# The Building Safety Levy and Remediation Acceleration Plan



What?

The Building Safety Levy ("the Levy") is a planned initiative to help fund the remediation of unsafe cladding and improve building safety, especially in high-rise buildings, following the 2017 Grenfell Tower fire. The Levy will require developers to contribute financially towards remediation costs for buildings found to have unsafe cladding or other safety concerns. The funds collected from the Levy will help support the remediation of affected buildings and contribute to the development of a safer, more resilient built environment.

The Remediation Acceleration Plan outlines a set of measures and steps that the government will take to accelerate the removal of dangerous cladding, strengthen fire safety standards, and ensure that building owners are held accountable for safety failures. It also includes detailed guidance on how the remediation process will be monitored and managed to ensure transparency and efficiency.

When?

The UK government has officially confirmed the introduction of the Levy, set to take effect from

Autumn 2025. The announcement comes alongside the publication of the government's comprehensive Remediation Acceleration Plan, a strategic framework aimed at improving building safety and addressing issues related to unsafe cladding and structural hazards in high-rise buildings.

Why?

The government has emphasised that the introduction of the Levy, along with the publication of the Remediation Acceleration Plan, reflects a firm commitment to prioritising public safety, restoring confidence in the built environment, and preventing future tragedies.

### **Remediation Acceleration Plan**



The Remediation Acceleration Plan outlines a clear timeline for when remediation should take place. It includes setting deadlines for developers and building owners to act and for government intervention if they fail to meet those deadlines. These deadlines are set out below:

- By the end of 2029, all 18m+ (high-rise) buildings with unsafe cladding in a government-funded scheme will have been remediated.
- By the end of 2029, every 11m+ building with unsafe cladding will either have been remediated or will have a date for completion otherwise those responsible will be liable for severe consequences, including financial penalties and criminal offences.

#### **Key points**

The response to the consultation on the design of the Levy confirms that:

- The scope of the Levy is set out within the Building Safety Act 2022 but essentially the Levy will apply to all new residential buildings that require building control approval (regardless of height).
- The rate of the Levy will be calculated on a sq. meter basis.
   The actual rate will be set out in further secondary legislation.
   The intention is that there will be a single payment ahead of issue of the final building control certificate.
- Exclusions from the Levy include affordable homes, hospitals, and small developments (i.e., those with under 10 units or equivalent per sq. meter).

#### What does this mean?

#### Long term impact



The Levy, along with other building safety reforms, will play a significant role in shaping the future of building safety standards in the UK, with an emphasis on preventing further tragedies and ensuring that all buildings meet higher safety standards.

## Impact on developers

The Levy will be imposed on developers, especially those involved in the construction of high-rise buildings, to ensure that they bear part of the financial burden of fixing safety issues. Developers of certain building types will be required to pay into the fund, which will be used for remediation efforts.

#### Consequences of non-compliance

If the Levy is not paid, building control completion certificates will not be issued by the Building Safety Regulator / the Local Authority.

If you have any questions or concerns regarding the Building Safety Levy please contact <u>Dickon Court</u> or <u>Chloe Wood</u> in our contentious construction team.