



Ministry of Housing,
Communities &
Local Government

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Building Safety Levy

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What is the Building Safety Levy?

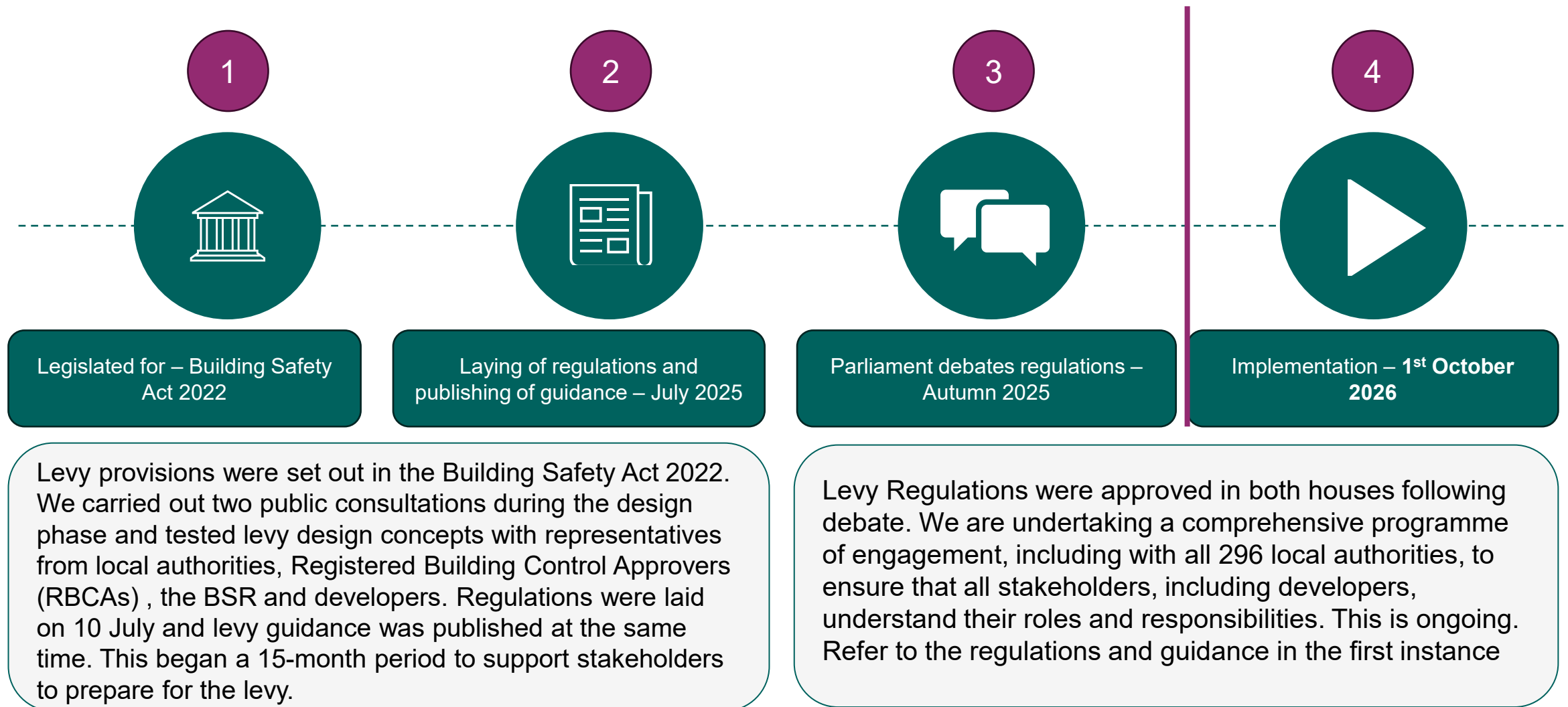


- The Building Safety Levy is a tax, which developers will pay on Building Control applications for new residential development, with some exemptions from 1 October.
- Local authorities (LAs) with building control responsibility (district councils and equivalents) will be the collection agents for the levy. RBCAs and the BSR will also play a role in passing on information to the collecting authority to determine if a levy liability applies.
- On 10 July 2025, [regulations](#) and published [guidance](#) explains how the levy will work and what stakeholders will need to do. Following parliamentary approval last autumn, the levy will come into force on 1 October this year.
- The levy will pay for remediation of cladding on buildings including, where a developer cannot be held responsible or identified, as well as contributing to remediation of social sector buildings.
- You should refer to the regulations and guidance in the first instance – today's slides are an incomplete summary.



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Where we are now – preparing for launch





How It Works

Brief Introduction

- The 296 local authorities with Building Control responsibilities (District-level) will calculate and collect the levy on behalf of the Department.
- Before calculating the levy, **developers must confirm** if the works meet the charging conditions (Regulation 15) and provide relevant information to the collecting authority.
- **Different levy rates are charged per local authority.** The levy charge is calculated on the **floorspace** area of a property in m² using Gross Internal Area (RICS code).
- **Developers will pay** the levy on building control applications for new residential floorspace in dwellings and purpose-built student accommodation, unless exempt.
- The levy **can be paid at any point** between receiving the levy liability notice and notifying the local authority of completion, which must be done when works have been completed.
- **Developers must pay the levy before the earlier of occupation and works completion.** The primary sanction is that the final certificate is rejected, or completion certificate withheld, until the payment is received.
- The levy will also apply where building control is overseen by the **Building Safety Regulator (BSR)** for higher-risk buildings or by private sector **Registered Building Control Approvers (RBCAs)**



Exemptions, inclusions, and discounts



The Building Safety Act 2022 gives the SoS powers to charge a Levy on new residential buildings where building control approval is needed.

- **There will be a discounted rate of 50% for developments on previously-developed (brownfield) land.**
- The following are included in the Levy charge:
 - Build to Rent
 - Purpose-built student housing
 - Private retirement housing
 - Communal areas
 - Conversions/change of use
 - Market-rate housing built by local authorities

Following consultation, the following types of housing will be exempt:

- **Social and affordable housing**
- **Developments of fewer than ten units**
- NHS facilities, supported housing, care homes, children's homes, domestic abuse facilities, residential care homes, criminal justice accommodation, and military establishments.
- For-profit housing built by a not-for-profit registered provider (such as a housing association)
- Hotels, non-NHS hospitals, hospices, monasteries and nunneries, seminaries and religious colleges, drug/alcohol treatment centres, temporary accommodation for homeless people, and school accommodation.
- **Improvements to owner occupied homes and refurbishments**



Key Developer Responsibilities

A summary of each stage

At application (building control submission)

- Submit the required information as part of the relevant building control application.
- Ensure the information provided enables the authority to determine whether a levy charge applies.

Commencement stage

- Provide any additional information and supporting evidence required to support the assessment of levy liability.
- Review the levy liability notice once it has been issued.

During development

- Monitor the development for any changes that may affect the levy calculation.
- Provide updated information where changes occur.

Following determination

- Where a levy is determined to be payable, the amount set out in the **levy liability notice must be paid in accordance with the levy process**.
- Engage with processes for refunds, reviews, or appeals where it is necessary to amend or challenge a levy decision.

Throughout the process

- Ensure that all information provided remains accurate and up to date.
- Be prepared to respond to spot checks or verification activity where required.



Forms and Notices

A summary of each stage

Commencement stage

- Once the collecting authority has calculated the levy charge, a **levy liability notice is issued** to the developer, setting out the amount due.
- If there is no charge, a **notice of no charge is issued**

During development

- If a building control variation application is submitted for works to a residential building; **updated levy information must be provided.**
- Where a variation application is made or a levy update notice is submitted, the collecting authority will issue a **new or revised levy determination notice and cancel the previous notice.**

Following determination

- Where a levy is payable, it is **expected to be paid before building completion**, with the completion stage acting as the key control point for collection.
- **No completion certificate will be issued**, and any final certificates will be rejected until full payment has been received.
- Once the levy has been paid, a **levy payment certificate is issued.**



Supporting Developers

Supporting materials within the guidance

Section 3: Advice for developers of residential buildings

This section is for anyone developing new residential dwellings or purpose-built student accommodation. New residential development may attract a levy charge.

Chapters 6 through 14.

- The Regulations [The Building Safety Levy \(England\) Regulations 2025](#), and
- Guidance [Building Safety Levy: Guidance - Guidance - GOV.UK](#)

All the documents shared with LAs are available on gov.uk, including

- comprehensive process maps which show how the levy process works in a number of scenarios and all three 'routes' – **LABC**, **RBCA**, and applications through the **BSR**.
 - o The process maps are held in Annex A of the guidance explain these processes in detail. Annex B provides the sample forms that LAs will need to issue.



Further Information



Key Documents

Regulations: [The Building Safety Levy \(England\) Regulations 2025](#)
Building Safety Levy Guidance: [Building Safety Levy: Guidance - Guidance - GOV.UK](#)

Levy rates: [Building Safety Levy: Guidance - Section 2: Levy rates and calculations - Guidance - GOV.UK](#)



Contact Us

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Developer Guidance

Developer Section in the Building Safety Levy Guidance:
[Building Safety Levy: Guidance - Section 3: Advice for developers of residential buildings - Guidance - GOV.UK](#)