

**URGENT
ACT NOW!**



The Building Safety Levy & Future Homes Standard

We strongly recommend that you take time to read through this brochure to get to grips with the updated regulations, it contains the following aspects.

The Building Safety Levy

- How It Works & Rates
- Exemptions
- When and How It Is Paid

The Future Homes Standard

- Key Transition & Implementation Details
- Key Takeaways

Moving Towards Zero-Carbon Ready Homes

- The New Mandate for Solar Energy
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- Calculation Methods: Introducing SAP 10.3

Key Timelines for Developers

- What is the Future Homes Standard?
- When does the Future Homes Standard come into effect?
- Does the Future Homes Standard apply to non-domestic buildings?
- When does the Future Homes Standard apply to high-risk buildings?

For more information our team are here to answer any of your questions and help you navigate your way through the process

The Building Safety Levy

The Building Safety Levy is a UK Government tax on new residential developments in England, which takes effect on **October 1, 2026**. It is designed to raise £3.4 billion over ten years to fund the remediation of fire safety and cladding defects in high-rise and residential buildings. The levy applies to major residential developments (10+ dwellings or 30+ bedspaces for student accommodation). Key details include:

How It Works & Rates

- **Calculation:** The levy is calculated on a per-square-meter basis based on the gross internal floor area (GIA), including applicable communal spaces.
- **Location-Based:** Rates are set by the Government for each local authority, with higher rates applied in areas with higher average house prices. Greenfield sites are taxed at twice the rate of brownfield (previously developed) sites.
- **Discounts:** Developments on previously developed (brownfield) land qualify for a 50% discount.



Exemptions

Certain projects and entities are exempt from the levy, including:

- **Affordable Housing:** Exempt if built by non-profit registered providers of social housing.
- **Specialised Buildings:** Hospitals, care homes, women's refuges, school accommodation, hotels, and temporary accommodation for homeless people.
- **Small Sites:** Developments with fewer than 10 dwellings (or fewer than 30 bedspaces in purpose-built student housing).

When and How It Is Paid

- **Application Trigger:** It applies to building control applications submitted on or after **October 1, 2026**.
- **Collection:** The levy is collected by local authorities, even for higher-risk buildings managed by the Building Safety Regulator.
- **Payment Due:** Payment is required before the first building control completion certificate is issued.

You can find the exact regulations, local authority rates, and detailed guidelines for developers on the ***UK Legislation Building Safety Regulations*** page or via the ***GOV.UK Building Safety Levy Guidance***.



*UK Legislation
Building Safety
Regulations*



*GOV.UK Building
Safety Levy
Guidance*

The Future Homes Standard

The Future Homes Standard (FHS) in England comes into force on **March 24, 2027**. It is accompanied by a **12-month transitional period** ending on **March 24, 2028**. During this window, pre-registered plots can still be built under older 2021 Part L regulations, provided construction reaches the ground floor level by the hard deadline.

Key Transition & Implementation Details

- **Official Start Date:** The new FHS regulations - which effectively mandate low-carbon heating (like heat pumps) and rooftop solar - officially take effect on **March 24, 2027**.
- **12-Month Grace Period:** Homes can be built to the older Part L 2021 standards only if the project is registered with Building Control before **March 24, 2027**, and a “meaningful start” is made.
- **The Meaningful Start Deadline (Hard Stop):** Every individual plot must be built up to the **ground floor level** by **March 24, 2028**. Merely digging foundations site-wide is no longer sufficient. If the deadline is missed, the homes must be redesigned to meet the full FHS requirements.
- **Higher-Risk Buildings (HRBs):** For buildings at least 18 meters tall or 7+ storeys, the regulations take effect on **September 24, 2027**. The meaningful start deadline for HRBs is pushed to **September 24, 2028**.
- **Compliance Tools:** Early transitional plots will continue to use the SAP 10.2 calculation method, while FHS plots at launch use SAP 10.3. A new Home Energy Model (HEM) will be introduced later.

You can track the full regulatory updates and approved documents directly on the ***HEM Guide Transition Overview*** or the ***AHR FHS Regulatory Summary***.



***HEM Guide
Transition
Overview***



***AHR FHS
Regulatory
Summary***

Key Takeaways

- Low-carbon heating, specifically Air Source Heat Pumps (ASHP), effectively replaces gas boilers for new builds.
- Solar PV panels are now a mandatory requirement for the majority of new build properties.
- Changes to G-values in glazing calculations will make it easier to balance SAP compliance with Part O overheating requirements.
- Air tightness targets are more ambitious, with the notional dwelling dropping from 5 to 4m3 per h/m2.
- The industry will use SAP 10.3 as a transitional calculation tool until the Home Energy Model (HEM) is officially implemented.
- A 12-month transitional period begins in March 2027, with a strict “meaningful start” deadline in **March 2028**.
- With over 20 years of experience, MC Plan and Site Services is here to help you navigate these shifting targets to ensure your projects are both compliant and cost-effective.

Moving Towards Zero-Carbon Ready Homes

The Future Homes Standard represents a complete overhaul of how we approach residential energy performance. The Government's goal is to ensure all new domestic dwellings built from 2027 onwards are "zero-carbon ready". This means these homes will not require any further retrofit work to become carbon neutral as the electricity grid continues to decarbonise over the coming years.

To achieve this, the new regulations target a massive 75-80% reduction in carbon emissions compared to 2013 standards. The most significant shift is the move away from fossil fuels. While the regulations don't technically "ban" gas, the targets are now so stringent that achieving compliance with a gas boiler is virtually impossible. Most developers will now adopt Air Source Heat Pumps (ASHPs) as the primary heating solution.

The New Mandate for Solar Energy

On-site renewable energy generation is no longer an optional "extra" for high-performing homes; it's a core requirement. The Future Homes Standard mandates that new homes feature solar PV panels covering approximately 40% of the ground floor area. This ensures that homes are generating their own clean energy on-site, which significantly lowers energy bills for the eventual homeowner.

While there are limited exemptions for complex roof designs where solar isn't feasible, these will require specific approval from Building Control. In almost every standard housing development, you can expect to see solar PV on every roof. This shift supports the broader strategic goal of reducing national energy demand and transitioning the UK towards a more sustainable, renewable-led power grid.

Changes to Glazing and Air Testing

We've seen some very welcome changes to how we calculate glazing performance. Previously, the "notional dwelling" (the Government's benchmark model) used a fixed G-value for windows. This often created a conflict between passing SAP and meeting Part O (overheating) standards. Now, the Notional Building uses the actual G-value you specify, which removes the penalty for using high-performance, solar-control glass.

The air tightness targets have also become more ambitious. The notional dwelling now uses an air permeability target of 4m3 per h/m2, down from the previous target of 5. While the "backstop" limit remains at 8, building to that level will make it very difficult to pass the overall carbon target. You'll need to focus on high-quality fabric construction and potentially consider more advanced mechanical ventilation strategies.

Calculation Methods: Introducing SAP 10.3

To demonstrate compliance with the Part L Building Regulations, you need accurate software. The Government originally planned to launch the "Home Energy Model" (HEM) to replace SAP. However, since HEM is still in development, SAP 10.3 is the current stepping stone. This updated version accounts for the new heat pump and PV requirements while keeping the interface familiar for developers and assessors.

We expect a dual-running period where you can use either SAP 10.3 or HEM once the latter is released. The rule of thumb is that whatever software you use to start a project, you can use to finish it. This provides much-needed continuity for long-term developments, ensuring you aren't forced to change methodologies halfway through a build.

Key Timelines for Developers

The MHCLG has confirmed that these new regulations officially come into force on **24th March 2027**. Following this date, a 12-month transitional period begins. If you register your project with Building Control before **March 2027**, you can still build under the current 2021 regulations. However, there is an important distinction regarding the timeframe for beginning work on-site.

To stay under the old regulations, you must make a “meaningful start” on every individual plot by **24th March 2028**. The Government defines this as building the plot up to the ground floor level. Simply digging foundations for a whole site is no longer enough to “lock in” the old standards for every home. If a plot hasn’t reached ground floor level by that date, it must be redesigned to meet the full Future Homes Standard.



What is the Future Homes Standard?

The Future Homes Standard is the 2026 update to the Part L Building Regulations, designed to ensure all new homes are “zero-carbon ready”. By mandating low-carbon heating (like heat pumps) and on-site solar energy, these regulations ensure that new homes will not require any future retrofitting to become carbon neutral as the electricity grid continues to decarbonise.

When does the Future Homes Standard come into effect?

The regulations officially come into force on **24th March 2027**. You have a 12-month window from that date to reach a “meaningful start” on any plots registered under previous standards. To stay under the old rules, every individual plot must be built up to the ground floor level by **24th March 2028**; otherwise, it must be redesigned to meet the full Future Homes Standard.

Does the Future Homes Standard apply to non-domestic buildings?

Yes, it applies to commercial and non-domestic buildings under the “Future Buildings Standard”. While the transition dates mirror those for residential homes, we are currently awaiting the final software updates (SBEM) from the Government to confirm the exact compliance targets for different commercial property types.

When does the Future Homes Standard apply to high-risk buildings?

Higher-risk buildings (such as those over 18 metres) have a slightly delayed timeline. For these projects, the regulations come into force on **24th September 2027**. Developers must serve their “Gateway 2” notice by this date and then have until **24th September 2028** to make a meaningful start on-site to remain under the older version of Part L Building Regulations.

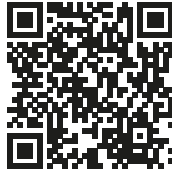


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Competitively priced proactive Building Control Service



Independent Building Control Consultancy (RBCA)

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