability of the remainder of the strategic site as a whole.

Furthermore, it is noted that any subsequent applications to vary or update parts of the wider strategic site in line with operational requirements or market demands would also potentially attract future CIL contributions which would then undermine delivery of this important strategic allocation.

As demonstrated within our previous representations, the Council's Viability Assessment fails to adequately test Hungate, as it does not fit into any typology. Hungate is both a Strategic Site and a large brownfield site which, once completed, seeks to deliver 1,050 new city centre apartments. In this regard paragraph 4.5 of the Viability Study (2022) acknowledges that:

"A separate CIL rate for strategic sites may likely be considered owing to the scale of the build, which incurs additional site and infrastructure opening costs".

Paragraphs 4.41 to 4.44 also recognise that:

"There may be additional costs in bringing a site forward for delivering housing plots, which may depend on the land type and size of the sites.

While such costs within smaller schemes are likely to be absorbed within the allowances for 'externals', this is less likely to be the case on larger Greenfield sites.

Brownfield sites are assumed to include the necessary strategic infrastructure from their existing or previous uses. But developing Brownfield sites delivers different risks in opening costs, such as site demolition of existing buildings and remediation, which can vary significantly in associated costs depending on the site's specific characteristics." [our underlining]

It is Lichfields' opinion that for strategic urban sites (such as Hungate) that are important to the delivery of the Plan strategy, there is a greater imperative to consider viability on a site-by-site basis, not least as there may not be any other sites that would fit into the same broad typology. A hybrid approach of testing notional sites via a typology approach alongside a more bespoke assessment for strategic sites is advocated by planning policy.

This representation sets out the basis for the objection to the CIL rate for the Hungate site (allocation ST32) and why it should be included in the list of sites under Modification 2.

The need to consider site specifics

CoYC has excluded Hungate because it benefits from an extant permission and they state in Section 5 of the Consultation Statement (July 2025) that this is because:

“In line with proportionality, the focus of the CIL Viability Study is on capturing CIL from sites that are yet to secure planning permission.

Should an extant planning permission be amended under Section 73, then it would also be possible for the Council to apply discretionary relief under Regulation 55 for exceptional circumstances in a separate statement. The Council does not intend to introduce exceptional circumstances relief at this time, not least since any changes to a permission may result in a different scheme that should be viability assessed at that time or through subsequent reviews of CIL.”

However, this is an unreasonable approach to adopt as it completely ignores the recognised totality of the significant expense in bringing forward complex, major regeneration projections in the City Centre. If the focus has been on capturing CIL from sites that are yet to secure planning permission, it cannot be right to simply apply other Charges to sites with permission. That does not follow, as it indicates that no consideration has been given to the (current or future) viability of those permitted sites. It is not appropriate to consider the financial case for a varied permission or new applications in isolation, ignoring historic costs in bringing that site forward and providing the necessary upfront infrastructure for it to be delivered.

To date, significant financial investment has been committed to the Hungate site since the original outline planning consent was granted in 2006 to enable the site for development. It has been demonstrated, through individual viability work in support of consented applications, that it was not viable to deliver policy requirements alongside the significant sitewide costs associated with enabling the Hungate site for development.

The latest viability position specifically on the Hungate site was agreed with CoYC in 2015 as part of the independent viability assessment undertaken as part of application 15/01709/OUTM. The committee report in particular noted that:

“3.4 Following a detailed independent viability appraisal the level of affordable housing has been agreed at 17% based on a 60:40 split between social rent and Discount Sale. The detailed provision including unit types and pepper-potting is to be agreed, but will follow the principles set out in the Section 106 agreement and reflected in previous phases. The Housing Development Team support this application.

...

4.31 The Hungate scheme agreed 20.3% affordable housing at outline approval in 2009. Since then local affordable housing targets have been lowered to 20%, and Phase 1 of the development was agreed and built out at that 20% level.

4.32 Phase 2, approved in 2013 and due for completion in 2016, agreed a reduced level of 16% affordable housing following detailed re-appraisal of viability which concluded that increasing (projected) revenues were not quite keeping up with increasing development costs.

4.33 The current application, if implemented instead of the remainder of the extant permission, would result in an increase in total apartments on the whole of the Hungate Regeneration site from 720 to a maximum of 1025 and includes detailed proposals for Blocks D and F, as set out in this report. The scheme viability has been considered having regard to both the elements of the extant permission already built (or in progress), and the new application, and has shifted as unit numbers have increased, together with development costs and projected revenues.

4.34 Following a detailed re-appraisal of the remaining phases of the scheme in recent months, and collaborative working with the developer Lend Lease and independent District Valuation Service (DVS), a 17% proportion of affordable housing has been agreed as a recommended way forward. CYC Officers and the DVS are supportive of this level of provision

...

5.6 Following a detailed re-appraisal of the remaining phases of the scheme, a 17% proportion of affordable housing based on a 60:40 split between social rent and discount sale has been agreed. Officers consider this to be a reasonable offer which acknowledges the relatively high costs of site development and other contributions relating to education, sports / recreation and transport."

The underlining is our emphasis: it illustrates the significant viability challenges that have been continually experienced on the Hungate (ST32) over a sustained period and the need for sitewide costs to be considered as part of viability considerations.

Notwithstanding this, it considered that the general viability of the Hungate site has become significantly more difficult since 2015, due to the regulatory and site-specific requirements (discussed below). Notwithstanding these changes, however, data from BCIS and Land Registry indicates that build cost inflation has significantly outpaced house price inflation for flats and maisonette between December 2015 and February 2025. This would indicate, even if no regulatory impacts had affected the Hungate site during the period as discussed below, that the viability position for the Hungate site, if it were to be re-assessed today, would be worse than the assessment agreed with the CoYC in 2015:

- Change in Average price 'Flats and maisonettes' in York (source: land registry – see Annex 1): 129%
- Change in BCIS All-in TPI and/or BCIS Regional TPI: Yorkshire and the Humber (source: BCIS – see Annex 2): 140 – 148%

At a time when the government is seeking to optimise brownfield sites and support mixed use development in order to deliver new homes, it cannot be right to add additional/new financial burdens on bringing the Hungate development forward – as that will simply stall or undermine development on the site. This is recognised in paragraph 6.22 of the 2022 Viability Assessment acknowledged that “there should be exceptions for several major sites ... since this CIL rate could potentially place these large strategic sites at risk of non-delivery, and potentially undermine the emerging local Plan”.

Regulatory Changes Affecting Hungate (ST32)

By way of example as to why Hungate should be regarded separately from the broader analysis for sites across the City, CoYC state within the Consultation Statement (July 2025) on page 14 that:

“The government has consulted on the Building Safety Act, but the Government has not yet confirmed the required changes to comply with the new Act, so it was not possible to identify the costs impact this will have. However, the likelihood is that the building safety act will only impact higher-risk buildings that are at least 18 metres in height or have at least 7 storeys (as defined in the Building Safety Act consultation). As such, there would be little impact on the bulk of future development anticipated in the City of York under its emerging Local Plan because of the planning constraints relating to tall buildings in the City, which would mean that a 7-storey building would be a very tall building for York.”

The underlining is our emphasis, as the Hungate development is impacted by the Building Safety Act given that each of the three plots yet to be constructed is envisaged to be at least 18m metres in height or have at least seven storeys, meaning it need to comply with the additional requirement of the Building Safety Act and High Risk Buildings gateway processes, and that has clearly been ignored.

These impacts of the Building Safety Act can be categories into physical requirements of the building regulations or associated enhancements arising from the Building Safety Act (such as introductions of second staircases and evacuation lifts) and the notional uplifts for the incorporation of the consultancy, contractor and Building Safety Regulation fees and costs.

The Building Safety Act Cost Model (2024) research from AECOM (see Annex 3) has evidenced that the notional uplifts for the incorporation of the consultancy, contractor and Building Safety Regulation fees and costs is between 1.25%-2% of construction costs.

Impacts of the physical requirements of the Building Safety Act and building regulation increases build costs (due to higher specification requirement such as evacuation lifts and façade enhancements) and decrease Net Saleable Floor Area (due to the requirement for second staircases) which further decreases the viability for buildings affected by the Building Safety Act, such as Hungate. Given that applications for each of the three plots were submitted prior to the introduction of the Building Safety Act, all re-design costs required to comply with the Act further hinder the viability of future development.

Design changes required to comply with the Building Safety Act and current Building Regulations may require change to the extant planning consents (for example to introduce second staircases). It is at CoYC’s discretion whether any changes could be dealt with via planning amendment applications or new planning application: meaning that CIL relief via Section 73 application cannot be guaranteed and the presence of an extant consent does not mitigate the need to consider the viability impacts of CIL on Hungate (ST32).

Further to the Building Safety Act, the UK Government has determined that the Building Safety Levy will come into effect on 1 October 2026.

The Building Safety Levy will be applied to residential developments such as Hungate and alternative use classes, such as PBSA. The proposed rates for York are £15.81/sqm GIA for Previously Developed Land and £31.61/sqm GIA for Non-Previously Developed Land.

None of the above matters have been considered within the Council's viability assessment, which ignores the typology of buildings such as those within Hungate (ST32).

Site Wide Costs Affecting Hungate (ST32)

CoYC state within the Consultation Statement (July 2025) on page 14 that:

"A precise cost for archaeological allowance has not been included. These costs, by their nature, are often harder to estimate and do not apply to every site."

However, the cost of archaeology at Hungate is known and it is significant, due to its central location and planning requirements deemed necessary to enable the site for development. Between 2007 and 2012, HYRL incurred over £2.5m of archaeological sitewide costs alongside a further £0.5m of costs for works required to deliver block E and block F prior to their implementation (note: values have not been adjusted for inflation). Further archaeological planning obligations are imposed onto the buildings yet to be constructed which are anticipated to generate further costs.

Furthermore, CoYC state within the Consultation Statement (July 2025) on page 15 that:

"Each site will differ in terms of potential contamination and demolition requirements. We therefore applied a widely used by the Home England ready reckoner and have allowed inflationary increases. We would also note that this figure is for the average site so there will be sites with more or less abnormal costs than the average."

But in the case of Hungate the abnormal costs such as contamination, demolition, site clearance, remediation, sewer diversions, utility improvements including sub-station relocations, construction of a pedestrian bridge alongside maintenance of the Foss Nature Reserve and Foss River walls, are known and should be considered as part of any viability assessment. Since 2006, HYRL have incurred a further £3m of costs which does not include for the archaeological costs noted above or land assembly costs (note: values have not been adjusted for inflation).

It is unclear, given CoYC's recognition of the specific challenges of the Hungate site as evidenced in independent viability assessment, why Hungate (ST33) has not been holistically assessed in the CoYC's CIL viability assessment given the known presence of these significant site wide costs.

Overall, as noted in paragraph 2.31 of the original Viability Study:

"... the PPG on CIL is clear that if viability is difficult within some areas or types of sites, then these should be set rates that are very low or zero. This is noted in the following paragraph in PPG: "If the evidence shows that the area includes a zone, which could be a strategic site, which has low, very low or zero viability, the charging authority should consider setting a low or zero levy rate in that area. The same principle should apply where the evidence shows similarly low viability for particular types and/or scales of development."

The revised CIL Viability Study Addendum (June 2025) also notes at paragraph 12 that “*From this analysis, an appropriate rate for non-strategic site delivery of residential dwellings is £150*”. However, Hungate is a Strategic Site and it is clear that viability is difficult at this central location. As such, it is not appropriate to consider and charge Hungate (ST32) as a non-strategic site and it should be rated at zero charge as with other strategic sites.

2. Broader Issues with CIL – Updated Viability Study

Notwithstanding the above and site specific matters, HYRL has the following comments on the viability analysis undertaken for the Council, in relation to Build Costs.

The Council’s Viability Study has used BCIS median build cost values for the midpoint between 1-2 storey and 3-5 storey for the flats and apartments typology using a 1Q 2025 figure of £1,631 /psm GIA.

Hungate is a development containing flats and apartments. Each of the three plots yet to be constructed is envisaged to be at 6 storeys or above. The BCIS median build cost value for apartments that are ‘6 storeys or above’ is £1,973 psm GIA, a 21% (£342 /sqm) increase on what has been assessed.

HYRL’s experience of historic build costs on the Hungate site has been higher than BCIS median build costs, with historic build costs for block F (completed 2019 with costs indexed to 1Q 2025) exceeding £2,400 psm GIA, an increase of over 47% (£769/sqm) compared to has been assessed.

This difference in build costs, even when taken in isolation, is far in excess of the Headroom per CIL liable sqm of any of the categories that have been assessed by the Council and illustrates why Hungate should be regarded separately from the broader analysis for sites across the City.

3. Purpose Built Student Accommodation

We note that many parties have raised issues regarding assumptions on PBSA, which we would agree with. In particular, HYRL notes that:

- The Council’s viability assessment does not make any allowance for the financial impact of nomination agreements as requirement by the Council’s Local Plan policy H7.
- HYRL’s experience of build costs on the Hungate site are significantly in excess of the BCIS median PBSA build costs values that have been used in the Council’s viability assessment, and this is before any consideration for Hungate’s site wide costs is made as noted above.

However, in addition to these points, consideration should also be given to site location, which links to the points raised above.

The statement submitted with our previous representations provided a viability analysis for Hungate for both Build to Rent and Purpose Built Student Accommodation. The assessment confirms that the proposed development is projected to result in a deficit and therefore it would not have capacity to sustain additional CIL payments.

Given the significant costs in bring forward the approved development at Hungate, future development proposing PBSA or Build to Rent would be unable to support a CIL charge of any amount based upon the modelling undertaken.

Therefore, we maintain that the Draft Charging Schedule identifies a CIL charge of £0 for strategic sites, including Hungate (ST32).

Summary

For all of the reasons above, it is concluded that it is reasonable to set a £0 CIL rate for the Hungate site. Modification no. 2 should therefore include ST32.

If you have any questions or would like to discuss this representation in further detail, please do not hesitate to contact me, using the contact details above.

Yours sincerely



Suzanne Yates

Planning Director

BA (Hons) MSc MRTPI

Annex 1: Change in average price: flats and maisonettes in York (source: Land Registry)

Change in Average price Flats and maids 129%

						Average price All property types	Average price Detached houses	Average price Semi-detached houses	Average price Terraced houses	Average price Flats and maisonettes	Pivotable date	
Name	URI	Region	GSS code	Period	Sales volume	Reporting period						
York	http://landreg	E06000014	2015-12	311	monthly		218937	358589	227453	197510	141832	01/12/2015
York	http://landreg	E06000014	2016-01	237	monthly		221189	361821	230099	199378	143435	01/01/2016
York	http://landreg	E06000014	2016-02	244	monthly		224509	367198	233589	202391	145537	01/02/2016
York	http://landreg	E06000014	2016-03	461	monthly		225120	368414	233964	202827	146348	01/03/2016
York	http://landreg	E06000014	2016-04	169	monthly		224954	367532	233590	203065	146234	01/04/2016
York	http://landreg	E06000014	2016-05	258	monthly		223052	362879	231484	201620	145672	01/05/2016
York	http://landreg	E06000014	2016-06	304	monthly		224885	365110	233427	203552	146813	01/06/2016
York	http://landreg	E06000014	2016-07	280	monthly		227961	370248	236383	206393	148956	01/07/2016
York	http://landreg	E06000014	2016-08	327	monthly		230399	375313	238840	208394	150303	01/08/2016
York	http://landreg	E06000014	2016-09	279	monthly		229214	373668	237852	207042	149503	01/09/2016
York	http://landreg	E06000014	2016-10	242	monthly		227162	371551	235940	204360	148512	01/10/2016
York	http://landreg	E06000014	2016-11	285	monthly		228603	375439	237561	204963	149518	01/11/2016
York	http://landreg	E06000014	2016-12	296	monthly		232704	382663	241495	208476	152623	01/12/2016
York	http://landreg	E06000014	2017-01	215	monthly		234401	385538	243053	210198	153612	01/01/2017
York	http://landreg	E06000014	2017-02	207	monthly		231736	380313	239852	208007	152533	01/02/2017
York	http://landreg	E06000014	2017-03	265	monthly		230939	378837	239123	207172	152124	01/03/2017
York	http://landreg	E06000014	2017-04	324	monthly		234589	384205	242593	210606	154996	01/04/2017
York	http://landreg	E06000014	2017-05	324	monthly		240370	392570	248992	215765	158908	01/05/2017
York	http://landreg	E06000014	2017-06	374	monthly		242963	395455	251467	218572	160896	01/06/2017
York	http://landreg	E06000014	2017-07	347	monthly		242084	393548	250950	217534	160421	01/07/2017
York	http://landreg	E06000014	2017-08	391	monthly		240596	391296	249187	216627	159010	01/08/2017
York	http://landreg	E06000014	2017-09	297	monthly		237461	387427	246120	213559	156431	01/09/2017
York	http://landreg	E06000014	2017-10	260	monthly		238174	389358	246973	214148	156438	01/10/2017
York	http://landreg	E06000014	2017-11	275	monthly		236915	388010	246091	212540	155402	01/11/2017
York	http://landreg	E06000014	2017-12	272	monthly		237095	387972	246675	212622	155313	01/12/2017
York	http://landreg	E06000014	2018-01	205	monthly		235173	384712	244692	210910	154073	01/01/2018
York	http://landreg	E06000014	2018-02	260	monthly		234464	383919	243512	210210	153832	01/02/2018
York	http://landreg	E06000014	2018-03	283	monthly		235785	386814	245109	211655	154219	01/03/2018
York	http://landreg	E06000014	2018-04	211	monthly		237678	390157	247483	213750	154788	01/04/2018
York	http://landreg	E06000014	2018-05	276	monthly		242542	398790	253476	218679	156664	01/05/2018
York	http://landreg	E06000014	2018-06	319	monthly		244329	401546	255735	220088	157737	01/06/2018
York	http://landreg	E06000014	2018-07	308	monthly		246518	405924	258014	222151	158873	01/07/2018
York	http://landreg	E06000014	2018-08	371	monthly		245184	403349	256524	220981	158163	01/08/2018
York	http://landreg	E06000014	2018-09	278	monthly		246379	405895	257638	222536	158509	01/09/2018
York	http://landreg	E06000014	2018-10	293	monthly		245855	405008	257281	221693	158322	01/10/2018
York	http://landreg	E06000014	2018-11	338	monthly		246471	407461	258352	222310	157963	01/11/2018
York	http://landreg	E06000014	2018-12	286	monthly		245684	406050	257636	220831	157994	01/12/2018
York	http://landreg	E06000014	2019-01	225	monthly		246375	408012	258416	221368	158232	01/01/2019
York	http://landreg	E06000014	2019-02	255	monthly		247648	409814	259473	222039	159746	01/02/2019
York	http://landreg	E06000014	2019-03	193	monthly		248526	411361	260622	223255	159677	01/03/2019
York	http://landreg	E06000014	2019-04	235	monthly		248725	410361	260991	223960	159552	01/04/2019
York	http://landreg	E06000014	2019-05	224	monthly		246812	406162	259243	222835	157720	01/05/2019
York	http://landreg	E06000014	2019-06	249	monthly		246969	406175	259453	222923	157957	01/06/2019
York	http://landreg	E06000014	2019-07	311	monthly		247173	406350	259479	223267	158179	01/07/2019
York	http://landreg	E06000014	2019-08	326	monthly		250665	412355	262897	226677	160233	01/08/2019
York	http://landreg	E06000014	2019-09	331	monthly		252641	415394	264436	229012	161500	01/09/2019
York	http://landreg	E06000014	2019-10	316	monthly		250585	412324	262905	226843	159712	01/10/2019
York	http://landreg	E06000014	2019-11	326	monthly		247626	408253	260298	223625	157571	01/11/2019
York	http://landreg	E06000014	2019-12	249	monthly		246332	407014	259618	222071	156021	01/12/2019
York	http://landreg	E06000014	2020-01	186	monthly		249815	412971	263092	225534	157931	01/01/2020
York	http://landreg	E06000014	2020-02	233	monthly		250084	413305	263303	226136	157802	01/02/2020
York	http://landreg	E06000014	2020-03	211	monthly		251357	415185	264559	227425	158618	01/03/2020
York	http://landreg	E06000014	2020-04	78	monthly		251260	416077	264608	227878	157355	01/04/2020
York	http://landreg	E06000014	2020-05	105	monthly		253489	419723	267310	229469	158901	01/05/2020
York	http://landreg	E06000014	2020-06	182	monthly		252689	418024	266755	229072	157878	01/06/2020
York	http://landreg	E06000014	2020-07	201	monthly		250691	413274	264483	227129	157541	01/07/2020
York	http://landreg	E06000014	2020-08	192	monthly		249520	411392	263183	226793	156021	01/08/2020
York	http://landreg	E06000014	2020-09	262	monthly		250404	413973	264011	227540	156285	01/09/2020

York	http://landreg E06000014	2020-10	298 monthly	254470	422558	268464	231153	157980	01/10/2020
York	http://landreg E06000014	2020-11	297 monthly	260532	433491	274616	236580	161728	01/11/2020
York	http://landreg E06000014	2020-12	339 monthly	263472	438568	277526	239490	163401	01/12/2020
York	http://landreg E06000014	2021-01	269 monthly	265348	438539	279151	241293	166118	01/01/2021
York	http://landreg E06000014	2021-02	365 monthly	264080	432880	277452	240346	166972	01/02/2021
York	http://landreg E06000014	2021-03	481 monthly	269355	437697	282394	245351	172336	01/03/2021
York	http://landreg E06000014	2021-04	294 monthly	272428	442898	285357	248158	174476	01/04/2021
York	http://landreg E06000014	2021-05	274 monthly	279847	456030	293138	254898	178754	01/05/2021
York	http://landreg E06000014	2021-06	630 monthly	282130	459136	295422	257585	179911	01/06/2021
York	http://landreg E06000014	2021-07	220 monthly	280286	456536	294161	255555	178242	01/07/2021
York	http://landreg E06000014	2021-08	289 monthly	275792	450696	290330	251157	174151	01/08/2021
York	http://landreg E06000014	2021-09	559 monthly	273744	448935	288936	248848	171841	01/09/2021
York	http://landreg E06000014	2021-10	170 monthly	279474	462364	294898	253617	174260	01/10/2021
York	http://landreg E06000014	2021-11	280 monthly	285029	472641	300667	258460	177570	01/11/2021
York	http://landreg E06000014	2021-12	274 monthly	290648	484719	306722	263315	179994	01/12/2021
York	http://landreg E06000014	2022-01	238 monthly	289504	480912	305925	263034	178838	01/01/2022
York	http://landreg E06000014	2022-02	224 monthly	290264	481205	306728	264013	179556	01/02/2022
York	http://landreg E06000014	2022-03	241 monthly	286083	474328	302862	259882	176793	01/03/2022
York	http://landreg E06000014	2022-04	268 monthly	289131	478697	305696	263145	178831	01/04/2022
York	http://landreg E06000014	2022-05	244 monthly	296317	490174	313516	270231	182421	01/05/2022
York	http://landreg E06000014	2022-06	255 monthly	303400	500637	320814	277394	186705	01/06/2022
York	http://landreg E06000014	2022-07	239 monthly	310041	510770	328305	283931	189985	01/07/2022
York	http://landreg E06000014	2022-08	310 monthly	310858	511598	329020	285468	189819	01/08/2022
York	http://landreg E06000014	2022-09	288 monthly	315095	518950	333515	289777	191568	01/09/2022
York	http://landreg E06000014	2022-10	250 monthly	314171	518963	332584	288411	190835	01/10/2022
York	http://landreg E06000014	2022-11	276 monthly	310337	513961	328525	284440	188412	01/11/2022
York	http://landreg E06000014	2022-12	238 monthly	309080	511623	327166	283163	188009	01/12/2022
York	http://landreg E06000014	2023-01	177 monthly	307384	508819	325573	281523	186850	01/01/2023
York	http://landreg E06000014	2023-02	167 monthly	309091	512533	327199	282494	188366	01/02/2023
York	http://landreg E06000014	2023-03	215 monthly	302913	504264	321026	275698	184563	01/03/2023
York	http://landreg E06000014	2023-04	159 monthly	302842	504741	320821	275315	184750	01/04/2023
York	http://landreg E06000014	2023-05	155 monthly	300129	498723	318224	272746	183525	01/05/2023
York	http://landreg E06000014	2023-06	183 monthly	306925	508296	325040	279946	187646	01/06/2023
York	http://landreg E06000014	2023-07	192 monthly	309104	510285	327452	282534	188871	01/07/2023
York	http://landreg E06000014	2023-08	238 monthly	312490	516390	331038	286507	189801	01/08/2023
York	http://landreg E06000014	2023-09	226 monthly	308097	509369	326584	282671	186638	01/09/2023
York	http://landreg E06000014	2023-10	223 monthly	304882	503642	322964	279688	185097	01/10/2023
York	http://landreg E06000014	2023-11	201 monthly	302339	499991	320658	276481	183886	01/11/2023
York	http://landreg E06000014	2023-12	193 monthly	297837	492056	316004	272066	181542	01/12/2023
York	http://landreg E06000014	2024-01	146 monthly	303160	501644	321568	277173	184291	01/01/2024
York	http://landreg E06000014	2024-02	205 monthly	304219	501334	322574	279005	184954	01/02/2024
York	http://landreg E06000014	2024-03	234 monthly	310059	509878	328074	284792	189261	01/03/2024
York	http://landreg E06000014	2024-04	191 monthly	307508	503533	325281	282731	188406	01/04/2024
York	http://landreg E06000014	2024-05	220 monthly	305423	499074	322758	280893	187850	01/05/2024
York	http://landreg E06000014	2024-06	216 monthly	305735	499051	323483	281439	187510	01/06/2024
York	http://landreg E06000014	2024-07	300 monthly	309361	504646	327473	285548	188724	01/07/2024
York	http://landreg E06000014	2024-08	255 monthly	315376	514712	333893	291879	191224	01/08/2024
York	http://landreg E06000014	2024-09	181 monthly	318090	520927	337442	294295	191464	01/09/2024
York	http://landreg E06000014	2024-10	251 monthly	312738	514111	331890	288400	188437	01/10/2024
York	http://landreg E06000014	2024-11	223 monthly	309348	509621	329024	284393	186245	01/11/2024
York	http://landreg E06000014	2024-12	194 monthly	307246	506151	326687	282418	185143	01/12/2024
York	http://landreg E06000014	2025-01	178 monthly	305903	504141	325881	281480	183206	01/01/2025
York	http://landreg E06000014	2025-02	157 monthly	304052	499031	322947	280301	183571	01/02/2025
York	http://landreg E06000014	2025-03	284 monthly	305832	495936	324213	282162	188094	01/03/2025
York	http://landreg E06000014	2025-04	monthly	307638	496330	325313	283579	191656	01/04/2025
York	http://landreg E06000014	2025-05	monthly	307347	495766	324838	283165	191899	01/05/2025

Annex 2: Change in BCIS All-in TPI and/or BCIS Regional TPI: Yorkshire and the Humber (source: BCIS)

Series:	BCIS Regional TPI: Yorkshire and the Humber					Change in Period	Series:	BCIS All-in TPI					BCIS Regional TPI: Yorkshire and the Humber and BCIS All-in TPI	BCIS All-in TPI Only
Series number:	267		quarterly				Series number:	101		quarterly				
Base:	2010 mean = 100						Base:	1985 mean = 100						
Last updated:	13-Jun-2025						Last updated:	13-Jun-2025						
Notes:	Derived index based on BCIS Tender Price Studies													
Downloaded:	13-Aug-2025 18:03						Downloaded:	13-Aug-2025 18:01						
Date	Index	Status	quiv. Sampl	Percentage	change		Date	Index	Status	Equivalent sample	entage	change		
				On year	On quarter						On year	On quarter		
Feb-2015	126		13	8.6	3.3		Feb-2015	266		134	7.7	2.7		
May-2015	129		12	10.3	2.4		May-2015	272		125	5.0	2.3		
Aug-2015	129		11	6.6	0.0		Aug-2015	271		125	5.4	-0.4		
Nov-2015	128		10	4.9	-0.8	100%	Nov-2015	270		120	4.2	-0.4	n/a	100%
Feb-2016	130		10	3.2	1.6		Feb-2016	275		121	3.4	1.9		
May-2016	132		9	2.3	1.5		May-2016	282		122	3.7	2.5		
Aug-2016	131		15	1.6	-0.8		Aug-2016	281		125	3.7	-0.4		
Nov-2016	136		16	6.3	3.8		Nov-2016	291		123	7.8	3.6		
Feb-2017	140		15	7.7	2.9		Feb-2017	301		122	9.5	3.4		
May-2017	142		14	7.6	1.4		May-2017	307		117	8.9	2.0		
Aug-2017	142		13	8.4	0.0		Aug-2017	306		112	8.9	-0.3		
Nov-2017	147		11	8.1	3.5		Nov-2017	317		106	8.9	3.6		
Feb-2018	151		10	7.9	2.7		Feb-2018	326		98	8.3	2.8		
May-2018	151		9	6.3	0.0		May-2018	326		94	6.2	0.0		
Aug-2018	152		9	7.0	0.7		Aug-2018	327		90	6.9	0.3		
Nov-2018	153		8	4.1	0.7		Nov-2018	330		85	4.1	0.9		
Feb-2019	154		8	2.0	0.7		Feb-2019	331		74	1.5	0.3		
May-2019	156		7	3.3	1.3		May-2019	335		66	2.8	1.2		
Aug-2019	156		7	2.6	0.0		Aug-2019	335		62	2.4	0.0		
Nov-2019	155		6	1.3	-0.6		Nov-2019	333		56	0.9	-0.6		
Feb-2020	156		5	1.3	0.6		Feb-2020	335	Provisional		1.2	0.6		
May-2020	156		5	0.0	0.0		May-2020	335	Provisional		0.0	0.0		
Aug-2020	153		4	-1.9	-1.9		Aug-2020	330	Provisional		-1.5	-1.5		
Nov-2020	152		4	-1.9	-0.7		Nov-2020	328	Provisional		-1.5	-0.6		
Feb-2021	152		3	-2.6	0.0		Feb-2021	328	Provisional		-2.1	0.0		
May-2021	153		3	-1.9	0.7		May-2021	331	Provisional		-1.2	0.9		
Aug-2021	156		3	2.0	2.0		Aug-2021	339	Provisional		2.7	2.4		
Nov-2021	158		2	3.9	1.3		Nov-2021	344	Provisional		4.9	1.5		
Feb-2022	159		2	4.6	0.6		Feb-2022	349	Provisional		6.4	1.5		
May-2022	166		2	8.5	4.4		May-2022	365	Provisional		10.3	4.6		
Aug-2022	168		2	7.7	1.2		Aug-2022	371	Provisional		9.4	1.6		
Nov-2022	170		1	7.6	1.2		Nov-2022	375	Provisional		9.0	1.1		
Feb-2023	170		1	6.9	0.0		Feb-2023	379	Provisional		8.6	1.1		
May-2023	172		1	3.6	1.2		May-2023	383	Provisional		4.9	1.1		
Aug-2023	173		1	3.0	0.6		Aug-2023	386	Provisional		4.0	0.8		
Nov-2023	174		1	2.4	0.6	136%	Nov-2023	388	Provisional		3.5	0.5	136%	
							Feb-2024	390	Provisional		2.9	0.5		
							May-2024	392	Provisional		2.3	0.5		
							Aug-2024	394	Provisional		2.1	0.5		
							Nov-2024	397	Provisional		2.3	0.8		
							Feb-2025	399	Provisional		2.3	0.5	140%	148%
							May-2025	401	Provisional		2.3	0.5		



Annex 3: Building Safety Act, Cost Model (AECOM)

WITHOUT
LIMITS

AECOM

Building Safety Act

Cost model

An edited version of this article first appeared
in Building magazine in August 2024

Delivering a better world

Building Safety Act

The UK's Building Safety Act was given Royal Assent in April 2022, with secondary legislation following throughout 2022 and 2023. Since then, the UK construction industry has been grappling with its implications, with early movers attempting real-world applications of the new rules. Despite uncertainty around its delivery, the Act is a statutory requirement the industry must learn how to meet, as AECOM's **James Barton** and **Edward Steiger** report.



Introduction

The UK's Building Safety Act 2022 represents a significant shift in the design, construction, and management of buildings.

The Act was in part a response to the 2017 Grenfell Tower tragedy, in which 72 people died in the fire in the high-rise tower block in West London. The Act seeks to ensure that the safety of future building occupants is placed front and centre of the building control process.

The Act's requirements are wide-ranging, and impose new obligations on all construction projects and dutyholders. In this article, we will focus primarily on cost and programme issues for 'higher-risk buildings'.

Higher-risk buildings are defined as buildings containing at least two units of accommodation in England, or one unit of accommodation in Wales, that are either 18m or higher, or contain seven or more storeys. The full definition of a higher-risk building is contained in s.65 of "The Building Safety Act 2022" for England and regulation 3 of "The Building Safety (Description of Higher-Risk Building) (Design and Construction Phase) (Wales) Regulations 2023" for Wales. ➡

An overview of the new regime for higher-risk buildings

One of the key changes under the Act was the creation of the Building Safety Regulator (BSR), part of the Health & Safety Executive. The BSR's key functions include overseeing safety and standards in all buildings, helping to improve the competence of building control professionals, and acting as the building control authority for higher-risk buildings. To obtain building regulation approval through the BSR, developers of higher-risk buildings must pass through a new 'gateway' process. The gateways act as hard stops at key stages in the lifecycle of a construction project, requiring specific information to be submitted and approved by the regulator before the project can move forward or obtain its completion certificate.

The gateway process for building control approval in higher-risk buildings

In order to obtain building control approval, higher-risk buildings must now pass through three gateways. The first is at the planning approval stage; the second prior to starting on site; and the third prior to occupation, to ensure that compliance with the building regulations is being achieved.

To provide further context for the remainder of this article, the outline requirements of the gateway process is set out on the right, based on the HSE guidance *'Building Control: An overview of the new regime.'*

“

The BSR's key functions include overseeing safety and standards in all buildings, helping to improve the competence of building control professionals, and acting as the building control authority for higher-risk buildings.

The gateway process



Gateway One: Planning stage

- The first gateway ensures that fire safety considerations are baked into the design proposals of a building at an early stage.
- Local planning authorities (LPAs) must seek advice from the BSR (who become a statutory consultee) for higher-risk buildings, and a fire statement for full planning applications must be provided.
- The timescales for this involvement should follow the statutory timescales for the determination of the planning application, so no additional time will generally be required for this stage.



The completion certificate application requires submission of the final ‘as built’ drawings and documents.



Gateway Two: Building control approval application (Prior to start on site)

- The second gateway is the building control approval application. Construction cannot begin until the BSR has approved the gateway two application.
- The submission must provide a comprehensive outline of the work that will be carried out; information about the building itself and the people involved in the building; the client, principal contractor, and principal designer must all be named. Other gateway two submission requirements include a construction control plan, setting out how building work will be managed to maintain building regulations compliance, and a building regulations compliance statement including setting out the overall reasons for the approach adopted.
- A change control plan must also be provided to explain how any proposed changes will be considered; and where relevant, a partial completion strategy.
- The current determination period for a Gateway 2 application in the regulations is twelve weeks — although this can be extended by agreement with applicants.



Gateway Three: Completion certificate application (Prior to occupation)

- The final gateway is the building control completion certificate application. It is critical, as the building cannot be occupied until it is registered with the BSR. Registration requires the completion certificate to have been issued.
- The completion certificate application requires submission of the final ‘as built’ drawings and documents. This should mirror the Gateway 2 submission, varied only by any approved changes. It is also accompanied by a compliance declaration from each of the key construction stage dutyholders (client, principal designer and principal contractor) that the building satisfies all applicable functional requirements of the building regulations.
- The BSR have eight weeks to review Gateway 3 applications. It is also worth noting that current BSR guidance indicates that full completion of buildings will be expected — not, for example, the handover of groups of floors on a rolling basis.

Change control in higher-risk buildings

When implementing the new rules, a key issue to consider from a cost and programme perspective is change control.

Following Gateway 2 approval, most changes which alter the approved Gateway 2 design must be notified to the regulator. Changes requiring BSR involvement are split into two groups: major changes, and notifiable changes. For a major change, the BSR will need to approve the change prior to it being implemented. The period for reviewing and approving the change is six weeks.

For a notifiable change, the change can be commenced as soon as notification has been sent to the BSR. However, the BSR have the option to re-categorise the change if they believe it should be a major change. Given these additional interactions with the BSR, it is highly likely that in the short term, clients will want to minimise any changes that occur after the submission of Gateway 2. This is likely to factor into the procurement route decisions taken at the outset.

Procurement route considerations

The scope and nature of the gateway and change control regime will place constraints on the way a project can be designed and procured: we will set out some of the key considerations in the remainder of this cost model. We have assumed that most clients will progress their design to RIBA Stage 4 prior to making a Gateway 2 application, although this is not mandated by the BSR.

The first consideration for any project is, what are the possible procurement routes under the new regime? As with all such decisions, there are several trade-offs to consider here. Principal amongst them are programme duration, market competition, likelihood of change and allocation of risk.

Prior to the enactment of the Building Safety Act, the procurement route for what is now defined as a higher-risk building may typically have been a single-stage design and build procurement route.

A schematic programme for this route is set out in figure 1. In broad terms, this route would allow the client to get the benefit of competition between tendering contractors, transfer the design risk to the contractor and provide the opportunity to start on site with early packages prior to the conclusion of the RIBA Stage 4 design.

Following the introduction of the Act, that picture changes in several regards. In terms of making a start on site, there are additional time periods that will need to be factored in when assessing the viability of schemes.

Firstly, the time taken to prepare, submit and — most importantly — get approval of the Gateway 2 application needs to be factored into the overall programme. Whilst preparation and submission can no doubt be overlapped with the end of the design phase, the 12-week approval period will represent additional time. Additionally, the opportunity to overlap some early on-site packages with completion of the RIBA Stage 4 design is likely to be lost. Although demolition can be completed prior to a Gateway 2 approval, permanent works such as piling cannot. As can be seen in figure 2, this could add as much as eight months to the programme, depending on how this is handled.

So, what are the other options? Figure 3 shows three further procurement options and the schematic view on how long each one could take to start on site. This is based on assumptions of six months for RIBA Stage 3 design, nine months for RIBA Stage 4 design, three months for Gateway 2 approval, and various tender and approval timelines specific to each route.

In summary, we anticipate that two stage procurement routes (either design and build, or traditional) will generally provide an earlier start on site date than single stage routes. The key reason for this is that two-stage routes generally provide a greater opportunity to overlap tender events with design, and also with the preparation of the Gateway 2 application.

As well as potentially providing a programme benefit, we also anticipate that early engagement with the contractor will provide further benefits in the post-BSA landscape as well. In particular, with the requirement for the Principal Contractor to be named within the Gateway 2 submission, owners and developers will want to know that the contractor is aligned to the key technical solutions that are incorporated within the Stage 3 design. This should help to limit the client's exposure to change — both within later design stages and, more importantly, within the BSR change control regime once the project has passed through Gateway 2.

When considering risk allocation (and specifically design risk), we expect that clients will generally prefer the contractor to own the design risk. This makes design and build the more attractive option between the traditional route, and the design and build route. This becomes more significant when considered in the context of who owns the risk of delays with either the Gateway 2 or Gateway 3 approvals.

We anticipate that clients will continue to own the risk of delayed approval if the regulator cannot meet their statutory timeframes. In contrast, contractors will own the risk of delayed approval when that is linked to either incomplete information or non-compliant design for which they were responsible.

Whilst a two-stage traditional route may offer the fastest notional route to a start on site, we feel that the risk of post-Gateway 2 approval changes — and the potential exposure to delay costs as a consequence — may push more clients towards the design and build route.

The new regime is likely to make other procurement options less attractive. For example, the focus on completing more design prior to works starting on site means one of the principal benefits of construction management as a procurement route is likely to be lost.

Schematic programmes

Figure 1

Pre-BSA single stage design and build



Figure 2

Post BSA single stage design and build

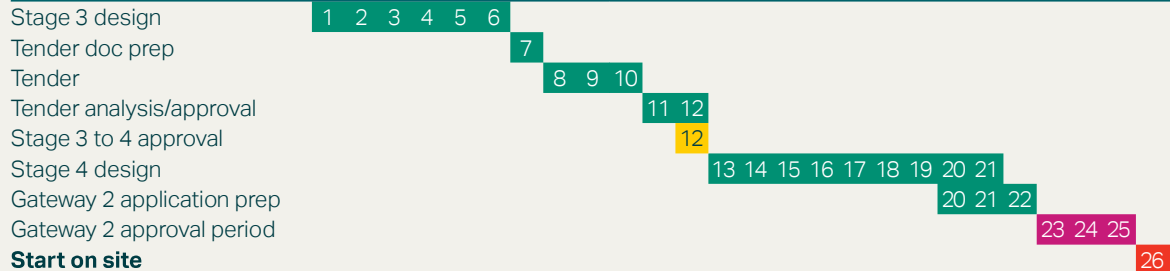
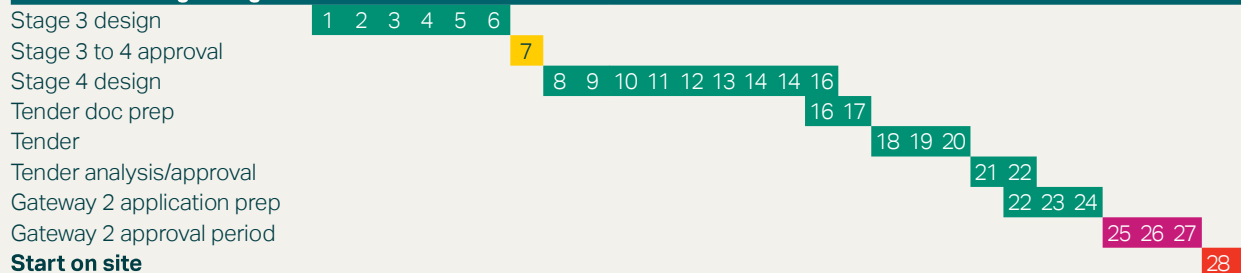
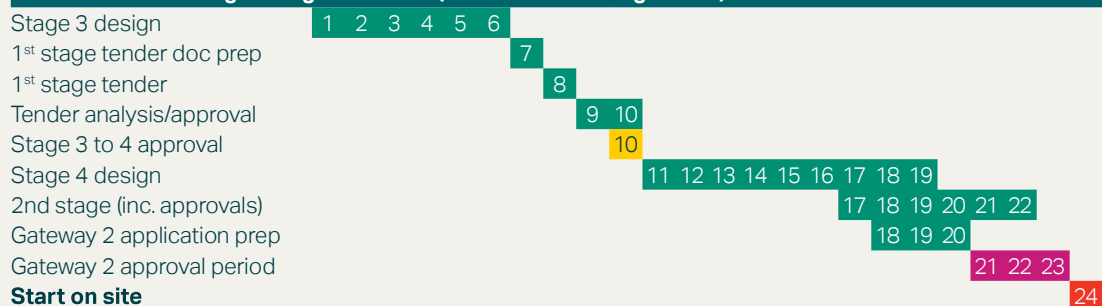


Figure 3

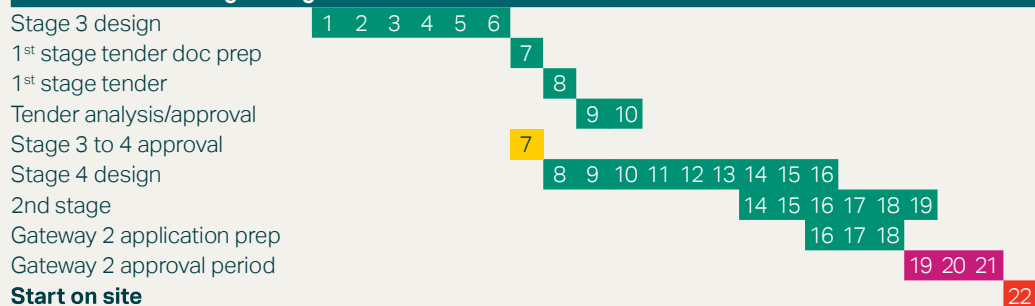
Post BSA — Single stage traditional



Post BSA — Two stage design and build (with novated design team)



Post BSA — Two stage design and build



Programme considerations

One of the Building Safety Act's biggest impacts is likely to be that typical project programmes will extend. In addition to the Gateway 2 approval period, and the loss of overlap between early on site works packages and the end of the design stage, there are further programme considerations to consider.

For example, the level of control the employer has over contractor start on site may have an impact on programme. As this is likely to be linked to the approval of the Gateway 2 application, the employer may not be able to give the instruction to commence until they are holding approval (depending on the length of any demolition or enabling works at the beginning of the programme).

Depending on the visibility of the timing of approvals from the regulator, this could potentially add several weeks to the programme — and possibly longer-term delays, depending on the contractor's ability and availability to mobilise.

Completion and handover may also be impacted. In larger schemes, groups of apartments or floors are typically completed and handed over early, prior to completion of the overall building. The available guidance suggests that such handover strategies will no longer be suitable. Accordingly, clients will need to factor in higher hold costs at the end of the project, as earlier completed units will not be able to be handed over until the entirety of the building is signed off.

Other considerations

The change control regime post-Gateway 2 may also encourage clients to adopt a 'right first time' attitude with regards to their brief. Whilst there will always be some changes that arise during construction, clients will no doubt be keen to minimise post-Gateway 2 design changes given the potential delays and costs that may cause.

Another consideration is the overall approach of the industry towards value engineering and buying gains. Once the Gateway 2 application is approved, it may reduce the appetite of contractors to offer value engineering options during their procurement of the project, knowing that such options may introduce delay or uncertainty into the process.

The future

While there are undoubted cost implications for developing projects under a new regime, the less-discussed upside is increased value. Assets which can demonstrate full compliance with building safety standards may well be more attractive not only to eventual occupants, but also to investors in search of high-quality assets.

To date, more than 12,000 higher-risk buildings have been registered with the BSR and all higher-risk buildings in occupation will need to apply for a Building Assessment Certificate when called upon to do so by the BSR. There is much talk about stranded assets in respect of net zero carbon, but failure to comply with the requirements of the BSA is a new stranded asset risk for existing buildings.

This may throw up concerns and liability about existing stock, that may also affect the new build market going forward.

We may see a shift in the building ownership market over time as a result of the duties now in place under the Act. It is possible 'light touch' ownership may disappear, as the implications of the various duty holder requirements become more apparent.

Similarly, the Act's 'golden thread' requirement should also improve the quality of handover and as-built documentation. It will also mean that as work takes place on buildings down the line, industry knows what it is working with, rather than finding it out as the work plays out. The payback — both from a safety and economic perspective — should be significant in the long term.

As the Building Safety Act works its way into real-world application, it will quickly become apparent what responsibly and safely developing, constructing and owning a building entails.

Whilst the industry undoubtedly faces a teething period as it gets to grips with the new rules, our overall obligation to occupiers should bring forward significant long-term benefits in the quality of built residential projects.

This is a transitional stage, where there is no business-as-usual or well-trodden path to follow. The hope and the intention is that the Building Safety Act engenders more high-quality buildings: homes that are built with transparency, care and in anticipation of their whole service life.

A background image of a city skyline at dusk, with a vibrant rainbow arching across the sky. The city features a mix of modern skyscrapers and older residential buildings. The lighting is soft, with the sun having set, leaving a twilight glow.

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12,000

Higher-risk buildings have been registered with the BSR and all higher-risk buildings in occupation will need to apply for a Building Assessment Certificate when called upon to do so by the BSR.

Building Safety Regulators Charges

Under the building Safety (Regulators Charges) Regulations 2023, there are a series of functions outlined that will be charged, who will pay and the basis of the charges.

The key items are outlined below, but the comprehensive list can be found at <https://www.hse.gov.uk/building-safety/assets/docs/charging-scheme.pdf>

Schedule ref	Submission details	Fees/Charges	Responsibility
1	Submission and consideration of a building control application for HRB work or stage of HRB work or other work where BSR is the Building Control authority. mission of an application (Schedule 1)	£180 charge with application; plus £144 per hour worked for BSR staff; plus Any costs to BSR of relevant authorities and third parties.	Client
2	Further applications are required for any dispensations on elaxations where the regulator is the building control authority (Schedule 2)	£108 charge with application; plus £144 per hour worked for BSR staff; plus Any costs to BSR of relevant authorities and third parties.	Client
6	The inspection and testing of any work to which building regulations are applicable, or of a building involving such work, including the testing of services, fittings and equipment (and taking samples) to ensure that the work complies with the requirements of building regulations (Schedule 6)	£144 per hour worked for BSR staff; plus any costs to BSR of relevant authorities and third parties.	
8	Consideration of a notifiable change during the design and construction phase and any decision to specify a change as a notifiable change or a major change (Schedule 8)	£108 charge with notification to the regulator; plus £144 per hour worked for BSR staff; plus Any costs to BSR of relevant authorities and third parties.	Client
9	Consideration of and the determination of a change control application (including any preparation for, notification, and consultation undertaken by the BSR) and decision to reject or approve the application (Schedule 9)	£180 charge with application; plus £144 per hour worked for BSR staff; plus Any costs to BSR of relevant authorities and third parties.	Client
10	Submission of a partial completion certificate application or completion certificate application. The consideration of a completion certificate application, or partial completion certificate application, once the relevant building work has finished. BSR will assess the application and may carry out an inspection to determine whether the work has been carried out in accordance with building regulations and is consistent with the as-built plans submitted as part of the application (Schedule 10)	£216 charge with application; plus £144 per hour worked for BSR staff; plus any costs to BSR of relevant authorities and third parties.	Client

Source: <https://www.hse.gov.uk/building-safety/assets/docs/charging-scheme.pdf>



Under the building Safety (Regulators Charges) Regulations 2023, there are a series of functions outlined that will be charged, who will pay and the basis of the charges.

Cost implications of the Building Safety Act	
Programme/ Timescales	<ul style="list-style-type: none">- Additional timescales for Gateway applications, assessment and determination will increase the time related input of consultants and contractors resource costs- Ultimately the increased development programme and overall completion does have an inevitable effect on inflation, peak debt exposure (particularly at Gateway 3) and the demand for additional finance
Procurement and early involvement	<ul style="list-style-type: none">- The need to appoint the 'Principal contractor' on HRB's earlier in the process to actively engage in the design and Gateway 2 application forms a fundamental part of the BSA legislation. This shift in procurement strategy may however result in reduced price certainty/fixity as well as greater risk for clients based on lesser developed design information- To compensate, alternative two-stage procurement approaches on HRB's are likely to become more prevalent, albeit if the second stage is unsuccessful, any change in contractor will necessitate a change control application
Designers and consultants	<ul style="list-style-type: none">- Introduction of the 'Principal Designer' for management of the Golden Thread throughout the project lifecycle is a new defined role- Expanded roles and responsibilities associated with accountability and BSA compliance will need to be included in Designers scope of services and fees- Indirect costs of BSA awareness, training, CPD and business integration into best practice and quality assurance
Contractors	<ul style="list-style-type: none">- Greater responsibility for ensuring compliance with Building Safety Regulations and the long-term safety and integrity of buildings will demand the need for conducting increased testing and inspection regimes, enhanced quality and change control processes and the implementation of additional safety measures, which may layer in further costs- The onus to manage 'major' or 'notifiable' changes as part of any amendments to the design, materials or construction of the development have the potential to cause delays and cost — and major changes cannot be commenced until the BSR have approved the change- Additional caretaker costs may be required for the contractor to hold and maintain the site during the gateway 3 approval process (when works are complete)
General	<ul style="list-style-type: none">- Building Safety Regulator Fees will be incurred in addition to the reimbursable costs of the regulators staff to assess the applications https://www.hse.gov.uk/building-safety/assets/docs/charging-scheme.pdf- Increased demand and shortages of principal designers, fire engineers, safety professionals including the Regulator themselves could lead to delays in the approval process, as well as continuing pressure on salary increases- Enhanced BSA responsibilities, risk profile and exposure to claims may affect Professional Indemnity and Contractors All Risk (CAR) insurance resulting in policy restrictions, premiums and additional conditions

Building Safety Act — Notional cost model

This cost model is based on a notional high-risk building of £100m construction costs and assumes a construction programme of approximately 30 months. The cost model includes the notional uplifts for the incorporation of the consultancy, contractor and Building Safety Regulation fees and costs.

The cost model does not include the effect of the physical requirements of the building regulations or associated enhancements arising from the building Safety Act (e.g. second staircase introduction, etc). Costs are at 3rd Quarter 2024 prices and exclude any client specific development costs (i.e. finance, etc).

Cost implication of the Building Safety Act

Ref	Description	Quantity	Unit	Rate	Total	Total	% of total
1.0	Principal design fees and pre-contract support						
1.1	Appointment of principal designer to carry out new Building Control PD Roles and responsibilities (say £100,000 to £150,000)		Item		125,000		
1.2	Additional pre contract specialist design/consultancy support (Structure, MEP, fire engineering, etc)		Item		25,000		
1.3	Indirect consultant costs associated with training, CPD and business integration (assumed sunk costs of business to participate and deliver services in market)		Item		Nil		
1.4	Expanded roles and responsibilities in designer scope of services (deemed to be incorporated as part of regulatory approval and governance processes)				100,000		
	Sub Total				250,000	250,000	13.55%
2.0	BSA Gateway 2 application						
2.1	Submission and consideration of a Building Control Application for High Risk Buildings (where BSR is Building Control Authority)						
2.1.1	Application Charge	1	NR	180	180		
2.1.2	BSR staff costs and relevant third party support , say, 350 hours (8-10 weeks) @ £144/per hour	350	Hours	144	50,400		
2.2	Allowance for clients consultant team to respond and provide response to queries and relevant updates during review process				10,000		
	Sub Total				60,580	60,000	3.25%




This cost model is based on a notional high-risk building of £100m construction costs and assumes a construction programme of approximately 30 months.

Ref	Description	Quantity	Unit	Rate	Total	Total	% of total
3.0	Change control and notifiable change						
3.1	Consideration of a notifiable of major change during the design or construction phases. Assumed changes will be kept to a minimum due to the potential implications of delay to the programme. For the purpose of the cost model it is deemed that two notifiable changes are included						
3.1.1	Application Charge	2	NR	180	216		
3.1.2	BSR staff costs and relevant third party support , say, 2 weeks @40 hours resource input per change @2nr changes @ £144/hour	160	Hours	144	23,040		
	Sub Total				23,256	25,000	1.36%
3.2	Consideration of and the determination of a change control application (including any preparation for, notification, and consultation undertaken by the BSR)						
3.2.1	Application Charge	1	NR	180	180		
3.2.2	BSR staff costs and relevant third-party support, say 2 weeks @40 hours @£144/hour	80	Hours	144	11,520		
	Sub Total				11,700	15,000	0.81%

Ref	Description	Quantity	Unit	Rate	Total	Total	% of total
4.0	Procurement and PCSA's						
4.1	Anticipated procurement route typically adapting from single stage to two stage procurement routes for High Risk Buildings (albeit this route may already be factored into some clients and projects preferred procurement routes)						
4.2	PCSA and early main contractor involvement during Stage 4 design process and two stage tender approach	6	Months	75,000	450,000		
4.3	Specialist Sub contractor design input (MEP, Lifts, Facades, etc)				100,000		
	Sub Total				550,000	550,000	29.81%
5.0	Contractor resourcing and responsibilities (construction period)						
5.1	Additional roles and responsibilities associated with enhanced quality procedures and change control process including implementation of further safety measures						
5.2	Additional project management, governance, and change control input during construction period, 30 months @ £ 8,000/month @ 50% of time	30	Months	4,000	120,000		
5.3	Additional inspections				25,000		
5.4	Premium associated with CAR Insurances/PI Insurance (subject to individual business and risk performance)			Subject to each business			
5.5	Additional caretaker costs during Gateway 3 approval process	3	Months	8000	24,000		
	Sub Total				169,000	170,000	9.21%

Ref	Description	Quantity	Unit	Rate	Total	Total	% of total
6.0	Contractor resourcing and responsibilities (construction Period)						
6.1	Submission and consideration of a completion certificate application, or partial completion certificate application, once the relevant building work has finished.						
6.1.1	Submission of completion certificate	1	NR	216	216		
6.1.12	Assessment of the completed works including inspections to determine whether the works have been carried out in accordance with the building regulations and are consistent with the built plans submitted (say 4 weeks of resource input)	160	Hours	144	23,040		
	Sub Total				23,256	25,000	1.36%
7.0	Other costs						
7.1	Inflationary effect of extension to development programme and start on site due to BSA Gateway 2 application						
	3% tender price inflation per annum @ 3 months @ £100m construction cost.	0.75%	%	100,000,000	750,000		
7.2	Additional finance, peak debt costs and delay in rental/ sales, etc (Excluded as subject to various factors)		Item		Excluded		
	Sub Total				750,000	750,000	40.65%
	Notional Increase in costs associated with Building Safety Act (based on £100m construction project)					1,845,000	100%
						Say 1,850,000	100%
Potential range of costs associated with Building Safety Act (%)					1.25% to 2.00% of construction cost		

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WITHOUT LIMITS

About AECOM

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