

The Viability Crunch

Analysing the impact of policy, tax, and regulatory pressures on home building

Building a new home now costs an estimated

£76,000

more on average than it did in 2020.

Equivalent to

20% of the average new home market value

Additional costs rise to

£98,000

per high-rise home.

Second staircase legislation adds

£22,000

per flat, on average

Disproportionately affecting London and other cities.

Breaking down additional costs per home, on average

1		Material and labour	£37,000
2		Future Homes Standard	£10,200
3		Building Regulations	£7,770
4		Nutrient neutrality	£7,000
5		Biodiversity net gain	£5,700
6		Building Safety Levy	£2,320
7		Taxes	£2,055
8		Landfill Tax	£2,000
9		Section 106 inflation	£985

Housing delivery levels are falling



Housing completions have fallen from around 250,000 homes per year to 200,000

Representing a 20% decline.