



Llywodraeth Cymru
Welsh Government

BUILDING SAFETY (WALES) ACT

Explanatory Memorandum
incorporating the
Regulatory Impact Assessment

April 2026

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PART 1 – EXPLANATORY MEMORANDUM

1. Description

- 1.1. The Building Safety (Wales) Act (“the Act”) introduces a new building safety regime in Wales focusing on the occupation and ongoing management (“the occupation phase”) of multi-occupied residential buildings.
- 1.2. It creates three categories of multi-occupied residential buildings, determined by a building’s height and the number of storeys it contains. There are different levels of regulation depending on the building’s category, with the tallest buildings being subject to the strictest regulation.
- 1.3. Buildings within scope of the regime that are at least 11 metres in height or have at least 5 storeys will be subject to both fire safety and structural safety duties and will be required to register. Buildings below 11 metres and with less than 5 storeys will be subject to only the fire safety requirements.
- 1.4. The Act also makes provision for certain HMOs to be subject to fire safety duties.
- 1.5. The Act recognises the importance of residents in building safety and gives residents new rights to be able to raise building safety complaints. The new regime also places certain duties on residents in relation to building safety.
- 1.6. The Act establishes a new enforcement regime and confers new functions on designated local authorities (who will be known as building safety authorities) and fire and rescue authorities.
- 1.7. The Act also introduces a new system for ensuring the remediation of certain historical in-built building safety defects and for limiting the liability of leaseholders for paying for the cost of such remediation.
- 1.8. To achieve this, the Act provides for new powers to be given to the Residential Property Tribunal to make orders relating to the undertaking of remediation work and costs of those works and provides for certain restrictions to be imposed on the services charges payable by leaseholders.
- 1.9. The Act will help to address issues identified by the [Hackitt Review](#), the [Grenfell Tower Inquiry](#), and Welsh Government’s [Building Safety Expert Group](#) in the aftermath of the tragic fire at Grenfell Tower, London, in June 2017.

2. Legislative Competence

2.1 Senedd Cymru ("the Senedd") has the legislative competence to make the provisions in the Building Safety (Wales) Act ("the Act") pursuant to Part 4 of the Government of Wales Act 2006 ("GoWA 2006") as amended by the Wales Act 2017.

3. Purpose and intended effect of the legislation

Purpose

3.1 The primary purpose of the Building Safety (Wales) Act is to establish clear lines of responsibility for managing building safety risks in multi-occupied residential buildings, by creating new roles and responsibilities for those that own and manage these buildings so that there can be no doubt about where the responsibility lies. The Act is also aimed at empowering residents by ensuring that they have a stronger voice in matters that affect their home.

3.2 The Act has a secondary but related purpose in connection with the remediation of certain historical in-built building safety defects. It seeks to provide a means of requiring such remediation to be undertaken and means of ensuring that the cost of doing so is borne fairly. It aims to enable leaseholders to be protected from unfair costs in respect of remediation work and the effects of in-built building safety defects. It also requires the Welsh Ministers to report on progress made in relation to remediation.

3.3 Although the Act focusses primarily on the occupation phase of a multi-occupied residential building's lifecycle, it forms part of a wider programme of changes aimed at improving safety in these buildings. This includes:

- A programme of work aimed at addressing fire safety issues in buildings of 11 metres and over in the existing building stock in Wales, including the Welsh Building Safety Fund and work with developers to remediate historical defects in multi-occupied residential buildings of at least 11 metres in height or more than 5 storeys.
- Changes at the design and construction phase aimed at improving the regulation of high-risk buildings in Wales, including the registration and regulation of the building control profession.

Objectives of the Act

3.4 The main purpose of the Act is to improve the safety of people living in multi-occupied residential buildings in Wales. The Act will achieve this by establishing a regime that:

- identifies those on whom statutory duties under the Act are to be placed.
- requires the registration of certain regulated buildings i.e. those at least 11 metres in height or which have at least 5 storeys with a building safety authority.
- confers new functions on the "building safety authority", which will be a local authority in each fire and rescue authority area that is designated by the Welsh Ministers as the building safety authority for that area.

- confers new functions on the “fire safety authority” in Wales, which are each fire and rescue authority for an area in Wales or a fire inspector (with regards regulation of Crown buildings).
- creates duties to assess and manage fire safety risks in all in-scope buildings.
- creates duties to assess and manage structural safety risks in in-scope buildings that are at least 11 metres in height or which have at least 5 storeys.
- puts in place new rights for residents and place duties on them in respect of all in-scope buildings.
- puts in place new duties in respect of the fire resistance of residential units.
- establishes a new enforcement regime to enable enforcement action to be taken if the new duties are not met.

3.5 The Act will achieve its secondary purpose in connection with the remediation of historical in-built building safety defects by providing for:

- regulations to enable the Residential Property Tribunal to make orders in relation to the remediation of certain historical in-built building safety defects and the costs associated with them.
- regulations to enable limitations to be imposed on the costs associated with those defects and their remediation that may be passed on to leaseholders.
- an annual progress report on remediation to be published by the Welsh Ministers.

Fulfilling a Welsh Government commitment to legislate

3.6 Our [Programme for Government](#) (2021-2026) includes a commitment to improve building safety in Wales. To achieve this, primary legislation is required to introduce a new building safety regime covering the occupation and ongoing management of multi-occupied residential buildings.

3.7 The Act is part of the Welsh Government’s response to the Grenfell Tower fire in June 2017. It addresses issues identified in the [Hackitt Review](#), the [Grenfell Tower Inquiry](#) and by the Welsh Government’s [Building Safety Expert Group](#). The policy has been developed with stakeholders and has been informed by responses to the Welsh Government’s White Paper Consultation and wider research and consultation.

3.8 On 9 July 2024 in his [legislative statement](#) the then First Minister announced a building safety Bill. This Act meets that commitment to legislate.

Why is the Act Needed?

The Independent Review of Building Regulations and Fire Safety

3.9 The tragic fire at the Grenfell Tower in London on 14 June 2017 and subsequent investigations made it clear that changes to the system supporting the safety of buildings were needed.

3.10 The UK Government established an independent review of building regulations and fire safety with a particular focus on their application to high-rise residential buildings. The review was chaired by Dame Judith Hackitt and published its [Independent Review of Building Regulations and Fire Safety](#), commonly referred to as the Hackitt Review, in May 2018. Initial findings had implicated combustible external cladding (aluminium composite material or 'ACM') and insulation materials (polyisocyanurate and phenolic foam) in the rapid spread of the fire at Grenfell. Their manifest unsuitability had gone unchallenged, and the independent review concluded that the current overall system in England was not working effectively and needed to be overhauled.

3.11 The final report determined that the whole system of regulation whilst buildings are occupied was not fit for purpose.

3.12 In the final report of the Independent Review, [Building a Safer Future](#), Dame Hackitt emphasised the need to adopt, 'a very different regulatory framework covering the design, construction and maintenance of high-rise residential buildings which recognises that they are complex systems where the actions of many different people can compromise the integrity of that system'. The review made several recommendations covering the occupation and maintenance of high-rise residential buildings and it is that stage of the building's lifecycle that the Act focuses on.

3.13 The Welsh Government convened a [Building Safety Expert Group](#) in October 2018 to identify the parameters of a Welsh response to the issues raised by the Hackitt Review and to advise on the applicability of the Review to the Welsh context. This included considering priority areas for implementation and areas in which the Group considered that the Welsh Government should or should not deviate from the approach taken by the UK Government.

3.14 In its report, [A Roadmap to Safer Buildings in Wales](#), the Group recommended a detailed programme of work to be taken forward by the Welsh Government to "improve the landscape within which building regulations and fire safety measures operate in Wales in order to improve the safety of higher risk residential buildings". The Welsh Government subsequently established its Building Safety Programme. The Programme is focussed on addressing fire safety risks and is based on current policy and funding arrangements.

3.15 In 2021, the Welsh Government published the Safer Buildings in Wales White Paper, which proposed a comprehensive set of reforms to the system in Wales.

3.16 As set out in the White Paper, the likelihood of a fire in any dwelling, including a flat, is relatively small, however the impact in a high-rise block, as was seen at Grenfell, can be devastating, with a high loss of life. The data also show us that fire casualties are more likely in houses in multiple occupation (HMOs), or properties converted for residential use meaning the height of a building is not the only risk factor to consider. The likelihood and impact of fire will vary depending on many factors including the complexity of the building that people live in, the materials it is made from, fire safety features in the building, how well it is managed and maintained, the number of occupants, and their behaviour.

3.17 The lessons from Grenfell have exposed the critical importance of ensuring safety is paramount throughout all aspects of a building's lifecycle. Buildings must be effectively managed to ensure that new and changing risks are identified and minimised as far as practicable. The Act will ensure that safety considerations are monitored throughout the occupation phase of a building's lifecycle for the benefit of residents.

The current regulatory regime

3.18 There is a regime in place to identify and protect against potential risks and hazards to health and safety from any deficiencies identified in residential premises, including individual dwellings and houses in multiple occupation. Local authorities have responsibility for overseeing the regime under the Housing Act 2004 and the Housing Health and Safety Rating System (Wales) Regulations 2006 (HHSRS). Housing and Environmental Health Officers can inspect and evaluate potential risks to health and safety from any deficiencies within individual dwellings against a list of 29 hazards (including fire) and oblige building owners to take remedial action.

3.19 The Fire and Rescue Authorities oversee fire safety of the common parts of almost all residential buildings under the Regulatory Reform (Fire Safety) Order 2005 ("FSO"). The FSO places duties on a 'Responsible Person' to maintain the safety of a building and to reduce the risk of fire in relation to certain parts of blocks of flats (e.g. by carrying out risk assessments). It applies to workplaces, public buildings and common parts of shared residential properties.

3.20 However, the Hackitt Review recommended that there should be greater clarity about who is responsible for managing the safety of buildings in occupation. We agree and believe it is appropriate to put measures in place to identify who those duty holders should be, and to place a proportionate set of

duties on them to ensure that risks are managed appropriately in buildings of different heights.

The Safer Buildings in Wales White Paper

3.21 The [Safer Buildings in Wales White Paper](#) consultation opened in January 2021. It proposed a comprehensive reform of legislation, representing a significant overhaul of the existing system for building safety in Wales. It focused on legislative change across the lifecycle of multi-occupied buildings: from design, through to construction and into the occupation phase; as well as setting out aspirations for cultural change in the way that buildings are designed, built, and managed.

3.22 When it closed in April 2021, 91 responses had been received from a wide range of stakeholders including local authorities, Fire and Rescue Authorities, professional bodies, managing agents, freeholders and members of the public. These responses informed policy thinking and development. The [Welsh Government published its response to the consultation](#) on 14 December 2021.

The remediation of historical in-built building safety defects

3.23 UK Government legislated in relation to the remediation of historical building safety defects in England in 2022. Specifically, sections 116-124 of, and Schedule 8 to, the Building Safety Act 2022 (the 2022 Act) deal with aspects of the remediation of these defects and introduce protections for leaseholders against the costs of remediation (in respect of risks from the spread of fire and building collapse). The provisions apply in relation to England only.

3.24 At the time that these provisions were introduced in England and during the intervening period, the Welsh Government's view had been that similar legislative provision was unnecessary in the Welsh context. Instead, the Welsh Government has sought to ensure through non-legislative means that the remediation of in-built fire safety defects is undertaken, and that all leaseholders and residents of buildings of 11 metres in height and over are protected against the need to pay to rectify in-built fire safety issues not of their making.

3.25 The cost of remediating in-built fire safety defects has been borne either by developers who have signed a Deed of Bilateral Contract with the Welsh Ministers agreeing to a set of developer self-remediation terms, or (where it has not been possible to identify the developer or the cost of the works is beyond their assessed capacity to pay) by the Welsh Government through the Welsh Building Safety Fund. The fund supports the remediation of internal and external fire safety issues and is not limited to buildings with unsafe cladding.

3.26 In the event that a developer fails to adhere to the self-remediation terms within its contract, it would be the Welsh Ministers that took legal action against that developer rather than leaseholders, thus ensuring that leaseholders do not incur legal costs in doing so.

3.27 Although this approach has proven effective, it may not prove so in the future. The Welsh Building Safety Fund will not continue indefinitely. When it ceases, leaseholders, including those leaseholders who might otherwise be protected by the provisions set out in Schedule 8 of the 2022 Act if they applied in Wales, may have to pay service charges relating to the remediation of in-built fire safety defects.

3.28 Furthermore, our current approach in Wales does not afford any protection to leaseholders in relation to the remediation of structural safety defects (unless they also give rise to fire safety risks) and the levying of charges in connection with this. The circumstances in which the cost of waking watches can be covered is also limited as are protections against legal and other professional service fees.

Impacts

3.29 The Act will introduce a regime which is proactive in ensuring that fire and structural safety risks are identified and managed in buildings of 11 metres or over, or with five storeys or more, and that fire safety risks are identified and managed in buildings of less than 11 metres and in relevant HMOs. It will ensure greater accountability, with duty holders responsible for assessing and managing these risks. For buildings of 11 metres or over or with five storeys or more, the requirement to register the building with the building safety authority will help to ensure that the enforcing authority, which is either a “building safety authority” or a “fire safety authority”, holds information on who is responsible for the safety of the building. This will enable action to be taken where there is a breach of duties and ensure residents can access information about who is responsible for the safety of their building.

3.30 The Act places more duties on those responsible for buildings of 11 metres or more, or with five storeys or more, compared to buildings below 11 metres and with less than five storeys and relevant HMOs. This reflects the scale and complexity of larger buildings and ensures the regime is proportionate.

3.31 The impact of a building safety risk materialising can be catastrophic, with significant loss of life. Putting in place a duty to proactively identify risks and take steps to prevent those risks from materialising is intended to improve the safety of individuals in and around in-scope building. The Act will also help to reduce or avoid, in some cases, the high costs associated with remediating

buildings after fire or structural safety risks have materialised. Although it is not possible to prevent all fires happening in a building, the Act aims to help to minimise the risks and to protect life and property in the event of fire.

3.32 In relation to the remediation of historical in-built building safety defects, the impact of the Act will be fourfold. Firstly, it will provide a new means of requiring that remediation takes place in residential buildings over 11 metres in height, especially in relation to structural safety defects that are not currently addressed by the Welsh Building Safety Programme. Secondly, it will provide a new means of ensuring that the cost of undertaking remediation work falls on those who bear responsibility for the defects that exist. Thirdly, it will provide a means of protecting leaseholders from costs relating to defects for which they bear no responsibility. Finally, the Act will ensure greater transparency in relation to the pace of remediation through its imposition of a new reporting requirement on the Welsh Ministers.

Summary of the Act

3.33 The new regime will establish a robust and coherent regulatory system in relation to the occupation phase of buildings, creating clear lines of accountability by imposing a range of statutory duties on relevant duty holders.

3.34 The Act's occupation phase regulatory system applies to all residential buildings that contain two or more residential units (with some exceptions), but the specific requirements that apply depend on the type of building. Buildings within scope of the new regime are referred to as "regulated buildings". Regulated buildings are divided into three categories:

- "Category 1" – at least 18 metres in height or has at least 7 storeys
- "Category 2" – less than 18 metres in height and has fewer than 7 storeys, and is at least 11 metres in height or has at least 5 storeys
- "Category 3" – less than 11 metres in height and with fewer than 5 storeys

3.35 Some provisions in the Act also apply to certain houses in multiple occupation (referred to as "relevant HMOs").

3.36 The Act's remediation provisions include enabling regulations that will provide for the Residential Property Tribunal to make remediation orders and remediation contribution orders in relation to category 1 and 2 buildings. They will also limit the service charges that can be charged to leaseholders in relation to costs associated with certain remediation costs, in respect of certain building safety defects.

3.37 The Act will:

- Give designated local authorities in Wales new functions to regulate and enforce building safety duties in residential buildings (as the building safety authority).
- Confer functions onto the fire safety authorities¹ in Wales that will resemble those in the current FSO regime, but which will be geared to the types of risk typically found in residential buildings.
- Ensure that an accountable person or persons are identified who are responsible for assessing and/or managing fire safety risks in all in-scope buildings, and structural safety risks in category 1 and category 2 buildings.
- Provide that for each building there will be a “principal accountable person”.
- Create a new duty to register category 1 and 2 buildings with the building safety authority.
- Create duties to hold key building information relating to regulated buildings.
- Create a duty for a principal accountable person, in category 1 buildings, to apply to the building safety authority for a building certificate.
- In category 1 buildings, create a duty to prepare a safety case report. The safety case report will include information about how building safety risks are being assessed and managed. It will be provided to the building safety authority when it is completed, updated and form part of a building certificate application.
- Place duties on residents and owners of residential units in category 1, 2 and 3 buildings, and occupiers of relevant HMOs, including not to do any act that creates a significant risk of a fire safety risk materialising in relation to the building.
- Place duties on residents and owners of residential units in category 1 and 2 buildings, including not to do any act that creates a significant risk of a structural safety risk materialising in relation to the building.
- Place duties on certain persons in respect of repairing damage to the fire resistance of residential units.
- In category 1 buildings, place a duty on a principal accountable person to prepare and act in accordance with residents’ engagement strategy.

¹ Principally, the three Fire and Rescue Authorities. The fire safety authority for buildings in scope of the Bill that are Crown premises will be the Crown premises inspector appointed by the Welsh Ministers under section 28 of the Fire and Rescue Services Act 2004. We understand there to be very few such buildings.

This strategy will ensure residents are actively engaged in building safety decisions.

- In all regulated buildings, place new duties on accountable persons regarding complaints about building safety related matters. This will ensure residents voices are placed at the heart of the regime.
- Create a new duty, in category 1 buildings, for a principal accountable person to establish a system for the purpose of enabling building safety occurrence recording. Under this system, accountable persons must give relevant building safety information to the building safety authority and fire safety authority.
- Create duties in which certain persons must co-operate and co-ordinate with each other on matters of building safety. For example, it will place a duty on accountable persons for regulated buildings to co-operate and co-ordinate both with each other, and with duty holders in a relevant HMO; and it will create duties for accountable persons, and responsible persons under the FSO, to co-operate and co-ordinate with each other.
- Make provision enabling accountable persons to access non-residential parts of a regulated building, including non-residential parts lying wholly or partly above or below a regulated building. For example, in a “mixed-use” building where there may be residential parts and commercial premises. An equivalent duty will apply in relation to providing access to HMO duty holders.
- Make provision in respect of ‘relevant persons’ providing information or documents to an accountable person for the building that are necessary for them to comply with their duties. It must also be reasonable for the relevant person to provide the information. An equivalent duty will apply in relation to providing information to HMO duty holders.
- Enable the making of regulations that provide for interested persons to make applications asking the Residential Property Tribunal to make remediation orders and remediation contribution orders in relation to category 1 and category 2 buildings.
- Enable the making of regulations that will provide for restrictions on the service charges payable in relation to leases (in particular, those leases that were qualifying leases on 20 February 2026) in category 1 and category 2 buildings, when those charges relate to the remediation of certain historical in-built building safety defects, or other steps taken in relation to the mitigation of the risks associated with them.
- Require the Welsh Ministers to report annually on progress in relation to remediation.

Detailed Provisions

3.38 The Welsh Government has committed to reform the current system of building safety so that people feel safer in their homes. The Act is part of its wider response to the findings of the Hackitt Review, the Building Safety Expert Panel, and the Safer Buildings in Wales White Paper.

The buildings that will be included within scope of the Act

i. Summary

3.39 The Act will establish a new regime in Wales focusing on the occupation phase of a building's life cycle. It will cover the regulation of building safety risks in all multi-occupied residential buildings regardless of tenure, where they contain two or more residential units.

3.40 Buildings within scope of the new regime will be referred to as 'regulated buildings'. Regulated buildings will be divided into three categories:

- Category 1 – at least 18 metres in height or has at least 7 storeys
- Category 2 – less than 18 metres in height and has fewer than 7 storeys, and is at least 11 metres in height or has at least 5 storeys
- Category 3 – less than 11 metres in height and has fewer than 5 storeys,

Only certain specified provisions will apply to houses in multiple occupation (HMOs). This is largely because, where duties in the Act are not extended to HMOs, it is considered that there is currently sufficient regulation of HMOs, primarily by virtue of the Housing Act 2004 and the Housing (Wales) Act 2014. HMOs are defined in the Act and are referred to as 'relevant HMOs'.

ii. Why the changes are needed

3.41 There are currently no statutory provisions that regulate in-scope buildings to the extent of the new building safety regime. All the buildings in scope of the new regime are currently in scope of the FSO and the Fire and Rescue Authorities ("FRAs") have powers to take certain enforcement action in relation to fire safety in those premises. However, it is widely acknowledged that the FSO does not deal properly with the sorts of risks typically found in residential buildings, or with the mitigation measures that those responsible for such buildings should take. In addition, there is currently no statutory requirement to manage structural safety in category 1 and 2 buildings.

3.42 The UK Government has applied its new occupation phase regime (found in Part 4 of the Building Safety Act 2022) to "higher-risk buildings", which are defined as buildings of at least 18 metres in height, or at least 7

storeys, which contain at least 2 residential units. The Act is not limited to only high-rise buildings and applies to the great majority of buildings containing two or more residential units in order to reflect the risk factors inherent in these buildings.

3.43 There is no evidence that fires are more likely to break out in flats than in houses or other dwellings. However, flats and apartments present other risks in the event of fire. If a fire were to break out in a conventional house there will be at least one exit leading directly outside, meaning escape and/or rescue is often straightforward. In a flat there may be a considerable distance to the exit to the outside and the route may include stairs and multiple doorways. A fire in a block of flats could also endanger the residents of all the other flats if the fire is not contained and rapidly extinguished.

3.44 Evidence gathered during policy development has demonstrated the need to ensure that the regime is able to respond to changing evidence, pressures and policy in the future, and a power to vary categories will be included within the Act.

Enforcing Authorities

i. Summary

3.45 The [White Paper](#) sought views on the functions and model of regulation.

3.46 The Act provides that the building safety authority will be a designated county council or county borough council in each of the fire and rescue authority areas in Wales. Each building safety authority will be responsible for the regulation of building safety duties for buildings that are wholly or mainly within their area, including structural safety risks. The fire safety authority will be responsible for enforcing the specific fire safety measures. The fire and rescue authorities are the fire safety authority, except for Crown premises where the fire safety authority is a fire inspector appointed by the Welsh Ministers under section 28(1) of the Fire and Rescue Services Act 2004.

ii. Why the changes are needed

3.47 The Act sets out that an enforcing authority means a building safety authority or a fire safety authority. Generally, the building safety authority will be responsible for regulating all new duties under the Act other than those specific fire safety duties, which will be enforced by the fire safety authority. The fire safety authority will have powers to enforce against some other duties where the breach relates to a breach of a fire safety duty.

3.48 The role of the enforcing authorities will be to hold accountable persons, HMO duty holders, other duty holders and residents in the building to account. This includes ensuring that the accountable person is discharging their duties

in relation to residents, thereby ensuring that resident voice remains at the heart of building safety.

3.49 The building safety authorities and the fire safety authorities will need to work jointly in regulating in-scope buildings, and there are many provisions throughout the Act which require a degree of co-operation between the two. For example, this includes requirements on each enforcing authority to notify the other when enforcement action is taking place in an in-scope building. The Act also places a duty to co-operate on them in relation to exercise of their functions.

3.50 The decision to place these functions of regulation on designated local authorities reflects the significant level of expertise within local authorities on matters relating to housing and building control, as well as their extensive experience in engaging with residents. Fire safety authorities likewise already have significant expertise in inspecting and enforcing fire safety.

3.51 Consultation was undertaken with local authorities, including in two series of workshops in 2023 and 2024, as well as through smaller working groups and meetings focussed on specific issues.

Delegation

3.52 The Act makes provision confirming that where the local authority is both the building safety authority and also an accountable person for a category 1 building, they must make all reasonable efforts to arrange for delegation of their building safety functions to another building safety authority. This is to avoid a conflict of interest arising with the local authority being both a building owner/manager with duties as an accountable person and being the enforcing authority.

3.53 The Act also provides that the Welsh Ministers may direct two or more building safety authorities to enter into a delegation arrangement.

Fees

3.54 This Act makes provision allowing for regulations to be made by the Welsh Ministers for, and in connection with, the charging of fees by the building safety authority.

3.55 The fees that may be charged are not expected to cover the full costs of regulation. They will provide a contribution towards the cost of administering the regime. Registration of a category 1 or category 2 building is one area where fees may apply.

Reviews and Appeals

3.56 Certain decisions made by the building safety authority will carry a right of review before they can be appealed. This means the 'affected person' (which may, for example, be an accountable person or principal accountable person depending on the decision) must request a review of that decision by the building safety authority before they can make an application to the Residential Property Tribunal to appeal the decision.

3.57 Decisions of the building safety authority that must be subject to a review before they can be appealed are a decision:

- not to register a building,
- about the category of a building,
- not to revise the entry for a building in the register,
- to revise the entry for a building in the register,
- to remove a building from the register,
- to refuse an application for a building certificate.

3.58 The right to request a review helps to ensure fairness in the regime, for people that are subject to decisions of the building safety authority. The review provides an opportunity for further information to be provided to the building safety authority and may help to resolve some issues that would otherwise be appealed to the Residential Property Tribunal. The Act provides for the Welsh Ministers to make regulations that may amend the list of reviewable decisions, by adding or removing a reviewable decision or varying the description of a decision.

Appeals

3.59 All appeals (other than appeals against a criminal conviction) will be heard by the Residential Property Tribunal. This includes appeals of decisions that have been subject to a review by the building safety authority, as well as appeals against a compliance notice or a prohibition notice issued by either enforcing authority.

3.60 Being a specialist tribunal, the Residential Property Tribunal holds the necessary expertise and knowledge to decide on such appeal applications.

3.61 The Residential Property Tribunal will also decide on applications made directly to it, which include applications for:

- Access Orders (para 3.121)
- Contravention Orders (para 3.121)

- Special Measures Orders (para 3.116 enforcement tools)
- Determination of an accountable person or principal accountable person (para 3.65)

Identifying new duty holder roles, known as the Principal Accountable Person and Accountable Person

i. Summary

3.62 The Act will create new duty holder roles for regulated buildings. These duty holders will have legal responsibility for assessing and managing building safety risks along with several other duties set out in more detail below.

3.63 The identification of an accountable person is crucial for ensuring there is a clear duty holder who can be held to account. Building ownership in Wales is complex and the definition has been devised to ensure that the most appropriate person is defined as the accountable person according to their obligations that have been demised under concepts in property law.

3.64 To ensure there are clear lines of accountability, we are introducing the role of a principal accountable person who will act as the lead accountable person. This will ensure that, where there are multiple accountable persons in a building, there will always be a lead accountable person. For buildings where there is only one accountable person, they will be the principal accountable person.

3.65 The intention is that, generally, where a person owns or has a repairing obligation for any of the common parts, they will be an accountable person for that part. The principal accountable person will generally be the person who owns or has a repairing obligation for the external structure of the building.

3.66 Where more than one person meets the definition of “accountable person”, whether because they jointly hold a legal estate in possession of the same common part or have a joint repairing obligation in respect of it for the purposes of certain provisions, they are treated, for certain purposes, as one accountable person.

ii. Why the changes are needed

3.67 Currently there are no statutory provisions that require those responsible for in-scope buildings to identify themselves as such to either local authorities or fire and rescue authorities. The Act makes this a requirement for category 1 and category 2 buildings. One of the Hackitt Review recommendations was also about having clear lines of accountability.

3.68 Key to the functioning of the new regime is the identification of accountable persons and the principal accountable person for a building given that most duties under the regime will be placed on them. Where there is more than one person who meets the definition, the building safety authority will have a power to make a determination as to who is the principal accountable person for the building. The Act also enables an application to be made to the Residential Property Tribunal for a determination as to who is an accountable person for a building and who is the principal accountable person for a building.

Establishing a register of buildings

i. Summary

3.69 The Act will create a duty for principal accountable persons to register category 1 and 2 buildings with the building safety authority. For new buildings, there will be an offence created of occupying the building before it is registered. This will help to ensure that it is clear who can be held accountable for managing building safety before residents occupy the building.

3.70 The Act will ensure that the details of the principal accountable person in those buildings are recorded on a register, along with key information about the building such as its height and the number of storeys it contains.

ii. Why the changes are needed

3.71 A recommendation of the Hackitt Review² was that during the occupation phase the regulator should “*hold a register of duty holders*”. The focus was on the register of duty holders, rather than a register of buildings, but it was implicit that some sort of record of higher risk residential buildings was envisaged. The Hackitt Review further recommended that “the name and UK contact information of [the] duty holder must be notified to the regulator and to residents and any other landlords of dwellings in the building. The contact details must be kept up to date”. In the Safer Buildings in Wales White Paper we proposed that an accountable person should have a legal duty to “register all in-scope buildings under their ownership/control”.

3.72 Accountability is at the core of the Act. Accountability is achieved by ensuring that there is a defined duty holder responsible for building safety. A further measure to ensure accountability is through requiring the principal accountable person, for category 1 and 2 buildings, to identify themselves on a register. This is considered particularly important in taller, more complex, buildings where it might be more difficult to identify who, out of many possible persons, is responsible for building safety.

² Recommendation 3.6

3.73 The register will cover the taller buildings (category 1 and 2 buildings) and will be an important tool enabling residents to have access to identify the principal accountable person for their building, and for the building safety authority to have access to important information about the building. This information will be used to help monitor compliance against statutory duties and, where appropriate, take necessary action to ensure compliance.

Establishing a new fire safety regime in multi-occupied residential premises

i. Summary

3.74 Currently, fire safety in multi-occupied residential buildings is subject to the FSO. The Act establishes a new fire safety regime for in scope buildings. This will use the same principles as the FSO (for example, it will be outcomes-based, relying on a risk assessment of each building rather than setting prescriptive standards for all buildings). But it will be tailored to the types of risks typically found in residential buildings, as distinct from the FSO's focus on workplace risks. This aspect of the regime will apply to all in-scope buildings.

ii. Why the changes are needed

3.75 The Welsh Government's Building safety expert group identified basic problems with the FSO, which are also reflected in the Hackitt Review. These include:

- The FSO was designed largely for workplaces, with extra duties on 'responsible persons' who are employers. It does not deal properly with the sorts of risks typically found in residential buildings, or with the mitigation measures that those responsible for such buildings should take.
- In residential buildings, such as blocks of flats, it applies only to certain parts and does not clearly address responsibility for the boundaries between, for example, flats and common areas (including front doors of flats). However, almost all the potential causes of fire in these blocks are within individual dwellings, not in the common areas.
- The identity of the Responsible Person is often not clear, for instance in mixed-use buildings (where there are multiple such persons), and/or where buildings are owned by corporations or investors based outside the UK.
- The FSO does not set out who can conduct risk assessments or the frequency with which they should be conducted.

- It is not always clear how the powers of the Fire and Rescue Authorities (FRA) under the FSO cohere with the inspection and enforcement powers of local authorities under the Housing Act 2004.

3.76 The Building Safety Expert Group recommended that the Welsh Government should bring forward legislation to replace the FSO to provide clarity and resolve the problems identified. In response to this recommendation, the Act will therefore provide a new regime for residential fire safety duties and their associated enforcement and sanctions. This regime aims to offer better and more appropriate fire safety protection in residential buildings. The main changes from the FSO will be:

- A methodology for identifying, assessing and mitigating fire risks which better reflects residential contexts. For instance, this will emphasise the importance of compartmentation (the capacity of a structure to contain a fire in the room or flat where it breaks out), which is vital to fire protection in buildings like blocks of flats but is not mentioned at all in the FSO.
- A requirement to review the fire risk assessment at least annually, and to conduct a wholly new one whenever specified events that are likely to change the level of risk occur (such as works which require building regulations approval and/or planning permission).
- A requirement that anyone conducting a fire risk assessment must be demonstrably competent to do so.

3.77 There are, however, two aspects of the FSO which the new regime will also adopt:

- The new regime will be built around a comprehensive fire risk assessment and will be flexible enough to accommodate the particular features and risks of all the buildings it covers. It should allow and require the implementation of safety measures which are appropriate to those features and risks, rather than prescribing the same measures regardless.
- Responsibility for ensuring fire safety will remain with those in charge of the building, e.g. landlords. It will not transfer to government or fire safety authorities.

Duties on accountable persons and principal accountable persons

i. Summary

3.78 The Act will place duties on the principal accountable person and accountable persons.

3.79 For category 1 buildings there will be duties on:

- the principal accountable person to register the building with the Building Safety Authority.
- the principal accountable person to undertake a fire risk assessment and on all accountable persons to manage fire risks.
- accountable persons to assess and manage structural safety risks.
- the principal accountable person to prepare a safety case report, give a copy of a safety case report to the building safety authority and revise a safety case report where required.
- the principal accountable person to apply to the building safety authority for a building certificate, renew a building certificate when required, and display the certificate in the building (in certain circumstances).
- the principal accountable person to establish and operate an occurrence recording system and notify certain building safety occurrences to the building safety authority.
- the accountable person to keep and maintain a record of building safety information and documents (the 'Golden Thread'), as well as obtaining that information and those documents. There will also be duties to give certain information and documents to other persons (including on change of accountable person).
- accountable persons to co-operate and co-ordinate with other duty holders when carrying out duties placed on them under the Act or regulations made under it.
- the principal accountable person to prepare and review a residents' engagement strategy and on accountable persons to provide that strategy to residents.
- the principal accountable person to establish and operate a system for the investigation of relevant complaints which relate to a building safety risk relating to the building or the performance of an accountable person.

3.80 For category 2 buildings there will be duties on:

- the principal accountable person to register the building with the Building Safety Authority.
- the principal accountable person to undertake a fire risk assessment and on all accountable persons to manage fire risks.
- accountable persons to assess and manage structural safety risks.
- accountable persons to keep and maintain a record of building safety information and documents (the 'Golden Thread'), as well as obtaining

that information and those documents. There will also be duties to give certain information and documents to other persons (including on change of accountable person).

- accountable persons to co-operate and co-ordinate with other duty holders when carrying out duties placed on them under the Act or regulations made under it.
- accountable persons to make arrangements for the consideration of relevant complaints which relate to a building safety risk relating to the building or the performance of an accountable person.

3.81 For category 3 buildings there will be duties on:

- the principal accountable person to undertake a fire risk assessment and manage fire safety risks.
- accountable persons to keep and maintain a record of building safety information and documents (the 'Golden Thread'), as well as obtaining that information and those documents. There will also be duties to give certain information and documents to other persons (including on change of accountable person).
- accountable persons to co-operate and co-ordinate with other duty holders when carrying out duties placed on them under the Act or regulations made under it.
- accountable persons to make arrangements for the consideration of relevant complaints which relate to a building safety risk relating to the building or the performance of an accountable person.

ii. Why the changes are needed

3.82 The suite of duties is rooted in the findings of the Hackitt Review and the evidence set out in the Safer Buildings in Wales White Paper. The duties to assess and manage fire and structural safety risks are at the heart of the new regime.

3.83 In the White Paper, we consulted on the inclusion of a duty to assess and manage both fire and structural safety risks in category 1 buildings. In the Act the duty is to complete a fire risk assessment and a structural risk assessment, and to manage those risks, for category 1 and 2 buildings. This brings both duties to assess risks into alignment, although the detailed requirements for the fire and structural risk assessments will be different. The duty to assess and manage structural safety risks has been extended to capture category 1 and 2 buildings, where structural failure risks still have the potential to affect significant numbers of people in a single building.

3.84 In category 3 buildings, in line with the proposals in the White Paper for buildings of this height, the duties are limited to assessing and managing fire safety risks.

3.85 The nature of structural safety risks and fire safety risks can be very different. A structural safety risk would tend to emerge over a longer period whereas a fire risk may emerge suddenly, for example as a result of an escape route becoming obstructed. However, some building safety issues might constitute both a fire and structural risk. For example, a wall at risk of collapse might result in a breach of compartmentation. A risk to a resident arising from a failure of the structure might also pose a risk in terms of the firefighting response.

3.86 Since the Hackitt Review it has been widely acknowledged that keeping and maintaining up to date information on a building throughout its life cycle is critical to the effective management of its building safety risks. This is why we are creating duties in regulations to keep, maintain and share relevant information and documents about category 1, 2 and 3 buildings.

3.87 For category 1 buildings, the 'Golden Thread' will be established at the design and construction phase of a building, and we intend that through building regulations a requirement will be created to pass all this core information to the accountable person, or principal accountable person for the building when it moves to the occupation phase. In category 2 and 3 buildings, the requirement will be to hold proportionate information.

3.88 In the White Paper, we set out proposals for a Safety Case Report. This is a document, prepared by the principal accountable person, that will be used to provide evidence to the building safety authority and the fire safety authority as to how building safety risks are being identified and managed, and how other duties under the regime are being met in category 1 buildings. For example, it must include a copy of the risk assessments (both fire and structural) for the building.

3.89 Further information on the content of the Safety Case Report will be prescribed in regulations. The Safety Case Report must be kept under review, to ensure that it is an accurate record of how building safety risks are being assessed and managed. However, the Act also establishes a requirement to submit the Safety Case report as part of a Building Certificate application every five years. This means that there will be a process in place whereby the building safety authority, working with the fire safety authority, will assess the Safety Case Report and determine whether it provides sufficient evidence that the duties placed on the principal accountable person, and any accountable persons in the building are being met.

3.90 Where properly observed, these duties will help to reduce building safety risks in a building. However, despite best efforts, sometimes things will go

wrong. The Act will place a duty on the principal accountable person for category 1 buildings to create a system to capture any significant incidents or occurrences that would pose a significant risk to life and safety and will place a duty on accountable persons to report to the enforcing authorities. The list of occurrences that must be reported will be set in regulations. This process will help to identify any patterns of risk in category 1 buildings and will ensure that the building safety authority and fire safety authority are made aware of any significant risks in those buildings, as well as what steps are being taken to manage them.

3.91 Co-operation and co-ordination duties will exist to ensure that all people with duties for assessing and managing buildings work jointly to ensure a 'whole building' approach to managing building safety risks. This means for example that a person responsible for carrying out a fire risk assessment on the commercial part of a mixed-use building under the FSO would have a duty to cooperate with the accountable person or principal accountable person for the residential part, and vice versa. It would also require responsible persons to co-operate with anyone they are aware is treated as an accountable person for the building by virtue of section 36.

3.92 Persons with an obligation under a contract (other than a lease) to provide services relating to the repair, maintenance or safety of a part of the building, or persons with any degree of control over a part of the building, defined in section 36, are also to be treated, as being an accountable person for certain purposes. Persons are to be treated as accountable persons only in relation to matters that are within scope of their contractual obligations/ or within their control and only for the purposes of certain provisions of the Act. These provisions include the management of building safety risks, keeping information and providing information to accountable persons when reasonably requested.

3.93 "Relevant persons" under sections 47 and 67 are required to support accountable persons in fulfilling their duties to assess and manage building safety risk. Under section 47, relevant persons must provide the accountable person with information or documents that are necessary and reasonable for them to comply with their statutory duties. Section 67 places a duty on relevant persons responsible for non-residential premises within, above or below a regulated building to provide access to those areas where entry is reasonably required for building safety related purposes. Together, these duties ensure accountable persons are not impeded by third parties when seeking to assess and manage building safety risks. Equivalent provisions under sections 86 and 90 place duties on "relevant persons" to provide information and access to HMO duty holders.

3.94 A duty is placed on certain persons under section 56 to ensure that damage to a part of a residential unit in an occupied regulated building that gives rise to a significant risk, or significantly increases any existing risk, of fire spread from that unit, they must ensure the damage is repaired. The duty

applies to any person who is already responsible for repairing or maintaining the relevant part of the residential unit under a lease or by virtue of another enactment, and where no such repairing obligation exists, to the owner of the unit.

3.95 The person to whom this duty applies may require access to the residential unit, or the part of the unit where the damage occurred, by giving the resident written notice that they need entry. If they are denied entry, they may apply to the Residential Property Tribunal for a repairs access order.

Resident engagement

i. Summary

3.96 The Welsh Ministers must make regulations to require an accountable person for a regulated building to give relevant information (as specified in the regulations) or a copy of a relevant document (as specified in the regulations) to relevant persons. This includes to residents of the building and owners of residential units in the building. Regulations may provide that residents can also request certain additional information. There will be a duty on the principal accountable person for an occupied category 1 building, to prepare and act in accordance with, a residents' engagement strategy. The purpose of the strategy is to promote the participation of relevant persons, i.e. residents and owners of a residential unit (e.g. flat owners), in the making of building safety decisions in relation to the building.

3.97 The strategy must contain:

- the information that will be provided to relevant persons about decisions relating to the management of building safety risks in the building
- details of which elements of building safety decisions relevant persons will be consulted on
- the arrangements for seeking the views of relevant persons; and
- details of how the appropriateness of the methods used for promoting participation will be measured and reviewed.

3.98 Copies of the residents' engagement strategy will also be required to be provided to accountable persons, residents and owners of a residential units in the building, as well as any other prescribed persons.

3.99 The Welsh Ministers will also be required to prepare and publish a strategy setting out how they will engage with residents and others in relation to the regulations and guidance made or issued under the Act.

ii. Why the changes are needed

3.100 The White Paper made clear that residents should be at the heart of the new regime. Residents often report that they do not have opportunities to participate in making decisions about the management of safety in their buildings. The provisions within the Act are intended to ensure residents are provided with relevant information and in the case of category 1 buildings, consulted in a proactive and meaningful way.

3.101 Various pieces of legislation currently require information to be communicated to residents and for residents to be engaged with but not to a level that would be considered sufficient. Examples of current legislation extending to resident engagement includes:

- Article 21A (inserted by section 156 of the Building Safety Act 2022) of the FSO sets out a requirement to provide information on relevant fire safety matters to residents of buildings containing two or more sets of domestic premises. There is no duty however to establish and deliver a resident engagement strategy or provide structural safety information to residents.
- Sections 1 to 3A of the Landlord and Tenant Act 1985 provides for certain information to be provided to tenants but, this does not include information on building safety.
- The Welsh Housing Quality Standard actively encourages social landlords to engage with their tenants. This includes assessing a number of elements within the standard which relate to health and safety. Health and Safety Rating System is one of these elements.
- The Code of Practice issued under section 40 of Housing (Wales) Act 2014 requires the provision of certain information to tenants, but there is no requirement to engage with them on an ongoing basis. The Code notes that “best practice” includes tenants being made aware of how to use any firefighting equipment which may be provided, and how to exit the property safely in case of fire.
- Part 3 of the Renting Homes (Wales) Act 2016 includes provisions in respect of the provision of information, but this does not include information on building safety.

3.102 The purpose of the provisions under the Act are to ensure that residents and owners of residential units are provided a minimum level of building safety information and that residents and owners of residential units of category 1 buildings are actively involved in decisions relating to building safety. Furthermore, there will be a published strategy for promoting their participation in relation to the exercise of the Welsh Ministers’ functions under the Act.

Complaints

i. Summary

3.103 A key aim of the Act is to ensure that any person can raise building safety complaints. A complaints process provides a crucial mechanism for residents, specifically, to be able to hold those responsible for their safety to account.

3.104 The Act will place a duty on the principal accountable person in a category 1 building to establish and operate a complaints system for the investigation of relevant complaints. For category 2 and 3 buildings, the Act will place a requirement on accountable persons to make and give effect to the arrangements for the consideration of complaints.

3.105 The intention is to allow certain persons (for example residents, principal accountable persons and accountable persons) to also escalate relevant complaints to the building safety authorities in certain circumstances. The persons and circumstances will be prescribed in regulations. This is to address a gap within the current landscape by providing a new mechanism for people to complain specifically about building safety issues to the building safety authority.

ii. Why the changes are needed

3.106 There are some existing pieces of legislation which allow a route for residents to make complaints about their property, but these are limited. Key pieces of legislation, such as the Landlord and Tenant Act 1985, the Renting Homes (Wales) Act 2016 (and secondary legislation under that Act) do not contain or make reference to a complaints procedure for residents which cover the specific issues the complaints procedure under the Act is intended to cover. Other key documents such as the Welsh Housing Quality Standard also make no reference to a complaint's procedure.

3.107 Whilst some residents can raise concerns with the relevant enforcing authorities under existing legislation on specific matters, no one clear route is available for complaints about building safety issues generally for all residents.

3.108 The Building Safety Expert Group called for Welsh Government to consider other means of escalating concerns and an appropriate route for redress by residents when internal complaints procedures have been exhausted.

3.109 The White Paper proposed placing duties on an accountable person to better engage and empower residents on building safety matters. It suggested

that these duties should include a requirement for accountable persons to provide clear channels for residents to raise concerns and make complaints.

Duties on residents and owners of residential units

i. Summary

3.110 A core principle of the new regime is to empower residents with the knowledge, understanding and awareness of the role they play in building safety. This includes ensuring residents are provided greater assurance about the safety of their homes, that their concerns and complaints are considered and that they are supported to understand their responsibilities in keeping their building safe for themselves and their neighbours.

3.111 Under the new regime, residents will be expected to actively participate in the ongoing safety of buildings and support duty holders to manage building safety risks within the building. Duties in relation to fire safety will apply across the three categories of regulated buildings and for occupiers of relevant HMOs. Duties in relation to structural safety will apply to category 1 and category 2 buildings. Residents will also be required to provide access to residential units where reasonably requested.

ii. Why the changes are needed

3.112 Various pieces of legislation currently place duties on residents. These commonly do not relate to building safety, with the focus tending to be on the relationship between landlords and tenants.

3.113 The Hackitt Review noted that the new framework for building safety should be designed to reassert the role of residents. This includes having a clear and no-risk route for redress, greater assurance about the safety of their homes and ensuring that residents understand their role and responsibilities for keeping their building safe for themselves and their neighbours. There was also an expectation that residents should actively participate in the ongoing safety of buildings. In addition to clearer resident obligations, it was also recognised that residents should be expected to support duty holders to manage risks across the whole building.

3.114 The White Paper responses highlighted little disagreement from stakeholders that there should be a requirement for residents to co-operate with the accountable person.

Enforcement and Sanctions

i. Summary

3.115 The proposed approach to enforcement and sanctions by enforcing authorities was set out in the Safer Buildings in Wales White Paper. The

approach will focus in the first instance on the provision of information, advice, and support by the enforcing authority, with the enforcing authority only moving to more serious sanctions where this is strictly necessary.

3.116 Enforcement tools available to the enforcing authority under the Act are:

Compliance Notices: These can be issued where a duty under this Act has been, is being or is likely to be contravened. A notice will require the person to remedy or avoid the contravention, may specify the steps for doing so, and will explain the consequences of failing to comply. A compliance notice allows the enforcing authority to precisely state the act of non-compliance, the action required to remedy it, and by when the action must be taken, and requires the duty holder to achieve compliance. Breaching such a notice renders the duty holder liable to prosecution.

Urgent Action Notices: These notices have the same effect as a Compliance Notice, but the terms of the notice are not suspended pending the outcome of an appeal. This notice ensures that where there is an urgent need to remedy a breach, for example where people in or about the building are at imminent danger, action to remedy the risks are not delayed pending an appeal outcome.

Information Notices: These notices can be issued by the enforcing authority, requiring a person to give the enforcing authority specified information or documents within a specified period. The notice must specify how the information must be given, the form it must be given in, and the consequences of failing to comply.

Powers of entry (for a relevant purpose): The enforcing authority may need to inspect a building to establish whether duties under the Act are being complied with. This could include private dwellings as building safety risks may emerge within those dwellings. For example, a problem with a balcony may create risks for those underneath the balcony. The authority must attempt to arrange access at a reasonable time with the person, but where this has not been possible, or, if providing prior notice would frustrate the reason for gaining access, the authority may apply to a justice of the peace for a warrant granting an authorised officer entry. The warrant may only be granted if the justice of the peace is satisfied, on sworn information in writing from an authorised officer, that it is necessary for an authorised officer to gain entry for a relevant purpose.

Prohibition Notices: The fire safety authority may prohibit, or restrict, the use of an in-scope building (or part of it) where the fire safety authority considers that the use of the in-scope building involves, or is likely to involve, a fire safety risk that is so serious that use of the in-

scope building should be prohibited or restricted , until such time that the risk is remedied. Local authorities already have broadly similar powers as regards buildings that are structurally unsafe.

Special Measures Orders: The building safety authority or the fire safety authority may apply to the Residential Property Tribunal for a special measures order to be made where an accountable person, or principal accountable person has been guilty of a serious failure to comply with a duty under the Act, or where they have failed to comply with a duty on two or more occasions. The Special Measures Order would put in place a special measures manager to take on duties of the accountable person, or principal accountable person (or multiple accountable persons). This is intended as a tool of last resort, that is, when all other measures have failed, and a breach must be remedied. It can only be used as a temporary measure. The Act sets out the procedure for applying for the Special Measures Order including who must be notified.

Fixed Penalty Notices: The building safety authority may issue a Fixed Penalty Notice for certain offences (see below). A Fixed Penalty Notice is an official notice offering the accountable person the option to avoid prosecution for the offence by paying a set amount to the building safety authority. The recipient must still rectify their offence as well as pay the penalty.

3.117 The Act also contains several offences. These include:

- a. Failing to comply with a compliance notice, prohibition notice or information notice.
- b. Occupation of a category 1 or category 2 building before it has been registered with the building safety authority.
- c. Failing to notify the building safety authority of changes to registration information.
- d. Failure to give the building safety authority a 'relevant declaration', i.e. a declaration in the final three months of a five-year registration period that about the accuracy of the information and documents included in the entry for the building in the authority's register.
- e. Failure of an outgoing accountable person to give information and documents on change of accountable person.
- f. Contravening requirements of the Act in a way that places one or more persons at risk of significant risk of death or serious injury arising from a building safety risk.
- g. The provision of false or misleading information; where a person, who is required under this Act, to record or keep any information, commits an offence if they include in that information any information that they know to be false in a material respect.

- h. Failing to apply for a building certificate for a category 1 building.
- i. Failing to display a building certificate and related information in a category 1 building.
- j. Failing to renew a building certificate within five years.
- k. Conducting, or offering to conduct, a fire risk assessment as a non-competent person.
- l. Failing to comply with a requirement imposed by a notice given by an authorised officer.
- m. Failure to apply to have the building removed from the register if the building is unoccupied for a total of six months or more.
- n. Intentionally obstructing an authorised officer.
- o. Impersonating an authorised officer.
- p. Failure to report relevant information about building safety risks, in accordance with regulations made by the Welsh Ministers, to the building safety authority and fire safety authority.
- q. Commissioning a fire risk assessment from a person that is not competent to undertake a fire risk assessment.

3.118 Some offences are triable either way, i.e. by the magistrates' court (summarily) or by the Crown court (on indictment). For some triable either way offences, someone found guilty can be subject to up to two years' imprisonment or an up to unlimited fine if convicted on indictment. Other such offences are punishable with a fine only. Other offences are triable by the magistrates' court only. Fixed penalty notices may also be issued in relation to offences (b), (d), (h) and (i).

3.119 Most criminal offences within the regime are triable either way, with a maximum of up to two years' imprisonment and / or an unlimited fine. This is considered appropriate as non-compliance with those duties in this regime, including for example registration and building certificate applications, indicate a lack of accountability for building safety and may also indicate an attempt to avoid scrutiny in the way in which building safety risks are being assessed and managed. The offences are triable either way, and this provides scope for the courts to determine the appropriate scale of the penalty depending on the circumstances and nature of the breach.

3.120 There will be a right of appeal against a compliance notice, urgent action notice and prohibition notice. Appeals will be made to the Residential Property Tribunal. Allowing an appeal against these notices helps to ensure fairness. It means that if a person that is subject to a notice disagrees with the terms of that notice, they will have an opportunity to challenge it. Without this option, the person would have to either attempt to meet the terms of the notice or wait until they are prosecuted for failing to adhere to the terms of the

notice, before, for example, they can argue that the terms within it were unreasonable.

3.121 Accountable persons will have powers under the Act to encourage residents and owners of residential units to comply with the duties placed on them. The tools available to an accountable person will include:

Warning notices – if an accountable person responsible for the part of the building in which a contravention occurred believes that an adult resident or owner of a residential unit has contravened or is contravening, one or more of their duties, they may serve a warning notice on them. The warning notice is intended to either gain compliance from the resident/owner or remedy any contravention the resident/owner may have made if informal engagement with the resident to encourage compliance fails.

A warning notice must:

- State the alleged contravention or failure.
- Describe the steps the individual should take to remedy the breach within a specified time.
- Specify actions the individual should avoid preventing further non-compliance with their duties.
- Explain the consequences of non-compliance with the requirements of the warning notice, including the possibility of the accountable person applying for a contravention order and its consequences.

Contravention orders – an accountable person will be able to apply to the Residential Property Tribunal for a contravention order if an adult resident or owner of a residential unit in a regulated building has been given a warning notice and the accountable person considers that the person has failed to take a step specified in the notice or done an act specified in the notice. An accountable person will only be able to apply to the Residential Property Tribunal for a contravention order after a notice has been given to the building safety authority and fire safety authority setting out the intention to apply for an order. If the Residential Property Tribunal decides to make a contravention order, the order may require an adult resident or owner of a residential unit to take actions to remedy the contravention or prohibit certain acts, as specified in the order. This may include providing information or making a payment.

Access Orders - An accountable person may require access to a residential property for certain purposes. The accountable person may request access by giving the resident written notice that complies with section 58. If they are denied entry they may apply to the Residential Property Tribunal for an Access Order. Before applying for an Access

Order the accountable person must firstly inform the building safety authority and the fire safety authority for the building a notice setting out the intention to apply for an access order in respect of the relevant person and the relevant premises.

3.122 Provision is made in relation to accountable persons accessing non-residential premises (section 67). Where access is not given an accountable person will be able to apply, in certain circumstances, for a:

Non-residential premises access order - The accountable person may require access to non-residential parts of a regulated building or non-residential parts lying wholly or partly below or above a regulated building, where access is required for certain specified purposes. They must first request access in writing (complying with section 67(3)). If access is not given, the accountable person may apply to the Residential Property Tribunal for a non-residential premises access order.

ii. Why the changes are needed

3.123 Powers to enforce are essential to the effectiveness of any regulatory regime.

3.124 The series of reports on building safety have all emphasised the importance of having a robust enforcement and sanction regime that will enable regulators to hold those responsible for building safety to account. For example, the importance of robust enforcement was an issue raised in the Hackitt Review, and the [Building a Safer Future: Final Report](#) reflected that “where [enforcement] is pursued, the penalties are so small as to be an ineffective deterrent.”

3.125 Our focus is on ensuring a robust set of sanctions that will not only act as a deterrent, but that will enable the enforcing authority to take appropriate action when a breach does occur. This is also why the Act provides for different tools for the enforcing authority to use. For example, compliance notices can be used by the enforcing authority to set out clearly what steps must be taken by the duty holder to avoid a breach of duty and potential prosecution. In other cases, a fixed penalty notice may be offered offering to allow the accountable person the option of avoiding prosecution. For other offences such as those in which there is little question as to what steps must be taken, or must have been taken, to avoid the breach, the authority will have the option to move directly to prosecution.

Remediation orders, remediation contribution orders, remediation costs under qualifying leases, and reports on progress under the Welsh building safety programme

Remediation orders

i. Summary

3.126 The Act requires the Welsh Ministers to make regulations that enable the Residential Property Tribunal to make a remediation order on the application of an “interested person”.

3.127 Remediation orders are orders requiring a relevant landlord or management company, within a specified timescale to (a) remedy specified relevant defects in a specified relevant building and/or (b) take specified relevant steps in relation to a specified relevant defect in a specified relevant building. An “interested person” includes a building safety authority, a fire safety authority and a person with a legal or equitable interest in the relevant building or any part of it (for example, a leaseholder).

ii. Why are the changes needed

3.128 There are currently no comparable legal means by which interested persons, including leaseholders, can ensure that the remediation of historical building safety defects in category 1 and category 2 buildings takes place. Whilst the Welsh Government has entered into Deeds of Bilateral Contract with large developers in relation to the remediation of fire safety defects in many taller buildings, others are not covered by these contracts. The obligations in the contracts are contractual and they do not cover structural safety defects.

Remediation contribution orders

i. Summary

3.129 The Act requires the Welsh Ministers to make regulations that enable the Residential Property Tribunal to make a remediation contribution order on the application of an “interested person”.

3.130 Remediation contribution orders are orders requiring a “relevant body corporate or partnership” to make payments to a specified person for the purpose of meeting remediation costs. A “relevant body corporate or partnership” is a body corporate or partnership that is a landlord under a lease of the relevant building or any part of it, a person who was such a landlord at the beginning of 20 February 2026, a developer in relation to the “relevant building”, or a person associated with any of these persons.

ii. Why are the changes needed

3.131 There are currently no comparable legal means by which interested persons, including leaseholders, can take action to require a “relevant body corporate or partnership” to pay for the remediation of relevant defects.

Remediation costs under qualifying leases etc

i. Summary

3.132 The Act enables the Welsh Ministers to make regulations that, amongst other things, can prohibit or restrict the service charge payable in respect of remedying or taking steps in relation to building safety defects under any lease in certain circumstances or under a qualifying lease (that is a lease that meets certain qualifying criteria) in other specified circumstances.

ii. Why are the changes needed

3.133 The rationale for the inclusion of these provisions is that there are currently no comparable legal protections for leaseholders against costs connected with the remediation of historical in-built building safety defects, or steps undertaken to mitigate the risks that arise as a result of those defects, even where leaseholders are not to blame for those defects. Furthermore, whilst there are currently alternative funding routes for the remediation of fire safety defects there are no guarantees as to the permanency of those routes and in any event, those alternative funding routes do not extend to structural safety defects.

Reports on progress under the Welsh building safety programme

i. Summary

3.134 The Act will place a duty on the Welsh Ministers to publish and lay a remediation progress report on the Building Safety programme before the Senedd every year. This report will summarise the Welsh Ministers’ assessment of progress made in relation to works required by the developer contracts as well as works grant funded by the Welsh Building Safety Fund.

ii. Why are the changes needed

3.135 The rationale for the inclusion of this provision is that it will provide greater transparency and certainty in relation to the pace of remediation under the Welsh building safety programme.

Recovery of costs by the principal accountable person

i. Summary

3.136 The Act provides a power for the Welsh Ministers to make regulations which enable the principal accountable person for a regulated building to recover costs from accountable persons, where those costs are incurred or are to be incurred in discharging duties that fall only to the principal accountable person. An example of such costs would be the preparing and revising a safety case report.

ii. Why are the changes needed

3.137 The policy rationale is to ensure that there is no duplication of service charges costs for leaseholders.

Leases

3.138 The Act amends the Landlord and Tenant Act 1985, to insert implied terms into leases relating to building safety and the recovery of safety related costs. Amendments are also made to the Landlord and Tenant Act 1987 and Commonhold and Leasehold Reform Act 2022.

3.139 The amendments make a number of changes, including:

Implied Terms

i. Summary

3.140 Terms relating to building safety are to be implied into a lease of premises which consist of or include a dwelling in a regulated building. Under these implied terms, each relevant person (i.e. landlords or any other person by whom obligations relating to the management of the premises or any part of them are owned to a tenant under the lease) must comply with their building safety duties under the Act where they are an accountable person and they must cooperate with any person in connection with an accountable person complying with their building safety duties. Tenants must comply with any repairs access order, access order, contravention order and compliance notice made in respect of the tenant.

ii. Why are the changes needed

3.141 The implied terms offer further statutory protection and enable tenants to rely on provision in their lease to take direct action against the landlord, rather than simply having to rely on the building safety authority to enforce. There is also a reciprocal ability for the landlord to take action against a tenant for breach of lease should they not comply with any repairs access order,

access order, contravention order and compliance notice made in respect of the tenant.

Liability to tenants for costs relating to building safety

i. Summary

3.142 Further, the Act effectively implies terms into relevant leases relating to the cost of taking building safety measures. The Act also provides that certain costs relating to enforcement etc. are excluded from variable service charges.

ii. Why are the changes needed

3.143 Provisions enable recovery in the same way as any other variable service charge under any relevant lease for the costs of taking building safety measures, i.e. the costs of complying with the various building safety duties imposed under the Act on the principal accountable person or accountable person.

Limitation of service charges

i. Summary

3.144 The Act amends the Landlord and Tenant Act 1985 to require landlords or superior landlords, if they are an accountable person, to investigate other funding options for building safety works before claiming costs back through service charges. If other funding options are available, landlords would be required to take reasonable steps to obtain those other funding streams before passing on the costs of works via service charges to leaseholders and deduct them from costs that may be charged via service charges.

ii. Why are the changes needed

3.145 These provisions aim to protect tenants from excessive charges by ensuring that other funding options for building safety works are considered before claiming costs back from leaseholders through service charges. The intention is to bolster leaseholder protections by requiring a landlord to take reasonable steps to ascertain whether other funding streams are available before charging leaseholders for the costs of works. Landlords would need to take reasonable steps to assess whether there are any other sources of funding available, before passing costs down to leaseholders. There should be a balance of liability for funding building safety costs between leaseholders and other parties based on their particular roles and responsibilities.

Provision of building safety information to tenants

i. Summary

3.146 The Act amends the Landlord and Tenant Act 1987 to require any written demand under that Act given to the tenant to include the relevant building safety information. Similarly, the Act requires a landlord to give the tenant a notice containing the relevant building safety information, where premises to which Part VI of the Landlord and Tenant Act 1987 applies are premises in Wales which consist of or include a dwelling in a regulated building.

ii. Why are the changes needed

3.147 Resident voice is a key principle of the Act. These amendments ensure that residents are given vital building safety information from their landlord.

Occupation contracts

i. Summary

3.148 The Act provides a regulation making power enabling the Welsh Ministers to amend the Renting Homes (Wales) Act 2016 (“the 2016 Act”). These regulations may amend the 2016 Act to include a fundamental provision, applicable to all or some occupation contracts, for the purpose of enabling a landlord or contract-holder to comply with a provision of this Act or regulations made under it.

ii. Why are the changes needed

3.149 These changes will ensure that the Welsh Ministers can make regulations to incorporate the duties in the Act as fundamental terms of occupation contracts, ensuring the duties can be fully integrated into the Renting Homes framework in a clear and transparent way.

Commonhold and Leasehold Reform Act 2022

i. Summary

3.150 The Act amends the Commonhold and Leasehold Reform Act 2022 to ensure building safety is properly considered. This includes a requirement that under a commonhold community statement, the commonhold association should comply with building safety duties, Directors of a commonhold association should annually estimate the income required to be raised from unit-holders to meet the building safety expenses of the association and require for each unit-holder to pay the percentage of the sum estimated

appropriate to their unit. These requirements are applicable to all commonholds that fall within the scope of the Act.

ii. Why are the changes needed

3.151 Changes are needed to the Commonhold and Leasehold Reform Act 2002 to ensure that the Act is properly considered and adhered to in commonholds.

Progress reports on bringing the Act into force

i. Summary

3.152 The Act places a duty on the Welsh Ministers to prepare a report specifying any progress in bringing the Act into force and specifying any further steps to be taken by the Welsh Ministers (or any other person) to bring the Act fully into force. This duty is applicable if the Act is not fully in force on dates specified in the Act.

ii. Why are the changes needed

3.153 This provision serves to strengthen oversight of the implementation of the Act, ensuring accountability, transparency, effective monitoring and ongoing Senedd scrutiny of the implementation of the Act.

Reasons for not consulting on a draft Bill

3.154 There was no formal consultation on a draft Bill. The provisions that were included in the Bill aligned, for the most part, with the provisions set out in the White Paper consultation.

3.155 Where changes occurred, these reflected further consultation with stakeholders or were made to ensure that the provisions in the Bill were proportionate and reasonable. The changes represented an evolution in approach, rather than a radical departure from the original intent.

3.156 As outlined above, the White Paper consulted on the overall approach, and the general provisions included in the Bill. It was built not only on the White Paper consultation, but extensive work undertaken as part of the Hackitt Review and the Building Safety Expert Panel.

3.157 Additional details of the operational arrangements of the new regime will be set out in secondary legislation with relevant statutory guidance where appropriate, and this will be subject to further consultation and engagement.

3.158 Given the extensive consultation undertaken on the Safer Buildings in Wales White Paper to inform Bill development, the number of responses and

ongoing engagement with key stakeholders throughout the development of the Bill, it was not considered necessary to consult on a draft Bill.

4. Consultation

Safer Buildings in Wales White Paper

4.1 The Welsh Government's White Paper consultation ran from 12 Jan 2021 to 12 April 2021. A total of 104 questions were included, and respondents were able to respond via an online survey form, a dedicated email address or by post.

4.2 The White Paper consultation set out the policy goals the programme of work intended to deliver in response to the problems found by the Hackitt Review, the Grenfell Inquiry Phase 1 report and the Welsh Government's own Building Safety Expert Group.

4.3 The White Paper sought views on the policy proposals on a new building safety regime for Wales which were covered under the following chapter headings:

- Setting out the Scope of the Building Safety Regime
- The Building Safety Regime (Design and Construction Phase)
- The Building Safety Regime (Occupation Phase)
- Residents: Roles and Responsibilities
- Raising Concerns
- Regulating the Building Safety Regime, General Requirements in Relation to Fire Safety Equipment

4.4 The proposals for the occupation phase required primary legislation to be taken through the Senedd.

Summary of Responses

4.5 The consultation received 95 completed responses. This included:

- 28 responses to the online consultation form
- 50 responses received by email which followed the format of the online consultation form
- 17 responses which gave a narrative response to the proposals, also received by email.

4.6 A consultation [summary response](#) was published in December 2021. The responses reflected a variety of perspectives and views, but were, in general, supportive of the proposals for Building Safety legislation in the White Paper.

Targeted Engagement

4.7 The Welsh Government engaged with a broad section of stakeholders since the publication of the White Paper and throughout policy development of the Act. This included meetings with the following organisations:

- All local authorities in Wales
- All Fire and Rescue Authorities in Wales
- Companies providing property management services
- Housing Associations
- Organisations representing people sharing protected characteristics, such as
 - Disability Wales
 - Claddag
 - Tai Pawb
 - National Autistic Society
 - RNIB Wales
 - Muscular Dystrophy
- Professional bodies including the Royal Institution of Chartered Surveyors (RICS) and the Property Institute
- Public bodies including the Health and Safety Executive (the Building Safety Regulator in England until January 2026) and the Office of the Public Services Ombudsman for Wales
- Resident and leasehold organisations including the Tenant Participation Advisory Service Cymru (TPAS Cymru), the Leasehold Advisory Service (LEASE) and the Leasehold Knowledge Partnership (LKP)
- The Welsh Local Government Association
- Trade Unions, including the Fire Brigades Union

4.8 In our engagement with stakeholders we provided overviews of the policy proposals, as well as holding more focussed discussions to seek input on specific elements of the policy.

4.9 We also delivered two rounds of workshops to local authorities and fire and rescue authorities. The local authority and fire and rescue authority workshops, which were held in summer 2023 and autumn 2024, outlined the complete set of proposals and policy developments since the White Paper at that time, but with a particular focus on the role of local authorities and fire and rescue authorities in regulating the regime. In addition to this, there were further meetings with smaller groups of attendees, and other officers of the

local authorities, to consider specific issues such as on the enforcement and sanctions approach.

4.10 We engaged with several resident groups and associations to ensure the voice and insights of a broad representation of leaseholders and tenants are heard and their lived experiences considered. To support the implementation of the reforms, we commissioned IFF Research to conduct research among residents from both the social and private sectors and from all tenure groups living in multi-occupied residential buildings. The key objectives were to explore residents' knowledge, understanding and behaviour towards fire safety and how they engage with their building managers, to understand the most effective ways of communicating fire safety messages to residents. An online survey of 1,562 residents of multi-occupied buildings in Wales was conducted, followed by 24 qualitative in-depth interviews, to ensure the experiences of a diverse range of residents were heard. The findings from the research reinforced the importance of placing residents at the heart of proposals to reform building safety.

Policy Development following the White Paper consultation.

The scope of the Building Safety Regime

Houses in Multiple Occupation (HMOs)

4.11 The White Paper set out proposals for the comprehensive legislative reform of building safety in all multi-occupied residential buildings in Wales, including houses in multiple occupation. The intention to include HMOs within the regime was led by the recognition that fire risk during occupation is not related to building height. The proposed inclusion of HMOs was however met with a mixed response.

4.12 Whilst relevant HMOs will be subject to the new fire safety duties (including the fire risk assessment provisions) that are contained in the Act, HMOs will not be subject to many of the other requirements in the Act, including to register the premises with the building safety authority.

4.13 The White Paper cited data which demonstrated that the risk of fire casualties is greater in HMOs and houses converted into flats, than in purpose-built blocks. It showed that from 2009/2010 to 2019/2020 there were around 29 casualties per 100 fires in HMOs in Wales and 26 per 100 fires in purpose-built blocks of flats. All HMOs (other than those let under a single joint tenancy) will therefore be subject to the requirements in the Act to manage and mitigate fire safety risks, and to undertake a fire risk assessment which reflects the typical risks of fire in residential premises.

4.14 However, HMOs are already regulated by local authorities via several existing regimes, all of which are designed to improve the management,

safety and condition of HMOs for residents (and in some case also extending to other properties within the private rented sector). Some of these duties overlap with the wider building safety management duties under the new building safety regime. These regimes include:

- The Management of Houses in Multiple Occupation (Wales) Regulations 2006 (made under section 234 of Housing Act 2004)
- HMO licensing (Part 2 and 3; Housing Act 2004)
- Rent Smart Wales Registration & Licensing (Housing (Wales) Act 2014)
- The Renting Homes (Fitness for Human Habitation) (Wales) Regulations 2022

4.15 Following discussions with stakeholders, it was agreed that it would not be reasonable or proportionate to subject HMOs to the registration duties of the building safety regime.

Categories of Building

4.16 The White Paper also set out proposals for introducing different categories of buildings in recognition that some buildings would require different levels of building safety risk management. At that time, it was envisaged that a two-category approach would provide sufficient flexibility to achieve this, although a commitment was made to keep the approach under review.

4.17 Having further tested this approach with stakeholders during the policy development phase, the Act introduces a three-category model to better reflect the diversity of building types that the regime will capture. The three categories in the Act are:

- Category 1 – at least 18 metres in height or has at least 7 storeys
- Category 2 – less than 18 metres in height and has fewer than 7 storeys, and is at least 11 metres in height or has at least 5 storeys
- Category 3 – less than 11 metres in height and has fewer than 5 storeys,

4.18 All regulated buildings are subject to the new fire safety duties (including the fire risk assessment provisions) that are contained in the Act. The different categories are subject to varying duties, with the most prescriptive requirements in category 1.

4.19 In addition, the fire safety duties in the Act cover relevant HMOs as above, regardless of their height.

The duty holder(s)

4.20 The White Paper proposed to create a duty holder role during occupation for all buildings within the scope of the new regime. The intention was that an accountable person would be identified for all in-scope buildings and duties to assess and manage building safety risks would be placed upon them. Respondents to the consultation highlighted the complexity of building ownership and highlighted the potential for multiple persons/organisations to exist within a building, making the process of identifying who should be responsible for assessing and managing building safety risks more challenging and a concern that lines of accountability could become blurred.

4.21 The Act introduces the role of a principal accountable person to ensure there will always be clear lines of accountability. As the lead accountable person, the principal accountable person will be required to meet their duties as an accountable person, but they will also have additional duties to meet as the principal accountable person.

4.22 The White Paper also proposed a second 'duty holder' role, a Building Safety Manager (BSM). Feedback from respondents was mixed. A number of respondents highlighted risks associated with having multiple duty holders, specifically around a lack of clarity as to where ultimate accountability would rest in the event that a building safety incident did occur. During further consultations a number of stakeholders, including leaseholder representative organisations, also raised concerns regarding potential increased leaseholder service charges to cover the salary of a BSM as well as a risk that duties assigned to the BSM gave the opportunity for the accountable person to develop a case that they had discharged their duties and walked away from some responsibilities.

4.23 Having engaged with stakeholders and listened to feedback from the sector, the BSM role was removed from our proposals. Our approach places responsibility for duties under the new regime with the principal accountable person and accountable persons.

4.24 The Act also introduces an additional duty holder who will have limited duties to manage fire and structural safety risks and to keep and provide information to accountable persons. Whilst not an accountable person, they are to be treated as an accountable person for the purposes of those specific duties. Similar provision exists to some extent under the current FSO, although under the Act there is a wholly new provision. Article 5(3) of the FSO currently provides that it may not only be the "responsible person" who is under duties under the FSO. Persons who have "to any extent, control of those premises" i.e. the premises covered by the FSO, are also responsible for complying with the duties under the FSO "so far as the requirement relate to matters within his control". This includes where a person has obligations under a contract or tenancy to maintain or repair any premises, including

anything in or on premises, or obligations in relation to the safety or any premises, as that person is to be treated as having control of the premises to the extent that the obligation so extends. Under the Act, those within article 5(3) will continue to have duties under the new regime.

The building safety authority

4.25 The White Paper considered several options for the model of regulation. These included, a single regulator (new national, or one lead) or multiple regulators based on existing authorities, and whether there should be a regional or national approach. Responses to the consultation did not indicate a strong or majority preference for a single or multi-regulator approach for the occupation phase.

4.26 Whichever model was chosen, our view was clear that the experience and expertise within existing authorities will be crucial to effective regulation of the new regime. This means that if establishing a completely new authority for this purpose would risk duplications of effort and resources.

4.27 The Act defines a “building safety authority” as a county council or county borough council within the area of each fire and rescue authority in Wales, which is designated by the Welsh Ministers as the building safety authority for that area. The Act therefore places many of the new functions of regulation onto local authorities, which reflects the significant level of expertise they hold currently on matters relating to housing and building control, as well as their extensive experience in engaging with residents. These responsibilities mean that local authorities have important experience and expertise that will help to inform how the new functions of regulation should be implemented. As set out in earlier paragraphs, the “fire safety authority” in the Act means a fire and rescue authority for an area in Wales, or the fire inspector (i.e. the Crown Premises Inspector for Crown buildings appointed under section 28(1) of the Fire and Rescue Services Act 2004) in relation to Crown premises. The fire safety authority remain responsible for enforcement of fire safety duties. In particular, this includes enforcing the duty to assess and manage fire safety risks. The fire and rescue authorities’ considerable expertise in this area, and experience in firefighting, means that they must take on this role. Together, the building safety authority and the fire safety authority will be known as “enforcing authorities”. Each enforcing authority will be responsible for regulating the buildings that are wholly or mainly within the geographical boundary of the authority. The building safety authority and the fire safety authority will be required to work jointly, and there are many points in the regime at which intelligence is required to be shared, such as on enforcement activity. We are also working with the enforcement authorities to look at the role of joint inspection in the regime.

4.28 Some local authorities in Wales are responsible for managing their own social housing stock and may be the accountable person for a category 1

building. Where such local authorities are also the building safety authority, the Act places a duty on the building safety authority to make all reasonable efforts to arrange for its functions as the building safety authority to be exercised by another building safety authority. This requirement is limited to category 1 buildings due to the more extensive nature of the duties placed on the principal accountable person for a category 1 building (compared to a category 2 or 3 building).

Registration and licensing

4.29 In the White Paper, we consulted on whether all in-scope buildings should be subject to some form of registration requirement. While there was general agreement to this proposal, some respondents suggested that it might be disproportionate for smaller buildings to be required to register.

4.30 The proposals for registration in the White Paper were linked to a proposal for licensing, in which people responsible for building safety would have to be licensed to fulfil those functions.

4.31 In practice, those needing a licence were likely to be either accountable persons (usually the owner), where they chose to manage the property themselves, or appointed building safety managers. With the removal of the building safety manager role from the regime, retaining a licensing provision introduced the risk of accountable persons who could not meet licensing requirements being unable to comply with the requirements.

4.32 The register of buildings is, therefore, no longer about licensing or competence. Rather, the purpose of registration is to support accountability for building safety. It also reflects the importance for residents of being able to identify the person that is accountable for the safety of their building.

4.33 Accountability is important across the whole regime. However, in smaller, less complex buildings, residents are more likely to know who is responsible for the safety of their building. In those buildings, which will include for example, a house converted into two flats, it is more likely (when compared to larger buildings) that a resident may also be an accountable person for the building. As such, we have limited the requirement to register to buildings of at least 11 metres in height or that are 5 storeys or more.

4.34 There will still be accountable persons with duties to assess and manage building safety risks in in-scope buildings of less than 11 metres in height, or less than 5 storeys, but they will not be identified on the register. In those buildings it will be for the enforcing authority to identify the person against whom enforcement action must be taken in the event of a breach.

Duties of Accountable Persons

4.35 The proposed duties for category 1 buildings were set out in the White Paper. The duties in the Act have remained largely the same as those set out in the White Paper, although further detail has been developed across several areas. For example, the Act sets out some requirements for the content of the Safety Case Report. These more detailed changes largely reflect our consideration of similar developments across the border, where the UK Government and the Building Safety Regulator have been further developing the requirements for building safety in higher-risk buildings in England. While there is alignment in some areas, differences reflect the different context of the regime here in Wales. We also tested these proposals with stakeholders in Wales.

4.36 As set out elsewhere in this Explanatory Memorandum, the duty to assess and manage structural safety risks has been extended to cover category 2 buildings. While we did not propose, in the White Paper, to extend the duty to assess and manage structural safety risks to category 2 buildings, a risk of structural failure may also be a fire safety risk, and any structural risk in a multi-occupied residential building of at least 11 metres in height or 5 storeys or more is a risk to many people. However, it was not felt proportionate to apply a duty to assess and manage structural safety risks to category 3 buildings, where structural failure does not pose the same scale of risk in terms of the number of people that might be impacted by an event.

4.37 We have also introduced a duty, placed on the principal accountable person for a category 1 building, to apply to the building safety authority for a building certificate. The purpose of the building certificate application is that it introduces a process by which the building safety authority, working with the fire safety authority, will review information about how building safety risks are being assessed and managed, as well as information evidencing the extent to which other duties are being met. It applies only to category 1 buildings. Although the White Paper did not go into this level of detail on how the regulatory function would work, this is a process based on one already in place in England, which applies to higher-risk buildings (broadly defined as multi-occupied residential buildings of 18 metres or more or at least 7 storeys), and which itself was developed working with industry. The requirement for a principal accountable person to display the certificate, once received, will help to ensure that residents know that the building safety authority has reviewed the information provided to it about how building safety risks are being assessed and managed. This reflects the principal that accountability for building safety is at the core of the regime. These changes reflect the evolution of the policy based on stakeholder feedback, practical considerations, and alignment with broader regulatory frameworks.

Enforcement

4.38 The White Paper considered the approach to sanctions and enforcement in the regime. Further work has been undertaken since the White Paper to develop the set of tools that should be available to the enforcing authorities.

4.39 The provisions for enforcement are based on:

- Proposals in the White Paper for tools that support enforcement and remedial action.
- A bringing together of enforcement tools available to the fire and rescue authorities in Wales currently under the FSO (i.e. enforcement and prohibition notices), to sit alongside the new tools that will be available to both the fire safety authority and the building safety authority (e.g. compliance notices, urgent action notices)³.
- Knowledge of the tools available to local authorities in dealing with buildings under the Housing Act 2004, which provides local authorities powers in relation to the Housing Health and Safety Rating System, and the Building Act 1984 that enables a local authority to take enforcement action where it considers that a building or structure is dangerous.

4.40 Both the building safety authority and the fire safety authority can take enforcement action under the Act. To avoid a possible scenario in which different authorities are enforcing for the same breach, there are duties created for the authorities to notify each other about enforcement action being undertaken.

4.41 As we have said previously, given the seriousness of breaches in the assessing or managing of building safety risks, many of the offences are triable either way with up to an unlimited fine or up to two years' imprisonment.

Investigatory powers

4.42 A series of investigatory powers are included within the Act. While some of these powers, such as the right of entry by the fire safety authority, were considered in the White Paper, the proposals have since evolved. For example, while environmental health officers already have powers to access the internal parts of dwellings in certain circumstances, their power to do so may not be sufficiently broad to cover circumstances in which there is a breach of a building safety duty under the Act. The investigatory powers provided under the Act also cover matters such as requesting information and documents. These powers have been included to ensure that the enforcing

³ Prohibition notices will only be available to the fire safety authority. Other enforcement tools included in the Bill such as compliance notices and urgent action notices will be available to both the fire safety authority and building safety authority.

authorities are able to exercise their regulatory functions effectively and fairly, and that decisions to take enforcement action or other steps to encourage compliance, are based on accurate and up-to-date information. The accountable person may apply to the Residential Property Tribunal for an access order and a non-residential premises access order. The duty holder for a relevant HMO may also apply to the Residential Property Tribunal for an HMO access order and a non-residential premises access order. Persons subject to the duty to repair (section 56) may also apply to the Residential Property Tribunal for a repairs access order.

Special Measures Orders

4.43 Proposals to introduce Special Measures Orders into the occupation phase regime in Wales have been developed since the White Paper was published. Special Measures Orders are a tool for the enforcing authority to use as a 'measure of last resort'. Under our proposals, the enforcing authority will make an application to the Residential Property Tribunal for an order that would put in place a special measures manager in a category 1 building. The special measures manager can replace one or more accountable persons in the category 1 building where there has been a serious failure, or a failure on two or more occasions, by an accountable person for the building to meet a duty imposed on them under the Act. It is a temporary measure only that might be used, for example where residents are at risk due to a breach, to ensure that the breach is remedied. We have limited the use of this tool to category 1 buildings where the failings of an accountable person may impact many residents in a single building. For example, if an accountable person was not cooperating with other duty holders in the building this could undermine the ability of other accountable persons to assess and manage building safety risks of their part. The use and effectiveness of the tool would need to be monitored carefully before any consideration is given, in future, to whether it should be extended to other buildings in the regime.

Duties on residents and owners of residential units, including enforcement

4.44 The White Paper considered the role residents should play in keeping themselves and their neighbours safe. It proposed placing several duties on residents, including a duty to co-operate with accountable persons by sharing relevant information and providing access to their homes. The White Paper also proposed a requirement on residents not to breach the compartmentation of their property. Further work has been undertaken since then to develop an approach for the enforcement of resident duties.

4.45 Evidence gathered from extensive engagement with stakeholders and resident groups has prompted a refinement of the duties on residents and owners of residential units to safeguard against the emergence of new risk

behaviours. In addition to duties to provide access to their dwelling and share information with their accountable person, the duties in the Act now include:

- Fire safety duties which apply to all regulated buildings (category 1, category 2, category 3) and to relevant HMOs. Adult residents and owners of residential units (similar duties apply in respect of relevant HMOs) must:
 - not do anything to the common parts of a building which could create a fire safety risk in, on, or in relation to the common parts of the building,
 - not do anything to the residential unit that would allow a fire that breaks out in it to spread beyond the unit,
 - not to remove or damage anything which is in, or forms part of, the common parts and is intended to improve the safety of people in or about the building in relation to a fire safety risk.
- Structural safety duties which apply to category 1 and 2 buildings only. Adult residents and owners of residential units must:
 - not do anything to the common parts of a building which could create a structural safety risk in, on, or in relation to the common parts of the building,
 - not do anything in, or in relation to the residential unit that creates a structural safety risk in relation to the building.

4.46 Should residents or owners of residential units breach the above duties; the intention is that informal steps should be taken by the principal accountable person or accountable person in the first instance in working with the resident to try and rectify the breach. Generally, this will involve the accountable person issuing a warning notice to a resident. If a resident fails to rectify their behavior after receipt of a warning notice, accountable persons will be able to escalate the matter by applying to the Residential Property Tribunal for a contravention order.

4.47 In practice a principal accountable person or accountable person is likely to be best placed to access a residential unit to assess or confirm a breach of a duty and would first try to gain access by agreement with the resident, although if this fails, they may need to seek an order from the Residential Property Tribunal granting access.

4.48 Enforcing authorities will also be able to issue compliance notices to residents who breach a resident duty. Our expectation is that the fire safety authority's and building safety authority's involvement in issuing compliance notices for breaches of resident duties will only be undertaken in limited circumstances, such as when the seriousness of a breach places other residents directly at risk, where an accountable person was also culpable for

the same breach, or where an accountable person was unable or unwilling to take enforcement action.

5. Power to make subordinate legislation

5.1 The Act contains provisions to make subordinate legislation and issue directions and guidance. Table 5.1 (subordinate legislation) and Table 5.2 (directions, and guidance) set out in relation to these:

- (i). the person upon whom, or the body upon which, the power is conferred.
- (ii). the form in which the power is to be exercised.
- (iii). the appropriateness of the delegated power.
- (iv). the applied procedure: that is, whether it is “approval”, “annulment”, or “no procedure”, together with reasons why it is considered appropriate.

5.2 The Welsh Government will consult on the content of the subordinate legislation where it is required or it is considered appropriate to do so. The precise nature of consultation will be decided when the proposals have been formalised, subject to any requirements in the Act as to who must be consulted etc.

Table 5.1: Summary of powers to make subordinate legislation in the provisions of the Building Safety (Wales) Act

Section	Power conferred on	Form	Appropriateness of delegated power	Procedure	Reason for procedure
4(6)	Welsh Ministers	Regulations	Power to specify when a part of an unattached structure or set of structures is an “independent part” despite it not meeting the definition under this section. A regulation making power is considered important to enable more unusual ownership models and designs of buildings to be accounted for, including where designs develop over time (so as duties are placed on the most appropriate people). May need to be changed more frequently than would be sensible for primary legislation, likely to be technical in nature.	Approval	The regulations will impact on the extent of certain duties e.g. those of the principal accountable person. The approval procedure is deemed appropriate to ensure it is subject to additional Senedd scrutiny and the Senedd’s agreement.
5(5)	Welsh Ministers	Regulations	A power to supplement section 5 (meaning of “residential unit”). Regulations are likely to be technical in nature and enable more usual or new designs of buildings to be accounted for. May need to be changed more frequently than would be sensible for primary legislation, likely to be technical in nature.	Approval	The regulations will be supplementing primary legislation. The approval procedure is deemed appropriate to ensure it is subject to additional Senedd scrutiny and the Senedd’s agreement.

Section	Power conferred on	Form	Appropriateness of delegated power	Procedure	Reason for procedure
6(6)	Welsh Ministers	Regulations	<p>A power to make regulations to supplement section 6 (categories of regulated building).</p> <p>Regulations about height/ number of storeys will be detailed and technical in nature, considered best suited to be detailed in regulations. Regulations about matters detailed in subsection (7)(b) would likely be as a result of knowledge of emerging risks.</p>	Approval	The regulations would be supplementing primary legislation. The approval procedure is deemed appropriate to ensure it is subject to additional Senedd scrutiny and the Senedd's agreement.
10(3)	Welsh Ministers	Regulations	<p>Power to make provision about applications under section 10 (determination by the building safety authority of principal accountable person).</p> <p>These regulations will be administrative in nature, with a level of detail more appropriate for regulations. In addition, as the building safety authority carries out its function, the experience it develops may indicate a need to amend aspects of the application process.</p>	Annulment	The power is administrative in nature the annulment procedure is considered appropriate.
13(3)	Welsh Ministers	Regulations	Power to specify circumstances in which, a part of the structure and exterior of a building forms part of the	Approval	The regulations would effectively be amending section 12(2)(a)(i) in specified

Section	Power conferred on	Form	Appropriateness of delegated power	Procedure	Reason for procedure
			<p>common parts of the building even if it is demised to a residential unit.</p> <p>Provided flexibility for e.g. more unusual ownership models to be accounted for if this becomes necessary so as to enable duties to be placed on the most appropriate people in respect of such models.</p>		<p>circumstances. The approval procedure is deemed appropriate to ensure it is subject to additional Senedd scrutiny and the Senedd's agreement.</p>
13(4)(e)	Welsh Ministers	Regulations	<p>Power to specify other parts of a building as part of the "structure and exterior".</p> <p>Will, for example, enable new building designs to be accounted for should the need arise.</p>	Annulment	<p>The regulations, if required, are likely to apply to more novel construction types and the annulment procedure is considered appropriate.</p>
15(1)	Welsh Ministers	Regulations	<p>Power to supplement sections 8 and 9.</p> <p>Will enable regulations to be made to account for e.g. more unusual ownership models and designs of buildings and in the future for new designs of buildings. The regulations are likely to be detailed in nature and particularly in relation to new designs of buildings are likely to require amending more frequently than would be sensible for primary legislation.</p>	Approval	<p>The regulations would be supplementing primary legislation. The approval procedure is deemed appropriate to ensure it is subject to additional Senedd scrutiny and the Senedd's agreement.</p>

Section	Power conferred on	Form	Appropriateness of delegated power	Procedure	Reason for procedure
16(1)	Welsh Ministers	Regulations	Power to define the meaning of the part of a regulated building for which an accountable person is responsible. Regulations will be detailed in nature to account for different ownership models e.g. commonhold land.	Approval	The regulations will determine which parts of a building an accountable person is responsible. The approval procedure is deemed appropriate to ensure it is subject to additional Senedd scrutiny and the Senedd's agreement.
17(1)	Welsh Ministers	Regulations	Power to amend Schedule 1 and sections 2,3,4,6,7,8,9,12 and 13. With limitations placed on what the power can be used to do in respect of Schedule 1 and sections 2, 3 and 6. This regulation making power is considered important to enable the Act to be amended to respond to evidence of new and emerging risks and to ensure that the regime can be adapted to respond to such risks. It will also enable amendments to be made e.g. to account for new ownership models or building design. This power to amend Schedule 1 will provide flexibility to enable the list	Enhanced Approval	The regulations would be amending primary legislation. An enhanced approval procedure is deemed appropriate to ensure it is subject to additional Senedd scrutiny and the Senedd's agreement.

Section	Power conferred on	Form	Appropriateness of delegated power	Procedure	Reason for procedure
			of “excluded buildings” to be amended should the need arise.		
18(2)(h)	Welsh Ministers	Regulations	Power to specify additional information or documents that must be included in the register. Administrative in nature and will provide flexibility to adapt the register e.g. to account for feedback for the building safety authority during implementation etc.	Annulment	The power is administrative in nature the annulment procedure is considered appropriate.
18(3)	Welsh Ministers	Regulations	Power to make provision about the publication by a building authority of its register or of information or documents included on the register. What may be appropriate to publish may change over time, regulations will enable this flexibility.	Annulment	The power is administrative in nature the annulment procedure is considered appropriate.
20(3)	Welsh Ministers	Regulations	Duty to make provision about applications to register. This is administrative in nature and the regulations are likely to be details and therefore not considered suitable to be set out on the face of the Act. The content may need to change over time e.g. to reflect feedback during	Annulment	The power is administrative in nature the annulment procedure is considered appropriate.

Section	Power conferred on	Form	Appropriateness of delegated power	Procedure	Reason for procedure
			implementation or to account for developments in technology.		
21(1)(b)	Welsh Ministers	Regulations	The Welsh Ministers may, by regulations, specify other changes which require the PAP to update the BSA.	Annulment	The power is administrative in nature the annulment procedure is considered appropriate.
24(3)	Welsh Ministers	Regulations	Duty to make provisions about “relevant declarations”. Regulations will be administrative in nature, and it may be necessary to amend the procedure/ content in future.	Annulment	The regulations would be administrative in nature and the annulment procedure is considered appropriate.
25(3)	Welsh Ministers	Regulations	Power to make provision about application to remove a building from the register. These regulations will be administrative in nature. As the building safety authority carries out its functions, it will gain experience that may mean that these details will need to be reconsidered.	Annulment	The power is administrative in nature the annulment procedure is considered appropriate.
28(2)	Welsh Ministers	Regulations	Power to modify the definition of “building safety risk” to include a risk specified in the regulations. The risks that may be	Enhanced Approval	This is a broad power and if regulations were made this would result

Section	Power conferred on	Form	Appropriateness of delegated power	Procedure	Reason for procedure
			<p>specified in the regulations are risks to the safety of people in or about a category 1 building or a category 2 building arising from any matter (other than fire and structural failure) affecting any part of the building.</p> <p>This is a wide power intended to enable the building safety regime to be amended so as to apply to new risks/ new data on risks without the need for further primary legislation.</p>		<p>in potentially significant new duties. Therefore, the regulations will require an additional degree of scrutiny. An enhanced approval procedure. is deemed appropriate to ensure it is subject to Senedd scrutiny and the Senedd's agreement.</p>
30(3)	Welsh Ministers	Regulations	<p>Power to specify requirements relating to the competence of fire risk assessors.</p> <p>These regulations will be technical in nature and are likely to need updating relatively frequently (to reflect changes in standards etc.).</p>	Annulment	<p>The principle that assessors must be competent is on the face of the Act. This power is limited to specifying details of the expertise and experience a competent person must have. Senedd approval of such technical details is not considered necessary.</p>

Section	Power conferred on	Form	Appropriateness of delegated power	Procedure	Reason for procedure
31(2)	Welsh Ministers	Regulations	Power to vary the deadline for completing the first fire risk assessment, for example by reference to different types of building. This is to allow for unpredictable issues such as a shortage of competent fire risk assessors when the Act comes into force.	Approval	Regulations made under this power would amend the provisions of the Act.
32(2)	Welsh Ministers	Regulations	Power to specify additional matters relating to fire risk assessments and reviews e.g. in relation to timings, matters to be considered, methodology and information to be included. when completing an assessment or review for a regulated building etc. These regulations will largely be technical in nature and may need to be amended e.g. to adapt to new technologies, new data on risks etc. As such considered more appropriate to be contained in regulations than on the face of the Act.	Annulment	The matters will be largely technical in nature. Senedd approval of such details is not considered necessary.
33(8)	Welsh Ministers	Regulations	Power to make provisions about “reasonable steps”, specify matters/principals to which accountable persons must have regard when managing fire safety risks, specify requirements about	Annulment	The power is limited to largely technical fire safety matters (as well as certain administrative matters), Senedd

Section	Power conferred on	Form	Appropriateness of delegated power	Procedure	Reason for procedure
			<p>arrangements made and information requirements.</p> <p>As with conducting an assessment, as details of managing fire risks may change over time, these regulations made need to be changed over time. They will contain detail on technical (and administrative) matters which it is considered would be appropriate to deal with by delegated powers.</p>		approval of such details is not considered necessary.
34(7)	Welsh Ministers	Regulations	<p>Power to specify further matters in relation to the making of structural risk assessments, including e.g. expertise/ experience of assessor, matters to be considered, methodology, information to be included and maximum intervals.</p> <p>The regulations will be largely technical in nature, some will also be administrative. The regulations may need to be updated as new evidence emerges e.g. in relation to management of risks.</p>	Annulment	The power is limited to largely technical structural safety matters (as well as certain administrative matters), Senedd approval of such details is not considered necessary
35(6)	Welsh Ministers	Regulations	Power to make provisions about “reasonable steps”, specify matters/ principals to which accountable persons must have regard when managing	Annulment	The power is limited to largely technical structural safety matters (as well as

Section	Power conferred on	Form	Appropriateness of delegated power	Procedure	Reason for procedure
			<p>structural safety risks, specify requirements about arrangements made and information requirements.</p> <p>The regulations made need to be changed over time. They will contain detail on technical (and administrative) matters which it is considered would be appropriate to deal with by delegated powers.</p>		<p>certain administrative matters), Senedd approval of such details is not considered necessary.</p>
37(1) & (8)	Welsh Ministers	Regulations	<p>Power to specify what information the safety case report must contain and its form, provision of copies of it and the content of a notice under subsection (7)(b).</p> <p>The subject matter of these regulations is technical and administrative in nature. New knowledge as to risks and changes in technology may require the content of the regulations to change over time. Therefore, a regulation making power is considered appropriate.</p>	Annulment	<p>The regulation making power relates to technical and administrative matters with the annulment procedure considered to be sufficient.</p>
38(4)	Welsh Ministers	Regulations	<p>Power to specify in regulations the requirements of the occurrence recording system for a building. These are administrative and technical requirements that will ensure a</p>	Annulment	<p>Power is limited to specifying requirements etc. of the occurrence recording system and is</p>

Section	Power conferred on	Form	Appropriateness of delegated power	Procedure	Reason for procedure
			consistent approach is taken across category 1 buildings. The requirements in question may need adjusting in time, as such considered more appropriate to deal with by delegated powers.		administrative and technical in nature with the annulment procedure considered to be sufficient.
39(1)	Welsh Ministers	Regulations	<p>Power to specify relevant information (including circumstances and time) that must be given by an accountable person for a category 1 building, to the building safety authority and the fire safety authority. The regulations may make provision about how the information must be given.</p> <p>The content of the regulations may need to be changed over time e.g. to reflect new knowledge as to risks and feedback as the regime is implemented. These regulations will be technical and administrative in nature, it is considered to deal with by delegated powers.</p>	Annulment	Power is limited in nature i.e. to technical and administrative matters with the annulment procedure considered to be sufficient.
40(4)(e), (6)(a), (7)(a) and (8)	Welsh Ministers	Regulations	Power to specifying additional information a residents' engagement strategy must include and related matters e.g. review periods, circumstances/ persons requiring consultation.	Annulment	The power is largely administrative in nature, with the annulment procedure considered to be sufficient.

Section	Power conferred on	Form	Appropriateness of delegated power	Procedure	Reason for procedure
			The regulations will specify matters largely administrative in nature and may require updating from time to time. This level of detail is not considered suitable to be on the face of the Act.		
41(1)(b)(iii) and (3)	Welsh Ministers	Regulations	<p>Power to specify additional persons who must be provided with a copy of the residents' engagement strategy and how copies is to be given.</p> <p>These are administrative matters which it would be appropriate to deal with by delegated powers and will enable updating from time to time should the need arise.</p>	Annulment	The power is limited to administrative matters and the annulment procedure is considered to be sufficient.
42(9)	Welsh Ministers	Regulations	<p>Power to amend the period of time specified in subsection (4) (5year period for building certificate).</p> <p>New evidence may emerge indicating that this timeframe should be changed. The matter in question may need adjusting once the new system is established, therefore it would be sensible to deal with this by delegated powers.</p>	Approval	The regulations would be amending primary legislation. The approval procedure is deemed appropriate to ensure it is subject to additional Senedd scrutiny and the Senedd's agreement.

Section	Power conferred on	Form	Appropriateness of delegated power	Procedure	Reason for procedure
43(1)(b) and (d) and (2)	Welsh Ministers	Regulations	Power to make provision about what information is to be included in a building certificate application including the information on the occurrence recording system operated by a principal accountable person (section 38) and reports to the authorities under section 39 The regulations will be technical and administrative in nature and may need to be changed from time to time e.g. to reflect new knowledge on risks. Considered would be appropriate to deal with by delegated powers.	Annulment	The regulations will be technical and/ or administrative in nature and the annulment procedure is considered to be sufficient.
44(8)	Welsh Ministers	Regulations	Power to make further provision about building certificates and notices under section 44, including form and content of a building certificate and how the certificate is to be issued or how a notice (under subsection (5)) is to be given. The regulations will be technical and/ or administrative in nature and may need to be changed from time to time. Considered appropriate to deal with by delegated powers.	Annulment	The regulations will be technical and/ or administrative in nature and the annulment procedure is considered to be sufficient.

Section	Power conferred on	Form	Appropriateness of delegated power	Procedure	Reason for procedure
45(4)(a) & (b)	Welsh Ministers	Regulations	Power to specify form and information to be included in a notice under section 45(1)(b). The content of the regulations will be administrative in nature and considered appropriate to deal with by delegated powers.	Annulment	The power is administrative in nature the annulment procedure is considered appropriate.
46(1)	Welsh Ministers	Regulations	Power to make provision in relation to category 2 buildings corresponding or similar to any provision that is made by section 40 or 41 (residents' engagement strategies for category 1 buildings), or that could be made by regulations under those sections.	Approval	Any regulations would make provision similar to what is on the face of the Act in relation to category 1 buildings. Therefore, the approval procedure is considered appropriate to ensure they are subject to additional Senedd scrutiny and the Senedd's agreement.
48(1)	Welsh Ministers	Regulations	Duty to specify information and documents (copies) that must be kept by an accountable person, and related matters. The information and documents that must be kept within the "golden thread"	Annulment	The regulations will be technical and/or administrative in nature and the annulment procedure is

Section	Power conferred on	Form	Appropriateness of delegated power	Procedure	Reason for procedure
			<p>may be required to be changed over time e.g. in the assessing and managing of building safety risks. The regulations will be technical and/or administrative in nature and considered appropriate to be dealt with by delegated powers.</p>		<p>considered to be sufficient.</p>
49(1)	Welsh Ministers	Regulations	<p>Duty to specify information and documents (copies) that must be provided by an accountable person to persons specified in subsection (1) or specified in regulations (subsection (1)(f)), and related matters. The regulations can include provision about the admissibility of shared information/ documents in evidence.</p> <p>The information and documents that must be shared may change through time, regulations will provide the flexibility to ensure that information sharing requirements can be amended to reflect developments e.g. in the assessing and managing of building safety risks. the regulations will be technical and/ or administrative in nature and considered would be appropriate to deal with by delegated powers.</p>	Annulment	<p>The power will be primarily technical and/or administrative in nature and the annulment procedure is considered to be sufficient. Provision as to admissibility of evidence in criminal proceedings is relatively common.</p>

Section	Power conferred on	Form	Appropriateness of delegated power	Procedure	Reason for procedure
50(2)	Welsh Ministers	Regulations	<p>Power to specify what information an outgoing accountable person must give and to whom, out of their successor, the building safety authority or the fire safety authority.</p> <p>The information and documents that must be provided may change through time, regulations will provide the flexibility to ensure that “handover” requirements can be amended to reflect developments e.g. in the assessing and managing of building safety risks. The regulations will be technical and/ or administrative in nature and considered would be appropriate to deal with by delegated powers.</p>	Approval	While the regulations will be technical and administrative in nature failure to comply with the regulations, without reasonable excuse, is a criminal offence the approval procedure is considered appropriate.
51(4)	Welsh Ministers	Regulations	<p>Power to make provision about the establishment and operation of a complaints system (category 1 only).</p> <p>The content of the regulations will be technical and/ or administrative in nature which it is considered would be appropriate to deal with by delegated powers.</p>	Annulment	Given the technical and/ or administrative nature of the regulations the annulment procedure is considered appropriate.
52(1)	Welsh Ministers	Regulations	Power to require accountable persons to make and give effect to arrangement for	Annulment	Given the technical and/ or administrative

Section	Power conferred on	Form	Appropriateness of delegated power	Procedure	Reason for procedure
			<p>the consideration of “relevant complaints” (category 2 and 3 buildings), including matters such as those in subsection (3).</p> <p>The content of the regulations will be technical and/ or administrative in nature which it is considered would be appropriate to deal with by delegated powers.</p>		nature of the regulations the annulment procedure is considered appropriate.
53(3)	Welsh Ministers	Regulations	<p>Power to make provision about the complaints system to be established and operated by each building safety authority.</p> <p>The content of the regulations will be largely administrative in nature, but may also be technical, considered to be appropriate to deal with by delegated powers. The regulations may need amending from time to time e.g. to reflect feedback once the regime is implemented.</p>	Annulment	Given the administrative (and potentially technical) nature of the regulations the annulment procedure is considered appropriate.
62	Welsh Ministers	Regulations	<p>Power to make further provision in relation to warning notices.</p> <p>The content of the regulations will be administrative in nature, and it is</p>	Annulment	Given the administrative nature of the regulations the annulment procedure is

Section	Power conferred on	Form	Appropriateness of delegated power	Procedure	Reason for procedure
			considered appropriate to deal with by delegated powers.		considered appropriate.
63(4)	Welsh Ministers	Regulations	Power to amend list of reviewable decisions and meaning of “affected person”. During implementation and after it may be considered appropriate to amend the list or those that can request a review, this power will enable this flexibility without the need for further primary legislation.	Approval	The regulations would be amending primary legislation. The approval procedure is deemed appropriate to ensure it is subject to this additional level of Senedd scrutiny and the Senedd’s agreement.
64(2)	Welsh Ministers	Regulations	Duty to make provision about reviews and under subsection (11)(a) to specify the meaning of “relevant period” for the purposes of subsection (7) and (9). The content of the regulations will be administrative in nature, and it is considered appropriate to deal with through delegated powers.	Annulment	Given the administrative nature of the regulations the annulment procedure is considered appropriate.
64(12)	Welsh Ministers	Regulations	The Welsh Ministers may, by regulations, specify the “relevant period” applicable to the review of a reviewable decision.	Annulment	The power is administrative in nature the annulment procedure is considered appropriate.

Section	Power conferred on	Form	Appropriateness of delegated power	Procedure	Reason for procedure
66(2)	Welsh Ministers	Regulations	<p>Power to make provision about the effect of decisions during review and appeal periods.</p> <p>The content of the regulations is likely to be detailed in nature so as to account for the likely scenarios, so as to ensure fair treatment. A regulation making power is considered appropriate given the level of detail.</p>	Annulment	Given the administrative nature of the regulations the annulment procedure is considered appropriate
69(1)	Welsh Ministers	Regulations	This power to make regulations to deal with the ability of the principal accountable person to recover costs from other person treated as an accountable person for a regulated building	Approval	The approval procedure is deemed appropriate to ensure the regulations are subject to additional Senedd scrutiny and the Senedd's agreement.
71(new section 30IC (5) of the Landlord and Tenant Act 1985)	Welsh Minister	Regulations	<p>Section 30IC (5) of the Landlord and Tenant Act 1985 ("the 1985 Act") provides a power for the Welsh Ministers to make regulations that may amend the meaning of "building safety measure".</p> <p>It may be necessary to amend the meaning of building safety measure to account e.g. for new information obtained during implementation and</p>	Approval	The regulations would be amending primary legislation. The approval procedure is deemed appropriate to ensure it is subject to additional Senedd scrutiny and the Senedd's agreement.

Section	Power conferred on	Form	Appropriateness of delegated power	Procedure	Reason for procedure
			subsequently. A regulation making power will enable this flexibility.		
72(new section 20DA (2)(c) of the 1985 Act)	Welsh Ministers	Regulations	It may become necessary to prescribe steps relating to other funding, to account for new evidence obtained during implementation and subsequently.	Annulment	Given the technical and/ or administrative nature of the regulations the annulment procedure is considered appropriate.
72(new section 20DB (3) of the 1985 Act)	Welsh Ministers	Regulations	It may be necessary to amend the meaning to account for information obtained during implementation and subsequently.	Annulment	Given the technical and/ or administrative nature of the regulations the annulment procedure is considered appropriate.
73(new section 20FA (5) of the 1985 Act)	Welsh Ministers	Regulations	New section 20FA of the 1985 Act provides a power for Welsh Ministers to amend effectively to amend the definition of “excluded costs” It may be necessary to amend subsection (3) to react to information received e.g. during or post implementation. A regulation making power will enable this flexibility and given the detailed nature of the likely	Approval	The regulations would be amending primary legislation. The approval procedure is deemed appropriate to ensure it is subject to additional Senedd scrutiny and the Senedd’s agreement.

Section	Power conferred on	Form	Appropriateness of delegated power	Procedure	Reason for procedure
			amendments is considered appropriate to deal with by delegated powers.		
74(3) (new section 49B (5)(e) of the Landlord and Tenant Act 1987)	Welsh Ministers	Regulations	New section 49B (5)(e) of the 1987 Act provides a power for Welsh Ministers to make regulations that can prescribe other information as “relevant building safety information”. This will enable regulations to be made during or post implementation should the need arise. and the regulations will be technical and/ or administrative in nature, and it is considered appropriate to deal with by delegated powers.	Annulment	The regulations are of a technical and administrative in nature therefore the annulment procedure is deemed appropriate.
75(1)	Welsh Ministers	Regulations	Power to amend the Renting Homes (Wales) Act 2016 to— (a) include a fundamental provision applicable to some or all occupation contracts for the purpose of enabling a landlord or contract-holder to comply with a provision of this Act or regulations made under it; (b) provide that a provision of this Act or regulations made under it is a fundamental provision applicable to some or all occupation contracts;	Enhanced Approval	The regulations would be amending primary legislation. An enhanced approval procedure is deemed appropriate to ensure it is subject to additional Senedd scrutiny and the Senedd’s agreement.

Section	Power conferred on	Form	Appropriateness of delegated power	Procedure	Reason for procedure
			<p>(c) make provision about—</p> <p>(i) the incorporation, or incorporation with modifications, of a fundamental provision mentioned in paragraph (a) or (b) as a fundamental term of an occupation contract;</p> <p>(ii) the variation of such a fundamental term.</p>		
75(2)	Welsh Ministers	Regulations	<p>Power to:</p> <p>(a) amend section 301A of the Landlord and Tenant Act 1985 (c. 70) (inserted by section 69 of this Act) to provide that it does not apply to any occupation contract, or to particular kinds or descriptions of occupation contract;</p> <p>(b) make consequential amendments to any enactment (including this Act)</p>	Enhanced Approval	The regulations would be amending primary legislation. An enhanced approval procedure is deemed appropriate to ensure it is subject to additional Senedd scrutiny and the Senedd's agreement.
78(3)(d)	Welsh Ministers	Regulations	<p>Power to specify that certain premises do not constitute a relevant HMO.</p> <p>This is important to ensure that multi-occupied premises which are not intended to be "relevant HMOs" are not inadvertently caught by the definition. Whilst subsection (3) already contains exclusions this provision this power</p>	Annulment	Power is limited to excluding premises from the meaning of "relevant HMO" from the scope of the Act. Senedd approval of this detail is not considered necessary.

Section	Power conferred on	Form	Appropriateness of delegated power	Procedure	Reason for procedure
			enables ongoing flexibility i.e. for certain premises not to be capture within the definition.		
78(8)	Welsh Ministers	Regulations	A power to amend this section, with the exception of subsection (1) and (8). it may be necessary to amend this section if there becomes a requirement to change or expand the meaning of 'relevant HMO' for the Act in line with changes outside of this regime. This power provides the flexibility going forward.	Approval	The regulations would be amending primary legislation. Senedd approval is deemed appropriate to ensure it is subject to additional Senedd scrutiny and agreement.
82(3)	Welsh Ministers	Regulations	Power to specify requirements relating to the competence of fire risk assessors. These regulations will be technical in nature and are likely to need updating relatively frequently (to reflect changes in standards etc.).	Annulment	The principle that assessors must be competent is on the face of the Act. This power is limited to specifying details of the expertise and experience a competent person must have Senedd approval of such technical details is not considered necessary.

Section	Power conferred on	Form	Appropriateness of delegated power	Procedure	Reason for procedure
84(2)	Welsh Minister	Regulations	<p>Power to specify additional matters relating to fire risk assessments and reviews e.g. in relation to timings, matters to be considered, methodology and information to be included. when completing an assessment or review for a relevant HMO.</p> <p>These regulations will largely be technical in nature and may need to be amended e.g. to adapt to new technologies, new data on risks etc. As such considered more appropriate to be contained in regulations than on the face of the Act.</p>	Annulment	The matters will be largely technical in nature. Senedd approval of such details is not considered necessary.
84(4)	Welsh Ministers	Regulations	Power to make provision to enable landlords for relevant HMOs to recover costs from duty holders. Regulations are likely to be detailed, and as details on costs may change over time, a regulation making power is considered appropriate.	Approval	As the regulation will concern cost recovery it will require an additional degree of scrutiny. Senedd approval is therefore deemed appropriate and subject to additional Senedd scrutiny and agreement.
85(8)	Welsh Ministers	Regulations	Power to make provisions about "reasonable steps", specify matters/	Annulment	The power is limited to largely technical fire

Section	Power conferred on	Form	Appropriateness of delegated power	Procedure	Reason for procedure
			<p>principals to which duty holders must have regard when managing fire safety risks, specify requirements about arrangements made and information requirements.</p> <p>As with conducting an assessment, as details of managing fire risks may change over time, these regulations made need to be changed over time. They will contain detail on technical (and administrative) matters which it is considered would be appropriate to deal with by delegated powers.</p>		<p>safety matters (as well as certain administrative matters), Senedd approval of such details is not considered necessary.</p>
87(1)	Welsh Ministers	Regulations	<p>Power makes provision requiring duty holders to give information and documents (copies) to other persons, and related matters.</p> <p>The regulations will be technical and/or administrative in nature and considered appropriate to be dealt with by delegated powers.</p>	Annulment	<p>The regulations will be technical and/or administrative in nature and the annulment procedure is considered to be sufficient.</p>
92(1)	Welsh Ministers	Regulations	<p>Power to specify circumstances in which certain mobile homes are to be treated as a relevant HMO for the purposes of this Act and to make related provision (subsection (2)).</p>	Annulment	<p>The power is limited to specifying when a mobile home is to be considered as a relevant HMO for the</p>

Section	Power conferred on	Form	Appropriateness of delegated power	Procedure	Reason for procedure
			The regulations would be detailed in nature and may need to be amended to reflect development in design of accommodation etc. Some of the detail in the regulations may be technical. Considered appropriate to be dealt with by delegated powers.		purpose of this Act. Senedd approval is not considered necessary.
96(5)(c) and (6)(c)	Welsh Ministers	Regulations	<p>Power to specify other persons who the building safety authority and fire safety authority (as relevant) must inform when issuing a compliance notice.</p> <p>This regulation making power provides flexibility to extend the list if, in time, it emerges that there are other authorities or persons that need to be informed when a compliance notice is issued therefore this is appropriate to be dealt with by delegated powers.</p>	Annulment	Power is limited to specifying other persons the enforcing authorities must inform if they issue a compliance notice. This regulation making power relates to a matter of detail in how the regime is administered.
98(9)(c)	Welsh Ministers	Regulations	Power to specify other persons the fire safety authority must notify when they issue a prohibition notice. This regulation making power provides flexibility to extend the list if, in time, it emerges that there are other authorities or persons that need to be informed when a prohibition notice is issued This is an administrative	Annulment	This power is limited to specifying additional persons who must be informed when a prohibition notice is issued. This regulation making power relates to a matter of detail in

Section	Power conferred on	Form	Appropriateness of delegated power	Procedure	Reason for procedure
			matter which is appropriate to be dealt with by delegated powers.		how the regime is administered.
99(7)	Welsh Ministers	Regulations	Power to amend the list of persons who can appeal against a prohibition notice. These regulations may be needed in light of future wider policy or legislative change, including new information obtained during implementation and subsequently.	Approval	The regulations would be amending primary legislation. The approval procedure is deemed appropriate to ensure it is subject to additional Senedd scrutiny and the Senedd's agreement.
100(1)	Welsh Ministers	Regulations	Power to make further provision about information notices, compliance notices and prohibition notices including relating to keeping a register of notices These regulation making powers will support a consistent approach to be taken to these matters across Wales. The regulations will be primarily administrative in nature, considered appropriate to deal with by delegated powers.	Annulment	The power is administrative in nature the annulment procedure is considered appropriate.
109(5)	Welsh Ministers	Regulations	Power to specify requirements that an individual or body must satisfy to be regarded as having sufficient expertise or experience to be a special measures	Annulment	This power is limited to specifying details of the expertise and experience a special

Section	Power conferred on	Form	Appropriateness of delegated power	Procedure	Reason for procedure
			<p>manager (including requirements for particular qualifications or for accreditation by, or membership of, a particular organisation).</p> <p>The regulation will be technical in nature, considered appropriate to be dealt with by delegated powers. The regulations may need to change from time to time e.g. to reflect changes in standards etc.</p>		measures manager must have. Senedd approval of such technical details is not considered necessary.
110(3) & (8)	Welsh Ministers	Regulations	Powers to specify the amount payable under a fixed penalty notice and to make provision about the withdrawal of fixed penalty notices.	Annulment	As the powers are administrative in nature the annulment procedure is considered appropriate.
112(2)	Welsh Ministers	Regulations	<p>Power to provide that a category 1 building or a category 2 building is not a relevant building for the purposes of Part 4 of the Act if the freehold estate in the building is leaseholder owned (within the meaning given by the regulations).</p> <p>The power provides the flexibility to ensure certain types of building are not included within the definition of “relevant building”.</p>	Approval	The regulations would be amending a definition set out in primary legislation. The approval procedure is deemed appropriate to ensure it they are subject to additional Senedd scrutiny and the Senedd’s agreement.

Section	Power conferred on	Form	Appropriateness of delegated power	Procedure	Reason for procedure
114(1)	Welsh Ministers	Regulations	<p>Duty to:</p> <p>(a) provide that a Residential Property Tribunal may make a remediation order on the application of an interested person; and,</p> <p>(b) make further provision in connection with remediation orders.</p> <p>The regulations are necessary to enable remediation orders to be made and to make provision in connection with them.</p>	Approval	The approval procedure is deemed appropriate to ensure they are subject to additional Senedd scrutiny and the Senedd's agreement.
115(1)	Welsh Ministers	Regulations	<p>Duty to:</p> <p>(a) provide that a Residential Property Tribunal may make a remediation contribution order on the application of an interested person; and,</p> <p>(b) make further provision in connection with remediation contribution orders.</p> <p>The regulations are necessary to enable remediation contribution orders to be made and to make provision in connection with them.</p>	Approval	The approval procedure is deemed appropriate to ensure they are subject to additional Senedd scrutiny and the Senedd's agreement.
115(6)	Welsh Ministers	Regulations	Duty to:	Approval	Whilst the regulations are likely to be detailed and technical in nature,

Section	Power conferred on	Form	Appropriateness of delegated power	Procedure	Reason for procedure
			<p>(a) make provision about costs that are, or are not, to be regarded as remediation costs; and,</p> <p>(b) make provision about the circumstances in which a partnership or body corporate is associated with another person.</p> <p>The regulations are likely to be detailed and technical in nature.</p>		<p>given the context, the approval procedure is deemed appropriate to ensure it they are subject to additional Senedd scrutiny and the Senedd's agreement.</p>
116(1)	Welsh Ministers	Regulations	<p>Power to make provisions for and in connection with service charges contented to remediation costs under certain leases.</p>	Approval	<p>Whilst the regulations are likely to be detailed and technical in nature, given the context, the approval procedure is deemed appropriate to ensure it they are subject to additional Senedd scrutiny and the Senedd's agreement.</p>
117(3)	Welsh Ministers	Regulations	<p>Power to make provisions for circumstances in which the condition in subsection (1)(d) is to be treated as being met.</p>	Approval	<p>Whilst the regulations are likely to be detailed and technical in nature, given the context, the approval procedure is deemed appropriate to</p>

Section	Power conferred on	Form	Appropriateness of delegated power	Procedure	Reason for procedure
					ensure they are subject to additional Senedd scrutiny and the Senedd's agreement.
117(4)	Welsh Ministers	Regulations	Power to make provisions for and in connection with treating a lease as a qualifying lease.	Approval	Whilst the regulations are likely to be detailed and technical in nature, given the context, the approval procedure is deemed appropriate to ensure they are subject to additional Senedd scrutiny and the Senedd's agreement.
122(1)	Welsh Ministers	Regulations	Duty to designate a local authority in each fire and rescue authority area to act as the building safety authority for that area and connected power to make further provision in connection with that duty.	Annulment	The duty to make regulations is tightly constrained by the requirement to designate a building safety authority in each fire and rescue authority area.
125(1)	Welsh Ministers	Regulations	Power to make provision for and in connection with the charging of fees by a building safety authority.	Annulment	The power is administrative in nature the annulment procedure is

Section	Power conferred on	Form	Appropriateness of delegated power	Procedure	Reason for procedure
			Regulations are likely to be detailed in nature and largely administrative. They may need to change relatively frequently, and it is not considered appropriate to include this information on the face of the Act.		considered appropriate.
136(3)	Welsh Ministers	Regulations	Power to making regulations about meaning of being a “resident” of a residential unit. Enables flexibility if it becomes apparent that additional clarity is needed. A regulation making power is considered appropriate to ensure this clarify can be provided if considered necessary in the future.	Annulment	The annulment procedure is considered appropriate given the nature of the regulations.
137(3)	Welsh Ministers	Regulations	Power to make provisions that are (a) incidental or supplementary to, or consequential on any provision of, the Act, (b) make transitional or saving provisions in connection with any provision of the Act. Will enable regulations to be made to make changes over time, to ensure that this Act works together with other laws.	Annulment except where they amend or repeal primary legislation in which case approval	The approval procedure is deemed appropriate where primary legislation is being amended to ensure it is subject to additional Senedd scrutiny and the Senedd’s agreement. Otherwise the annulment procedure is

Section	Power conferred on	Form	Appropriateness of delegated power	Procedure	Reason for procedure
					considered appropriate due to the nature of the regulations e.g. consequential.
138(2)	Welsh Ministers	Order	Bringing provisions into force. It is appropriate to commence provisions by order as it will be necessary to ensure that implementation arrangements are in place before the relevant sections come into force.	No procedure	Orders will relate to the commencement of specified provisions of the Act.
Schedule 2 Paragraph 5(2)	Welsh Ministers	Regulations	Power to make provision about notices under this part, including the form and content of a notice under this part, and how the notice must be given. Regulations will ensure a consistent approach is taken to the issuing of notices. The regulations will be administrative in nature and considered appropriate to be dealt with by delegated powers.	Annulment	Power is limited to administrative matters, as such the annulment procedure is considered appropriate.
Schedule 2 Paragraph 17(6)	Welsh Ministers	Regulations	Power to make provision about notices under this paragraph, including the form and content of a notice and how the notice must be given. Regulations will	Annulment	Power is limited to administrative matters, as such the annulment procedure is

Section	Power conferred on	Form	Appropriateness of delegated power	Procedure	Reason for procedure
			<p>ensure a consistent approach is taken to the issuing of notices.</p> <p>The regulations will be administrative in nature and considered appropriate to be dealt with by delegated powers.</p>		considered appropriate.
Schedule 2 Paragraph 21(3)	Welsh Ministers	Regulations	<p>Power to amend the meaning of “interested person” for the purposes of the Schedule i.e. to amend paragraph 21.</p> <p>This regulation making power will enable flexibility should it become apparent e.g. during implementation, that the definition should be amended.</p>	Approval	The regulations would be amending primary legislation. The approval procedure is deemed appropriate to ensure it is subject to additional Senedd scrutiny and the Senedd’s agreement.
Schedule 4, paragraph 1(5)	Welsh Ministers	Regulations	<p>Power to vary the deadline for completing a fire risk assessment under paragraph 1 of Schedule 4. Different deadlines may be set, for example, for different types of building. This is to allow for unpredictable issues such as a shortage of competent fire risk assessors when the Act comes into force.</p>	Approval	Regulations made under this power would amend the provisions of the Act.

Table 5.2: Summary of powers to make directions and Guidance in the provisions of Building Safety (Wales) Act

Section	Power conferred on	Form	Appropriateness of delegated power	Procedure	Reason for procedure
104(1)	Welsh Ministers	Directions	The Welsh Ministers may direct two building safety authorities to make arrangements for one of them to exercise any of the function of the other.	No Procedure	Directions will be technical in nature and largely deal with process and be specific to the authorities.
120(1)	Welsh Ministers	Guidance	The Welsh Ministers must issue or approve guidance to assist any persons in complying with duties imposed on them by this Act or regulations made under it.	No Procedure	Guidance under this section will probably need to change relatively frequently to incorporate changes to technology, knowledge or practice.
120(2)	Welsh Ministers	Guidance	The Welsh Ministers must ensure guidance is issued or approved that assists principal accountable persons in complying with the duties imposed on them by sections 29 to 32 and regulations made under them (assessment of fire safety risks) and to assist landlords of relevant HMOs in comply with duties imposed on them under section 81 to 84 and regulations	No Procedure	As with section 120(1), this guidance is likely to be subject to relatively frequent changed. However, it would be hard for principal accountable persons to comply consistently with their duties without such guidance, so a duty on the Welsh

Section	Power conferred on	Form	Appropriateness of delegated power	Procedure	Reason for procedure
			made under them (assessment of fire safety risks).		Ministers to issue it (rather than a discretionary power) is considered appropriate.
127	Welsh Ministers	Guidance	The Welsh Ministers must issue guidance about the exercise of relevant functions by building safety authorities and fire safety authorities.	No Procedure	Guidance may need to be changed relatively frequently e.g. to reflect changes in guidance under section 120.
Section 20DA (8) of the Landlord and Tenant Act 1985 (c. 70), (inserted by section 72 of the Act)	Welsh Ministers	Guidance	The Welsh Ministers may issue guidance about steps a relevant person must take: (a) to ascertain whether any grant is payable in respect of building safety works and, if so, to obtain the grant; (b) to ascertain whether monies may be obtained from a third party in connection with the undertaking of building safety works and, if so, to obtain monies from the third party; (c) relating to any other prescribed kind of funding.	No Procedure	Guidance may need to be changed relatively frequently e.g. to reflect changes in the availability of funding.

PART 2 – REGULATORY IMPACT ASSESSMENT

6. Regulatory Impact Assessment (RIA) summary

6.1 A Regulatory Impact Assessment has been completed for the Act, and it follows below.

6.2 There are no specific provisions in the Act which charge expenditure on the Welsh Consolidated Fund.

Table A

6.3 The following table presents a summary of the costs and benefits for the Act as a whole. The table has been designed to present the information required under Standing Order 26.6 (viii) and (ix).

Building Safety (Wales) Act		
Preferred option: Legislate to introduce a new regime in Wales focusing on the occupation phase of a building's life cycle		
Stage: Introduction	Appraisal period: 2027-28 - 2036-37	Price base year: 2023-24
Total Cost Total: £171.03m Present value: £149.79m	Total Benefits Total: £102.74m Present value: £62.60m	Net Present Value (NPV): -£87.19m

Administrative cost

Costs: Total administrative costs are estimated at £36.12m (£31.38m in present value (PV) terms), broken down as follows:

- £25.80m to the Welsh Government (PV £22.32m),
- £7.72m to local authorities (as building safety authorities) (PV £6.84m), and
- £2.60m to fire and rescue authorities (as fire safety authorities) (PV £2.21m).

The majority of the costs are revenue time costs but with £2.42m capital costs for local authorities to purchase and maintain an IT system. This estimate of capital costs is uncertain. While an IT system is not a requirement of the Act, it seems likely that some IT costs will be incurred to enable building safety authorities to keep a register.

Transition costs are estimated at £2.41m and include familiarisation and implementation costs, estimated at £1.26m for building safety authorities and fire safety authorities.

Other transition costs include £0.44m for building safety authorities to establish registers and £0.71m for the Welsh Government to prepare guidance and secondary legislation.

Transitional: £2.41m	Recurrent: £33.71m	Total: £36.12m	PV: £31.38m
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Cost-savings:

No administrative cost savings have been identified.

Transitional: £	Recurrent: £	Total: £	PV: £
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Net administrative cost: £36.12m

Compliance costs

Total compliance costs for industry are estimated at £134.92m (PV £118.41m). This comprises £13.50m of capital costs and £120.08m of revenue costs.

Transition costs are estimated at £27.06m (PV £26.27m), comprising time to become familiar with the requirements, to inform tenants of the changes, to prepare fire risk assessments, to collate building information, to prepare building safety information and establish a complaints system.

Recurrent costs are estimated at £108.85m (PV £92.15m) and include reviewing fire risk assessments, preparing and maintaining safety case reports, maintaining the golden thread database, occurrence recording and reporting, preparing contravention orders and providing safety information to residents.

Transitional: £27.06m	Recurrent: £107.85m	Total: £134.92m	PV: £118.42m
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Other costs

No other costs have been identified.

Transitional: £	Recurrent: £	Total: £	PV: £
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Unquantified costs and disbenefits

The activities envisaged under the new regime in accordance with the provisions of the Act are quantifiable and have been estimated for the purpose of this RIA.

Although the Act requires accountable persons to take all reasonable steps, including carrying out works, to manage building safety risks, the estimates do not include the cost of undertaking such works. The management of fire safety risk is already a requirement under the Fire Safety Order 2005. Any costs incurred in managing building safety risks could lead to the avoidance of much greater costs were the risk to materialise. Potential costs of doing so would vary so greatly between buildings as to make any estimate worthless.

Benefits

The new building safety regime is intended to contribute to the following outcomes for in-scope multi-occupied residential buildings:

- Fire prevention: The risk of fire breaking out in the building should be as low as possible.
- Fire protection: If a fire does break out, it should be contained where it originates, without spreading to other flats, the exterior of the building or to a common area.
- Escape: All people who are in immediate danger from fire should be able to leave the premises swiftly and safely.
- Firefighting: Any fire that does break out should be extinguished as quickly and safely as possible.
- Reduced/avoided structural incidents, such as partial collapse of buildings or elements falling from a building (such as parts of cladding, windows or balconies).

These are expected to deliver the following benefits:

- Health and well-being benefits
 - Reduced numbers of fire ignitions and reduced spread of fire.
 - Reduced number of structural incidents.
 - Resulting in avoided fatalities and injuries, associated reduced mental health and wider well-being impacts on affected residents and the wider community.
- Non health benefits
 - Reduced property damage and other associated losses.
 - Improved confidence that buildings are safe resulting in reduced insurance and mortgage costs.
 - Reduced firefighting costs (time and materials).
 - Avoided environmental contamination from the use of firefighting materials
 - Reduced enforcement costs for fire and rescue authorities.

Benefits have been monetised where possible. It has not been possible to monetise all benefits, however and these are noted below.

Value of monetised benefits

- The avoided injuries, fatalities and property damage are estimated to be worth £62.6m in present value terms.

Non monetised benefits

- The reduction in mental health costs for residents in buildings in scope as a result of feeling safer in their own homes is noted as significant, but it has not been possible to monetise this.
- The measures in the Act are also expected to result in increased confidence that buildings are safe, resulting potentially in reduced insurance and mortgage costs. It may also lead to increased investment in the buildings, benefiting the residents.

Total: £102.74m	PV: £62.60m
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Key evidence, assumptions and uncertainties

This assessment builds on an [Impact Assessment undertaken by the UK Government for the Building Safety Act 2022](#), and an [Economic Impact Assessment](#) published alongside our 2021 White Paper, [Safer Buildings in Wales](#). The estimates of costs and benefits rely on high-level or provisional working assumptions about the precise nature of the regime in operation. These assumptions are subject to uncertainties which consequently affect the estimated costs and benefits. During the detailed planning of implementation and the development of the regulations that will sit under the primary legislation, these assumptions will be refined. Ordnance Survey products have been used to estimate the numbers of regulated buildings in Wales, by height. These estimates are also uncertain and may change as further validation is undertaken.

Leaseholder Protections

The Building Safety (Wales) Act is likely to result in the identification and mitigation of more fire and structural safety risks in multi-occupied residential buildings. Many of the risks are expected to relate to building defects resulting from non-compliance with existing fire and structural safety legislation.

Fire safety surveys undertaken by the Welsh Building Safety Programme, have identified defects at hundreds of buildings.

The leaseholder protections are not expected to increase the volume of building safety defects identified, or the amount of remediation undertaken. Instead, they are expected to reallocate the costs of remediating certain types of building defects from individual leaseholders to entities responsible for the defects or those best placed to absorb or recover the costs.

This approach aligns with the principle that those who profited from the original construction, or who hold the long-term stewardship of the building, should bear the primary financial responsibility for rectifying unsafe conditions. The Act provides the statutory backing to compel developers and others operating in Wales to undertake remediation, ensuring that developers cannot evade their responsibilities. The provisions complement and strengthen existing voluntary commitments.

7. Options

7.1 This chapter outlines the options which have been evaluated for reform of legislation covering the occupation and management of multi-occupied residential buildings in Wales. Reform is intended to improve the safety of people in or about these buildings.

7.2 In developing these options we have considered issues identified by the [Hackitt Review](#), the [Grenfell Tower Inquiry](#), and Welsh Government's [Building Safety Expert Group](#). The options build on those presented in our White Paper, [Safer Buildings in Wales](#). Legal issues have been considered including legislative competence and human rights.

7.3 The following options have been identified and explored:

- **Option 1: Business as usual** (the counterfactual);
- **Option 2: Do minimum:** Legislate to introduce a new regime in Wales focusing on the occupation phase of a building's life cycle. The regime would cover the regulation of building safety risks in multi-occupied residential buildings of at least 18m. Multi-occupied residential buildings under 18m and certain Houses in Multiple Occupation (HMOs) would be subject to the fire safety duties, including resident fire safety duties, but would be excluded from scope of the other provisions in the regime.
- **Option 3: Preferred option (the Act):** Legislate to introduce a new regime in Wales focusing on the occupation phase of a building's life cycle. It covers the regulation of building safety risks in multi-occupied residential buildings. There are three categories of building in scope of the regime as outlined below. Certain Houses in Multiple Occupation (HMOs) are subject to the fire safety duties but are excluded from scope of the other provisions in the regime.

In option 3, the categories of regulated building (in addition to HMOs) are:

- Category 1: Multi-occupied residential buildings of at least 18 metres in height or at least 7 storeys.
- Category 2: Multi-occupied residential buildings of less than 18 metres in height and fewer than 7 storeys and at least 11 metres in height or at least 5 storeys. These buildings are subject to requirements relating to fire and structural safety but with fewer administrative requirements than apply to category 1 buildings.
- Category 3: Multi-occupied residential buildings of less than 11 metres in height and fewer than 5 storeys. These buildings are subject to fire safety requirements and some other duties. This category is not subject to registration with the building safety authority.

Option 1 – Business as usual

- 7.4 The tragic fire at the Grenfell Tower in London on 14 June 2017, and subsequent investigations, made clear the need to make improvements to the building safety system.
- 7.5 The Final Report of Welsh Government’s [Building Safety Expert Group](#) made a compelling case for strategic change, concluding that the building safety system was not working effectively and needed to be overhauled. The report identified a clear need for significant legislation to deliver a new regulatory system.
- 7.6 As set out in [Safer Buildings in Wales](#), fire safety in blocks of flats is currently governed by the Regulatory Reform (Fire Safety) Order 2005 – commonly known as the FSO⁴. This requires the “responsible person” for the building (normally the landlord or managing agent) to conduct and act on a fire risk assessment and gives fire and rescue authorities powers to inspect and enforce compliance.
- 7.7 However, there are fundamental problems with how the FSO applies to residential buildings. It was designed for workplaces and many of its provisions are based on that: they concern staff training, fire drills and other matters that are not relevant to a residential property. We moved to correct the most serious of failings of the FSO, by working closely with the Home Office on its Fire Safety Act 2021. This extended the coverage of the FSO to include the external walls and all parts of the internal structure, including fire doors. We also worked with the Home Office and National Fire Chiefs Council on guidance for responsible persons about the Act⁵.
- 7.8 We believe the FSO remains an effective means of ensuring and regulating fire safety in workplaces. But in our White Paper, we set out why we believe a new and different regime is needed to ensure fire safety in residential buildings.
- 7.9 Maintaining business as usual would undermine the outcomes of the [Hackitt Review](#), the [Grenfell Tower Inquiry](#), Welsh Government’s [Building Safety Expert Group](#) and our White Paper consultation. Therefore, it is not a viable, long-term option.

Option 2 – Do minimum

- 7.10 Our White Paper acknowledged that building safety risks are not limited to high rise buildings alone. Therefore, with safety as our guiding principle, we proposed to include all multi-occupied residential buildings in the regime, regardless of building type or tenure, for the benefit of residents across Wales.

⁵ [Fire Safety Act 2021 WWW.GOV.WALES](http://WWW.GOV.WALES)

- 7.11 Our White Paper also set out proposals for introducing different categories of buildings in recognition that some buildings would require different levels of building safety risk management. At that time, it was envisaged that a two-category approach would provide sufficient flexibility to achieve this, although a commitment was made to keep the approach under review.
- 7.12 The rate of fire casualties is greater in HMOs and properties converted into flats than in a large purpose-built block⁶. But the number of people potentially exposed to risk in the event of fire is likely to be greater in large residential buildings. Fires in high-rise buildings are also more challenging to fight and to escape from.
- 7.13 In option 2, to mitigate the potentially higher impact of structural safety risks in taller buildings, we proposed that accountable persons for regulated buildings at least 18 metres in height would be subject to a range of duties. These are the same duties which apply to the accountable persons for buildings at least 18 metres in height (category 1 buildings) in option 3 (the Act). These duties are set out in paragraph 3.79 of the Explanatory Memorandum.
- 7.14 For buildings less than 18 metres in height, including relevant HMOs, we proposed that the minimum requirement during occupation would be for accountable persons to take all reasonable measures to reduce the risk of fire. These would be informed by a robust fire risk assessment conducted by a competent person. The purpose of the assessment would be to identify and evaluate the risks of fire in a given building, and to determine what action could and should be taken to avoid or mitigate those risks.
- 7.15 To apply a lower standard of regulation to the properties most likely to experience fire casualties would not be acceptable.

Option 3 – The preferred option (the Act)

- 7.16 In option 3, as in option 2, we include all multi-occupied residential buildings in our regime, regardless of building type or tenure, for the benefit of residents across Wales.
- 7.17 As in option 2, the accountable persons for buildings at least 18 metres in height are subject to the most comprehensive requirements.
- 7.18 Unlike option 2, as well as fire risk assessments, accountable persons for regulated buildings less than 18 metres in height are subject to additional proportionate requirements, as set out in paragraphs 3.80 – 3.81 of the

⁶ [Safer Buildings in Wales: A consultation](#)

Explanatory Memorandum. These provide residents of buildings less than 18 metres in height with greater protections including:

In buildings at least 11 metres in height but less than 18 metres:

- Registration of the building.
- Provision of building safety information to residents.
- Arrangements for the consideration of complaints made by residents about building safety risks.

In buildings below 11 metres:

- Provision of building safety information to residents.
- Arrangements for the consideration of complaints made by residents about fire safety risks.

7.19 The landlords of relevant HMOs are subject to the same fire safety duties as in option 2.

8. Costs and benefits

Objectives of the cost benefit analysis

- 8.1 The new building safety regime is intended to improve the safety of multi-occupied residential buildings in Wales, from purpose built high rise residential blocks to converted houses providing two or more residential units.
- 8.2 Certain Houses in Multiple Occupation (HMOs) are subject to the fire safety duties but are excluded from scope of the other duties in the regime.

Costs assessment objectives

- 8.3 The analysis estimates the costs (for buildings in scope) over and above the current situation (the counterfactual), of complying with the range of additional requirements under the policy options.
- 8.4 Costs are estimated to:
- The regulator – this includes Welsh Government, local authorities in their role as building safety authorities and fire and rescue authorities in their role as fire safety authorities.
 - Industry – this includes all principal accountable persons and accountable persons, including social landlords and local authority building owners, as well as the landlords of relevant HMOs.

Benefits assessment objectives

- 8.5 The new building safety regime is intended to contribute to the following outcomes in all multi-occupied residential buildings:
- (i) Fire prevention: The risk of fire breaking out in the building should be as low as possible.
 - (ii) Fire protection: If a fire does break out, it should be contained where it originates, without spreading to other flats, the exterior of the building or to a common area.
 - (iii) Escape: All people who are in immediate danger from fire should be able to leave the premises swiftly and safely.
 - (iv) Firefighting: Any fire that does break out should be extinguished as quickly and safely as possible.
- 8.6 Additionally, in category 1 and category 2 buildings, the new building safety regime is intended to contribute to the risk of structural safety incidents being as low as possible.

8.7 The occupation phase regime focuses on occupied buildings in scope (i.e. after the building is constructed and is occupied). This analysis therefore only assesses the benefits attributable to occupation phase measures.

Overall methodology and sources

8.8 The analysis draws in large part on the methodology, data sources and assumptions used in the analysis for the UK Government's Building Safety Act 2022 (hereinafter referred to as the England analysis). However, this analysis also reflects the differences in policy in Wales and draws on data reflecting the specific conditions and circumstances in Wales. The analysis builds on the [Economic Impact Assessment](#) published alongside our White Paper [Safer Buildings in Wales](#).

8.9 The estimates of costs and benefits rely on high-level or provisional working assumptions about the precise nature of the regime in operation. We have attempted to validate our assumptions in collaboration with industry, UK Government, the Health and Safety Executive, Community Housing Cymru, Welsh local authorities, the Welsh Local Government Association and Welsh fire and rescue authorities. Nonetheless, our assumptions are subject to uncertainties. For instance, our assumptions about the risks associated with particular building archetypes, potential losses and the costs associated with certain requirements of the new regime are inherently uncertain. The degree of uncertainty varies from one assumption to another, but the overall effect is to create uncertainty into our estimates of costs and benefits.

8.10 These assumptions will be refined, and may change, during the detailed planning of implementation and the development of the detail to be contained in the regulations that will sit under the primary legislation. Future regulations will be supported by further assessments of impact and by the development of operational policy and guidance. Consequently, it is not always possible to state the costs of the new regime with certainty.

8.11 Ordnance Survey (OS) products have been used to estimate the numbers of regulated buildings in Wales, by height. Further validation of these data is being conducted. Changes to the estimated numbers of category 1, 2 or 3 buildings could affect the estimated costs and benefits of the Act.

8.12 Published sources⁷ have been used for the numbers of HMOs in Wales.

8.13 The assessments are based on HM Treasury Green Book principles.

⁷ Stats Wales [Houses in multiple occupation by local authority area](#)
[Number of households in houses in multiple occupation \(HMO\) by accommodation type - Office for National Statistics](#)

Approach and methodology in further detail

Buildings in scope

- 8.14 The Act focusses on buildings in occupation (buildings under construction are regulated by the Building Act 1984).
- 8.15 All multi-occupied residential buildings in Wales are in scope, from 18m+ high rise residential buildings to a two-storey maisonette/converted house. HMOs are subject to the fire safety duties but are excluded from scope of the other duties in the regime.

Two new policy options are considered

- 8.16 The analysis assesses the costs and benefits of two new policy options, over and above the counterfactual: see para 7.3:

Types of additional requirement considered

- 8.17 The additional requirements under the policy options include:
- Preparation of the fire safety position: This involves developing a comprehensive fire safety strategy, identifying potential fire hazards, and ensuring that fire safety systems are in place. This requirement is for all categories of buildings and HMOs.
 - Preparation of safety cases: This includes risk assessments, safety measures, and emergency response plans. This requirement is for category 1 and category 2 buildings
 - Creation of the golden thread: This involves maintaining accurate and up-to-date information about the building's design, construction, and maintenance. This requirement is for category 1 and category 2 buildings
 - Creation of the key dataset: This involves compiling essential data about the building, including its structural integrity, safety systems, and occupancy details. This requirement is for category 1 and category 2 buildings
 - Occurrence recording and reporting: This involves documenting and reporting any safety incidents to the relevant authorities. This requirement is for category 1 and category 2 buildings
 - Engaging residents: This involves communicating with residents about safety measures, emergency procedures, and their responsibilities. This requirement is for all categories of buildings and HMOs.

- Providing systems to receive building safety complaints: This involves setting up mechanisms for residents and occupants to report safety concerns or issues. This requirement is for all categories of buildings and HMOs.
- Duties on residents: This involves outlining the responsibilities of residents in maintaining building safety, such as not obstructing fire exits and reporting hazards. This requirement is for all categories of buildings and HMOs.
- Sanctions and enforcement: This involves implementing measures to enforce safety regulations and penalise non-compliance. This requirement is for all categories of buildings and HMOs.
- Building registration: This involves registering the building with the relevant building safety authorities to ensure compliance with safety regulations. This requirement is for category 1 and category 2 buildings.
- Building Certificate: This involves obtaining a certificate that verifies the building's compliance with safety regulations. This requirement is for category 1 and category 2 buildings.
- Familiarisation costs: This involves the costs associated with familiarising building occupants with safety measures and emergency procedures. This requirement is for all categories of buildings and HMOs.

Cost modelling approach and methodology

Types of cost taken into account

8.18 The principal costs of compliance with the policy that are assessed are:

- Additional time (costs) required to undertake tasks, and
- Any costs of purchasing goods or services.

8.19 Costs are divided into those that fall on industry and on the regulator.

Methodology used to estimate the costs of each policy option

8.20 A three-stage methodology has been used:

- Identifying/estimating the time and materials costs, per building type, to comply with the requirements of each policy option, broken down by who the costs fall on.
- Estimating the total number of buildings that will be in scope, each year of the 10-year policy appraisal period.
- Multiplying the costs per building by the number of buildings in scope.

Building archetypes

- 8.21 In reality, there are many different types and sizes of buildings, with a myriad of differing features and specifications. In order to model the costs of compliance with each policy option, it was essential to simplify the number and types of buildings to a small number of typical 'archetypes' that can be taken to represent the majority of buildings.
- 8.22 We have chosen the following archetypes as typical of the buildings in scope of the new regime:
- 18m+ buildings containing 2 or more residential units.
 - 11-18m buildings containing 2 or more residential units.
 - Large blocks of flats under 11m with more than 25 residential units.
 - Small blocks of flats under 11m with between 6 and 25 residential units.
 - Other buildings under 11m containing flats including converted houses and flats over shops (between 2 and 5 residential units).
 - Sheltered accommodation.
 - Student accommodation; and
 - Relevant HMOs.
- 8.23 By estimating the number of buildings of each archetype and calculating the costs and benefits associated with each, we were able to build up an estimate of the overall costs of the Act.

Method used to calculate the costs

- 8.24 The analysis commenced by estimating the costs for 18m+ buildings. This was relatively straightforward as the majority of the costs had already been identified for the England Building Safety Act, and a review of dwelling numbers per building confirmed that the typical 18m+ residential buildings in Wales are very similar to those in England.
- 8.25 The policy in England is limited to 18m+ buildings, and therefore no costing work had been done for those under 18m.
- 8.26 The approach adopted in this analysis to estimate the costs for other multi-dwelling buildings was to start with the 18m+ building costs and adjust these to reflect any differences with under 18m buildings.
- 8.27 The anticipated activities, time allowance and other costs for 18m+ buildings were then revised to reflect differences between the activities in Wales and those identified in the England Building Safety Act. These were revised through a series of discussions, review of legislation, and workshops with policy leads to ensure the analysis reflected the proposals in Wales.

8.28 Much of the analysis is based on estimating the time required to undertake the additional activities set out in the Act. To place a value on this time requirement, the analysis takes the following approach:

- Industry time costs have been valued using an average of employment costs (valuing internal staff time) and typical industry charge out rates (valuing external staff time). A general assumption across the development and design industry is that 50% of resourcing will be inhouse staff and 50% will be outsourced external staff time.
- For salary costs, the analysis uses the Annual Survey of Hours and Earnings (ASHE) occupation level data published by the Office for National Statistics (ONS). These data are then aligned with roles that are expected to undertake the various activities set out in the Act. A 20.6% uplift is then added to account for non-wage employment costs (such as pensions). The uplift percentage is based on Labour Force Survey data⁸.

⁸ [Labour costs and labour income, UK - Office for National Statistics](#)

Table 8.1: Hourly rates used to calculate industry time costs				
Dutyholder	Occupation	2023 Salary + oncosts	2023 Hourly Rates (Blended)	SOC code
Building Owner	Principal Accountable Person / Accountable Person	£34.29	£89.07	1122
Building Owner	Safety Manager	£42.96	£66.09	
Building Owner	Legal Advice	£34.29	£89.07	
Building Owner	Health and Safety Expert	£27.38	£66.09	
Building Owner	Fire Risk Assessor	£24.50	£63.87	
Building Owner	Building Manager	£35.32	£45.82	
Building Owner	Administrator	£18.77	£32.10	
Client	Project manager	£34.29	£89.07	1122
Client	Architect	£32.65	£66.33	2431
Principal Contractor	Project Manager	£34.29	£89.07	1122
Principal Contractor	Contractors	£28.60	£53.84	2436
Principal Contractor	Site Manager	£28.60	£55.07	2436

- Regulator⁹ time costs have been valued using employment costs based on average salaries provided by WG and regulators in England, including the 20.6% uplift for non-wage employment costs and adding 65% to account for other non-employment costs such as admin support, HR, marketing, travel, etc.

⁹ The regulator costs include costs incurred by the building safety authority (BSA), fire safety authority (FSA) and local planning authority (LPA)

Table 8.2 Hourly rates – Regulator time costs			
Dutyholder	Occupation	2023 Salary + oncosts	2023 Hourly Rates (+65% for non-employment costs)
BSA	Lead Regulator / Project Manager	£57.50	£94.87
BSA	Building Control Expert	£40.88	£67.45
BSA	Fire Engineer	£45.39	£74.89
BSA	Structural Engineer	£45.39	£74.89
BSA	Admin	£18.76	£30.95
FRA	Watch Manager	£39.10	£64.51
FRA	Station Manager	£53.71	£88.63
Local Planning Authority	Planning Officer	£31.14	£51.39

8.29 All time costs are based on 7.5 hour per day and 220 working days per year.

Calculations used to estimate building numbers

8.30 Building numbers were estimated using Ordnance Survey (OS) data. The average number of dwellings per building was based on typical building designs and data from OS, and the annual increase in building numbers was based on an analysis of recent trends in new build flats. The data was analysed to best fit to the reference building types used in this analysis as follows:

Table 8.3 Number of buildings and dwellings, and annual change			
Dutyholder	Number of buildings	Number of dwellings per building	Annual change in number of buildings
18m+ buildings containing 2 or more residential units	180	56	2.3%
11-18m buildings containing 2 or more residential units	449	40	2.0%
Large blocks of flats under 11m	62	40	2.0%
Small blocks of flats under 11m	6,094	9	0.7%
Other buildings under 11m containing flats including converted houses and flats over shops	44,657	2	0.1%
Sheltered accommodation	375	9	3.0%
Student accommodation	17	30	4.0%
Relevant HMOs	19,587	1	0.0%

Calculations used to estimate the costs for each building type

8.31 The following sequence of calculations was used to estimate the costs for each building type:

- Identification of the nature and type of activities that needs to be undertaken, per building, to comply with policy;
- Identification of the amount of time required, and by whom;
- Monetisation of the time required by applying appropriate hourly rates;
- Identification of any specific expenditure/costs.

8.32 The following sequence of calculations is used to scale up the costs:

- Identifying the number of buildings in scope in Wales;
- Estimating the number of buildings to which the policy is assumed to apply;
- Estimating the counterfactual;
- Deducting the counterfactual from the buildings in scope;
- Multiplying the remainder by the cost per building.

Source of assumptions used to estimate costs

- 8.33 The assumptions used to estimate the time and cost for industry, stakeholders and regulators to undertake the activities are derived from a range of sources. All of the assumptions used in the estimates are recorded in an Assumptions Register provided in the Cost Model Report, which is published on the Senedd website Building Safety (Wales) Act.
- 8.34 The quality of the sources are scored using a RAG (Red, Amber, Green) rating system to provide an indication of the quality of the assumption.
- Green rated assumptions are the highest quality, and are either sourced from published data or directly reflect the requirements of the policy;
 - Amber rated assumptions are based on unpublished data or the consultants' directly relevant industry experience;
 - Red rated assumptions are based on the consultants' judgement.
- 8.35 All assumptions have been reviewed and tested with a number of policy leads.

Fire Safety Position Assumptions

- 8.36 The analysis assumes that all principal accountable persons across category 1, 2 and 3 buildings (including HMOs) will commission a new Fire Risk Assessment within the first year of the policy;
- 8.37 All principal accountable persons will assess the competency of the fire risk assessor. It is assumed that an online register will be available to help with this:
- The analysis assumes that flat inspections will also be undertaken in a small proportion of buildings to support new fire risk assessments, 10% of Category 1 buildings, Category 2 buildings and large Category 3 buildings, and 5% of small Category 3 blocks of flats;
 - All principal accountable persons will review their Fire Risk Assessments annually.
- 8.38 The counterfactual assumes that 90% of 18m+ buildings, 33% of large blocks of flats (including all 11-18m buildings) and 20% of other smaller buildings are commissioning new/updated Fire Risk Assessments each year.

Safety Cases Assumptions

- 8.39 The analysis assumes that only Category 1 buildings will be required to prepare a safety case. The analysis assumes that:

- 20% of buildings have a safety case prepared each year over the first 5 years of the policy. This involves the principal accountable person preparing a safety case evidence base and a safety case report;
- 1 in 5 (20%) of safety cases will require a building survey to support the preparation of the safety case;
- 3% of buildings will require a new safety case report each year because of a change of the principal accountable person;
- The Building Safety Authority (BSA) provides support to the principal accountable person to help prepare 10% of the first safety cases prepared for individual buildings;
- Once a safety case is prepared there will be an annual cost to the principal accountable person to keep it up to date, reflecting any changes to the building during the year;
- 5 years after the initial safety case is prepared, it is assumed that all buildings will commission a building survey and prepare an updated safety case report.

Golden Thread

8.40 Regarding the nature and type of information that needs to be stored, the analysis assumes that the requirements differ between category 1 and other types of multi-dwelling buildings:

- For category 1 buildings, the Golden Thread requires the digital storage of digital plans, the safety case, fire risk assessment, resident engagement strategy, and all other relevant documents;
- For other types of multi-dwelling buildings, the Golden Thread requirement is for digital storage of only the fire risk assessment, any complaints made to or about the principal accountable person, and any floorplans that are available.

8.41 Regarding the types of data that will need to be prepared and associated storage costs, the analysis assumes that for category 1 buildings, the analysis assumes that:

- 90% of category 1 buildings will need to procure a data storage system for the Golden Thread which includes an annual fee;
- 50% of category 1 buildings will need to prepare up to date 2D building plans to include in the Golden Thread;
- 75% of category 1 buildings will need to add fire and structure details to existing building plans;
- 15% of category 1 buildings will need to update their building plans each year as a result of changes to the building;

8.42 For all buildings in scope, the analysis assumes:

- All buildings will need to maintain the Golden Thread and QA the data within the golden thread;
- 1% of buildings will have a change in principal accountable person, and that the Golden Thread must be transferred between the existing and the new principal accountable person.

Building Registration

8.43 The analysis assumes that the requirement to register a building applies to Category 1 and Category 2 buildings:

- It is assumed that building safety authorities spend an average of £20,000 each in Year 1 to establish a database for storing building registration information and £10,000 per annum in subsequent years to maintain the database; building safety authorities then request registration information from all principal accountable persons phased over 5 years;
- All accountable persons spend time assembling and submitting the registration information in Years 1 to 5;
- building safety authorities then review the registration information for all buildings and inform the principal accountable person that the building is registered;
- All principal accountable persons submit re-reregistration information after 5 years (in Year 6).

8.44 The analysis assumes that to register a building:

- The accountable person will input key building information into a template;
- That 10% of buildings undergo works each year that require the building information to be updated.

Occurrence reporting

8.45 The analysis assumes that the requirements only apply to category 1 buildings, and that:

- 25% of these buildings have an incident that needs to be reported each year (either failure of safety critical components or structural decay);
- A further 8% of buildings have an incident during refurbishment works that needs to be reported (assuming 10% of buildings are refurbished per annum and 76% of these have an incident that needs to be reported);
- On average, it is assumed that it takes the principal accountable person 1.5 hours to report an incident and 0.5 hours for the regulator to log and analyse the report.

Residents' responsibilities

8.46 The policy requires the residents' compliance with duties under the building safety regime, and that the policy introduces the provision for principal accountable persons/accountable persons of all buildings in scope to be able to issue contravention notices to residents if issues cannot be resolved informally.

8.47 Regarding the number and nature of incidents, the analysis assumes

- For category 1 buildings, 5 contravention notices per building per annum will be issued – based on typical incidents, such as blocking escape routes or propping open fire doors;
- For other large buildings under 18m (flats and student accommodation), it is assumed that there are between 2 and 3 contravention notices per annum;
- For other small buildings under 11m (flats and sheltered housing), it is assumed that 75% will issue a contravention notice per annum;
- For converted houses and flats, it is assumed that 15% will issue a contravention notice each year;
- It is assumed that it takes an average of 1 hour to prepare and issue a notice.

Resident Engagement

8.48 The requirement applies to all multi dwelling buildings. The analysis assumes that:

- All regulated buildings are required to prepare safety information for residents and respond to requests for building safety information;
- All category 1 buildings are required to prepare a residents' engagement strategy and hold meetings to disseminate building safety information;
- 10% of category 1 buildings are assumed to hold additional meetings to cover safety information during any refurbishment each year;
- All landlords are required to notify contract holders of a change to the occupation contract

Residents' Complaints

8.49 The analysis assumes that all regulated buildings (Categories 1, 2 and 3) are required to establish internal complaints procedures. Many buildings will already receive complaints, but the analysis assumes that as a result of establishing a complaints procedure that there will be additional building safety complaints received by principal accountable persons. The number of additional complaints received by the principal accountable person are as follows:

- 18m+ blocks of flats: 5 additional complaints per annum;
- Large blocks of flats under 18m: 3.6 additional complaints per annum;
- Student accommodation under 18m: 2.7 additional complaints per annum;
- Small blocks of flats and sheltered housing: 0.8 additional complaints per annum;
- 18% of converted houses/flats above retail spaces submit a complaint per annum.

8.50 It is assumed that 15% of complaints are not resolved by the principal accountable person but are escalated to the regulator.

8.51 The assumed number of additional complaints received directly by the Regulator is:

- 1 complaint per annum in all buildings over 18m;
- 1 complaint in 70% of large blocks of flats per annum;
- 1 complaint in 50% of student accommodations per annum;
- 1 complaint in 20% of small blocks of flats and sheltered housing per annum;
- 1 complaint in 2% of converted houses/flats over shops per annum.

Enforcement

8.52 The analysis assumes that enforcement costs will apply to all buildings in scope.

Number and level of incidents

8.53 Incidents are categorised as minor, medium or major. It is assumed that:

- 15% of Category 1 buildings have a minor incident per annum;
- 10% have a medium incident per annum;
- 5% have a major incident per annum;
- For Category 2 and Category 3 buildings, it is assumed that the number of incidents is proportionate to the number of flats in the building compared with the equivalent category 1 building;
- For converted houses/flats over shops, it is assumed that only minor incidents will occur (none will be subject to a medium or major incident).

Issuing a notice

8.54 It is assumed that:

- 80% of major incidents attract an informal notice – assumed to be a letter requiring the issue is addressed;

- 70% of medium incidents attract an informal notice – assumed to be a letter requiring the issue is addressed;
- and 60% of minor incidents attract an informal notice – assumed to be a letter requiring the issue is addressed;

Formal notices

8.55 It is assumed that:

- For Category 1 buildings:
 - 30% of buildings are issued with a compliance notice;
 - 5% of buildings are issued with an urgent action notice;
 - 10% of buildings are issued with an information notice;
 - 10% of buildings are issued with a fixed penalty notice;
 - 3% of buildings are subject to legal proceedings.
- For Category 2 and Category 3 buildings:
 - 10% of medium/major incidents that receive an informal notice also get a formal notice – assumed to be a compliance/fixed penalty notice from the regulator with a threat of legal action;
 - 10% of major and 2% of medium incidents that receive a formal notice then attract legal action – assumed to involve legal proceedings;
 - 10% of major incidents that commence legal proceedings result in prosecution.

Building Certificate

8.56 The analysis assumes the requirement to apply for a Building Certificate applies to Category 1 buildings:

- 20% of buildings are requested to submit information for a Building Certificate per annum;
- Principal accountable persons submit safety a case report, resident engagement strategy, details of the complaints system and occurrence reporting;
- the building safety authority reviews the information submitted by the Principal accountable person;
- the building safety authority coordinates with fire safety authority and inspects the building as part of producing the Building Certificate;
- the building safety authority issues a Building Certificate

Tribunals

8.57 The estimated costs include the training and recruitment of panel members and the administration costs for the coordinating the panel.

8.58 The assumed costs of tribunal cases, including appeals against fixed penalty notices and other sanctions.

Other Costs

8.59 The analysis assesses a number of other generic costs of the policy such as:

- Welsh Government to prepare a handbook to inform residents of the building safety policy;
- Welsh Government to prepare guidance for principal accountable persons when handling complaints;
- Welsh Government to prepare guidance for building registrations;
- Regulators to develop and maintain an IT system for receiving and storing building registration and building certificate information (for Option 2 a database is only required for building safety authorities that have an 18m+ building in their area, all building safety authorities will require a database for Option 3).

8.60 Further detail of the cost modelling approach and methodology can be found in the Cost Model Report which is published on the Senedd website Building Safety (Wales) Act.

Benefit modelling approach and methodology

Types of benefit taken into account

Benefits that have been monetised

8.61 Benefits that have been monetised are:

- Avoided fatalities and injuries as a result of (i) reduced fires (and the spread of these) in common areas and (ii) reduced fires (and the spread of these) that start in a residential unit.
- Avoided mental health/well-being impacts on those that would have been directly and indirectly affected by avoided fires/fire spread (but not the mental health/well-being benefits to residents of all multi occupied residential buildings as a result of feeling safer in their homes).
- Avoided non-health impacts including property damage, personal possessions loss, displacement, and other service costs.

8.62 The benefits analysis specifically accounts for the following categories of health and non-health impacts:

- Health Impacts
 - Fatalities – residents
 - Serious Injuries – residents
 - Slight Injuries – residents
 - Injuries - rescue services
 - Mental health - depression – residents/non-residents
 - Mental health – screening costs
 - Mental health - treatment – residents
 - Mental health - treatment – non-residents
- Non-Health Impacts
 - Lost personal possessions
 - Temporary accommodation
 - Residents’ meetings
 - Demolition of building
 - Rebuilding /renovating cost
 - Legal fees
 - Specialist recovery
 - Experts’ investigation
 - Lost rent from commercial space

8.63 In addition, the assessment estimates the costs of structural incidents that could be avoided by the policy.

Method used to quantify the benefits that have been monetised

8.64 The steps, assumptions and evidence used in the analysis are as follows:

Step 1: Categorising buildings in scope – the new building safety regime is intended to improve the safety of existing multi-occupied residential buildings in Wales, from purpose built high rise residential buildings to converted houses containing two or more residential units. For the purposes of the analysis, buildings in scope have been categorised by height/size as follows. First buildings were divided into four broad groups:

- (i) category 1 buildings – at least 18 metres in height or at least 7 storeys,
- (ii) category 2 buildings – less than 18 metres in height and fewer than 7 storeys and at least 11 metres or at least 5 storeys,
- (iii) category 3 buildings – less than 11 metres in height and fewer than 5 storeys,

- (iv) relevant HMOs.

By far the largest number of buildings fall under the category 3 definition, and for the purpose of the analysis, these were subdivided, again based on height/size into the following 3 subcategories:

- large block of flats (with more than 25 flats).
- small block of flats (with 6 to 25 flats).
- converted houses (with 2 to 5 flats).

Differentiating by height and size was important because these have an impact on the number of people and dwellings that could be directly affected by a fire.

Step 2: Identifying common types of fire incident – the measures under the new regime are designed to reduce fire ignitions in residential units and in common areas and for those fires that do start, to prevent the spread of either type of fire in buildings in scope (externally and/or within the building).

- = Fires that spread will tend to result in the biggest cost/losses, so a major focus of the analysis is on calculating the value of avoided fire spread.
- = Fires that start in residential units but are contained in the room of origin or the residential unit and fires that start in common areas (such as corridors, bin stores and lobbies), but that don't spread to another floor, will be more numerous but the cost/loss associated with each will be less than those that spread.
- Clearly, within these, there are/will be many different types of fire ignition and spread incident but for the purposes of the analysis it was important to identify a small number of types of fire ignition and fire spread incidents that can be taken to represent the majority of fire incidents. This is an essential simplification required to enable the analysis. Identifying types of fire ignition and fire spread incidents to focus the analysis on also needs to take account of the sources of available data and data limitations.
- Regarding identifying and monetising types of fire spread to focus the analysis on - the analysis adopts the fire spread types used in the England analysis and adds more types to reflect the wider range of buildings in scope in the Welsh regime. The analysis then uses the same basis for monetising these as in the England analysis (using HMT green book methodology for monetising avoided health impacts such as avoided injuries and fatalities, avoided property costs such as damage to buildings and possessions and avoided wider costs such as rehousing costs)
 - = The regime in England focuses only on buildings of 18m and above, whereas the Welsh regime will capture all multi-occupied residential buildings regardless of height. Hence, this analysis adds some additional fire-spread incident types reflecting lower height/smaller buildings.
 - = The fire spread incident types adopted in this analysis therefore are:

- = Major incidents – which apply to large category 1 and 2 buildings where the fire affects the whole building and there are a large number of casualties.
 - = Medium incidents – which apply to all buildings (including category 3 buildings and HMOs) where the fire affects the whole building, but where there are a limited number of casualties; and
 - = Minor incidents – which apply to all buildings where the fire spreads beyond the room of origin but is limited to 1 or 2 floors.
- Regarding identifying and monetising fire types that start but don't spread the analysis relies on the Welsh Fire Statistics¹⁰ categories used to report number and cost of fires and in addition on the Home Office's 'cost of fire report'.
 - Regarding fire ignitions in residential units – data is only available on the number of fire ignitions contained in the room of origin (not the residential unit of origin). The analysis therefore cannot distinguish between the number of fires that spread from the room of origin but are contained within the residential unit and fires that spread beyond the residential unit to one floor or more. The analysis therefore assumes an average cost for fires that spread beyond the room of origin and are contained on one floor. The cost of these fires is based on the analysis undertaken in England which estimates the costs of fires that spread beyond the flat of origin and are contained on one floor. This may over-estimate the cost of some of the fires avoided however as a proportion that are reported in the Welsh fire statistics to spread beyond the room of origin, will be contained within the residential unit. The limitations in the statistics allow no other modelling option though. However, it is expected that the provisions in the Act will mainly result in improvements that will reduce the spread of fires. The analysis therefore assumes that fires that spread beyond the room of origin are captured within the minor incident fire spread type noted above.
 - Regarding fire ignitions in common areas – data is available on the number of ignitions and also on the number of fires that do/don't spread beyond the floor of origin, hence it is possible to model these. Those that spread beyond the floor of origin are assumed to be captured by the major/medium and minor incident types above. Those that don't spread are added as a fourth and final fire type category to the above.

Step 3: Estimating the extent and scale of casualties and other losses associated with each type of fire incident

- Regarding a major fire incident in a large multi-occupied residential building, this analysis adopts the same assumptions about the extent of damage and nature of casualties associated with different types of incidents identified in the England analysis. Unpublished research by Adroit Economics Ltd shows that the design of multi-occupied residential buildings in Wales is similar to

¹⁰ Stats Wales [Fire incidents](#)

those in England and moreover, that similar cladding and other construction defects, giving rise to the potential for rapid fire spread, are also found in buildings in Wales, hence it is assumed that similar types of fire spread could occur in Wales. The England analysis identified a full list of the types of losses associated with a major fire spread incident through reviewing a number of recent fire-spread incidents in multi-occupied residential buildings along with drawing on findings from the Grenfell Inquiry, as they emerged. As with the England analysis, this analysis then assumes that only a proportion of the casualties are likely to occur in future fire spread incidents, because of changed Fire and Rescue Service strategy and changed residents' evacuation behaviours. The size of the proportion of losses is then further adjusted to reflect the size of the building (and number of flats) and the extent of fire spread.

- The table below outlines the estimated scale of losses for an incident comparable to Grenfell Tower.

Table 8.4: Scale of Loss for an Accident Comparable to Grenfell Tower

		Grenfell Tower Economic Costs
Type of impact	Type of unit	number of units
Health Impacts		
Fatalities – residents	number of persons	72
Serious Injuries – residents	number of persons	20
Slight Injuries – residents	number of persons	42
Injuries - rescue services	number of emergency personnel	114
Mental health - treatment – residents	number of residents	231
Mental health - op – screening	number of non-residents - family, friends, neighbours	11,000
Mental health - treatment – other	number of non-residents - family, friends, neighbours	3,630
Mental health - wellbeing - avoiding depression	number of non-residents - family, friends, neighbours	3,630
Non-Health Impacts		
Demolition of building	number of buildings	1
Rebuilding cost	number of flats	120

Lost personal possessions	number of flats	120
Specialist recovery	number of flats	120
Temporary accommodation	number of residents	231
Lost rent from commercial space	number of weeks	48
Experts' investigation	average cost of investigation	1
Legal fees	average cost of investigation	1
Residents' meetings	number of meetings	10

Consistent with the approach taken in the England analysis, this assessment assumes that only a proportion of impacts is likely to occur in future fire spread incidents, due to changes in Fire and Rescue Service strategies and evolving resident evacuation behaviours. This proportion is further adjusted based on building size, including the number of flats, and the extent of fire spread. The table below outlines the assumed proportion of Grenfell Tower losses applicable to each fire incident type within Category 1 buildings -- those measuring over 18m height.

Table 8.5: Assumptions regarding proportion of Grenfell Tower losses to occur in each type of fire spread incident for category 1 buildings

Type of impact	Major incident - with fatalities	Major incident - with reduced fatalities	Medium incident - with casualties	Medium incident - without casualties	Minor incident - 2 floors	Minor incident - 1 floor
Health Impacts						
Fatalities – residents	25%	5%	*	0%	*	*
Serious Injuries – residents	25%	25%	*	0%	*	*
Slight Injuries – residents	25%	25%	*	0%	*	*
injuries - rescue services	25%	25%	5%	0%	0%	0%
mental health - treatment – residents	50%	25%	5%	0%	0%	0%
mental health - op - screening	50%	25%	5%	0%	0%	0%
mental health - treatment - other	50%	25%	5%	0%	0%	0%
mental health - wellbeing - avoiding depression	50%	25%	5%	0%	0%	0%
Non-Health Impacts						
Demolition of building	100%	100%	0%	0%	0%	0%

rebuilding cost	50%	50%	10%	10%	1%	0.5%
lost personal possessions	50%	50%	10%	10%	1%	0.5%
specialist recovery	50%	50%	10%	10%	1%	0.5%
temporary accommodation	50%	50%	10%	10%	1%	0.5%
lost rent from commercial space	50%	50%	10%	10%	1%	0.5%
experts' investigation	50%	50%	10%	10%	1%	0.5%
legal fees	50%	50%	10%	10%	1%	0.5%
residents' meetings	50%	50%	10%	10%	1%	0.5%

- Regarding medium, minor fire incidents and fires in common areas in all multi-occupied residential buildings and HMOs, this analysis also draws on the incident level fire statistics for Wales which provide data on the number of casualties associated with different types of fires. The extent of damage is estimated in the analysis based on the size of the building (and number of flats) and on the extent of fire spread.

Step 4: Monetising the losses – again, this analysis draws on work undertaken for the England analysis, which drew on a combination of published statistics; evidence from the Grenfell Tower fire, coupled with research and analysis of a number of recent major fires. The analysis also draws on other metrics such as the average cost of a fire and the cost to rebuild. The economic cost per unit values applied to each impact type are presented in the following table and are gathered from the Department for Transport (DfT) TAG Databook, case studies, and consultants' industry expertise.

Table 8.6: Unit Values used in the Analysis for Each Type of Impact

Type of impact	Type of unit	Economic cost per unit
Health Impacts		
Fatalities – residents	per person	£2,650,033
Serious Injuries – residents	per person	£294,835
Slight Injuries – residents	per person	£22,652
Injuries - rescue services	per person	£98,849
Mental health - treatment – residents	per person	£11,000
Mental health - op – screening - family, friends, neighbours	per person	£200
Mental health - treatment - family, friends, neighbours	per person	£6,000
Mental health - wellbeing - avoiding depression – residents, family, friends, neighbours	per person	£60,000
Non-Health Impacts		
Demolition of building	per building	£800,000
Rebuilding cost	per flat	£300,000
Lost personal possessions	per flat	£25,000
Specialist recovery	per flat	£2,000
Temporary accommodation	per resident	£1,200

Lost rent from commercial space	per week	£15,000
Experts' investigation	per building	£250,000
Legal fees	per building	£1,000,000
Residents' meetings	per meetings	£1,250

The economic costs of each type of fire incidents for the buildings in scope (e.g., Cat 1 buildings) are estimated by assigning economic cost per unit for each type of impact to the proportion of Grenfell Tower type incident losses assumed to occur for the building categories. For example, the economic costs of fatalities (residents) for a fire type (e.g., major incident with multiple fatalities) are estimated as follows: unit values of fatalities as shown in Table 8.6 (£2,650,033) * % of Grenfell Tower losses of Table 8.5 (25%) * number of fatalities of Table 8.4 (72) = £47m, and this provides the first entry of the following table which presents the estimated losses for each fire incident type within Category 1 buildings in Wales.

Table 8.7: Economic Costs of Fire Incidents for Category 1 Buildings

Type of impact	Major incident - with multiple fatalities	Major incident - with reduced fatalities	Medium incident - with fatalities	Medium incident - without fatalities	Minor incident - 2 floors	Minor incident - 1 floor	Fires in common areas
Health Impacts							
Fatalities - residents	£47,700,599	£9,540,120	£441,672	£0	£82,814	£82,814	£ -
Serious Injuries - residents	£1,474,174	£1,474,174	£147,417	£0	£59,888	£59,888	£22,593
Slight Injuries - residents	£237,843	£237,843	£11,326	£0	£4,601	£4,601	£1,736

Injuries - rescue services	£2,817,183	£2,817,183	£563,437	£0	£0	£0	£ -
Mental health - treatment - residents	£1,270,500	£635,250	£127,050	£0	£0	£0	£ -
Mental health - op - screening	£1,100,000	£550,000	£110,000	£0	£0	£0	£ -
Mental health - treatment - other	£10,890,000	£5,445,000	£1,089,000	£0	£0	£0	£ -
Mental health - wellbeing - avoiding depression	£108,900,000	£54,450,000	£10,890,000	£25,200	£25,200	£ 25,200	£25,200
Total Health Costs, £m	£174m	£75m	£13m	£0.03m	£0.2m	£ 0.2m	£0.05m
Non-Health Impacts							
Demolition of building	£800,000	£800,000	£0	£0	£0	£0	
Rebuilding cost	£18,000,000	£18,000,000	£3,600,000	£3,600,000	£360,000	£180,000	£22,100
Lost personal possessions	£1,500,000	£1,500,000	£300,000	£300,000	£30,000	£15,000	
Specialist recovery	£120,000	£120,000	£24,000	£24,000	£2,400	£1,200	
Temporary accommodation	£138,600	£138,600	£27,720	£27,720	£2,772	£1,386	

Lost rent from commercial space	£360,000	£360,000	£72,000	£72,000	£7,200	£3,600	
Experts' investigation	£125,000	£125,000	£25,000	£25,000	£2,500	£1,250	
Legal fees	£500,000	£500,000	£100,000	£100,000	£10,000	£5,000	
Residents' meetings	£6,250	£6,250	£1,250	£1,250	£125	£63	£63
Total non-health costs, £m	£21.5m	£21.5m	£4.1m	£4.1m	£0.4m	£0.2m	£0.02m

Step 5: Scaling up – the final step in the analysis is to estimate the number of such incidents (and associated value of loss) across Wales, in buildings in scope, over the 10-year period, without and with the new building safety regime. This stage involves estimating the baseline probability of fire incidents, assessing potential risk reductions over time through remediation under the baseline scenario, and additional risk mitigation through the policy measures. The outcome is a reduction in fire incidents attributed to the policy, along with the monetised value of those avoided incidents. The activities and assumptions underpinning both the counterfactual and policy scenarios are outlined below:

Without the Act (Counterfactual) -- The annual probability of each fire incident type occurring across building categories in Wales is estimated using baseline figures from the England analysis, adjusted for Welsh proportion of the stock of buildings and fire statistics (pre-counterfactual scenario). Over the 10-year appraisal period, these probabilities are expected to decline due to increased remediation of at-risk buildings, improved building management, and enhanced resident engagement—particularly reducing the risk of fire spread in taller buildings (counterfactual scenario). Adjustments are made to reflect the varying relevance of remediations across building heights.

With the Act (Policy Regime) -- The analysis anticipates a further reduction in fire spread risks through measures under the new regime. It assumes that principal accountable persons will proactively assess buildings and collaborate with residents to address identified issues. The Act is expected to have the greatest impact on mitigating major fire incidents in Category 1 buildings, with more modest risk reductions in smaller buildings and less severe fire types, and adjustments are made to reflect this variation.

Illustrative calculations sequence for category 1 buildings at step 5 (Scaling up)

This section outlines a worked example demonstrating the methodology used to estimate the benefits—both in terms of reduced fire incidents and their associated economic value—attributable to the Building Safety Act, beyond those expected under the counterfactual scenario. The example focuses on Category 1 buildings, with similar calculations applied to other building categories.

Estimating baseline fire incident probabilities (pre-counterfactual)

Baseline fire risks are assessed using historical data for the pre-policy (counterfactual) scenario. Major fire incident risks are adapted from England analyses and adjusted to reflect conditions in Wales. Medium and minor fire risks are derived from Welsh fire statistics covering the five-year period from 2018 to 2023.

Table 8.8: Estimated Risk of Fires - pre counterfactual (Baseline) - (% probability of fire occurring each year - historic data)											
		2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
	Incidents per annum	yr1	yr2	yr3	yr4	yr5	yr6	yr7	yr8	yr9	yr10
Major incident 25% fatalities	0.00030	0.0003	0.0003	0.0003	0.0003	0.0003	0.0003	0.0003	0.0003	0.0003	0.0003
Major incident (whole building loss)	0.00192	0.0019	0.0019	0.0019	0.0019	0.0019	0.0019	0.0019	0.0019	0.0019	0.0019
Medium incident (casualties)	0.20000	0.2000	0.2000	0.2000	0.2000	0.2000	0.2000	0.2000	0.2000	0.2000	0.2000
Medium incident (no casualties)	0.27000	0.2700	0.2700	0.2700	0.2700	0.2700	0.2700	0.2700	0.2700	0.2700	0.2700
Minor incident (2 floors)	0.07000	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700
Minor incident (1 floor)	0.96000	0.9600	0.9600	0.9600	0.9600	0.9600	0.9600	0.9600	0.9600	0.9600	0.9600
Fires in common areas	5.38000	5.3800	5.3800	5.3800	5.3800	5.3800	5.3800	5.3800	5.3800	5.3800	5.3800

Risk reduction for remediation efforts under the counterfactual scenario

An improvement in fire safety is expected even without the implementation of the Act, driven by a proportion of remediated buildings, better building management, fire evacuation practices, and residents' engagement. These efforts are particularly effective in reducing the risk of severe fire spread in taller buildings, with more limited impact on lower-rise structures. A risk reduction adjustment factor is applied to account for this variation.

Table 8.9: The anticipated improvement to fire safety without the Act, based on the increasing proportion of buildings that are remediated (changes to the baseline counterfactual)											
	yr1	yr2	yr3	yr4	yr5	yr6	yr7	yr8	yr9	yr10	
risk reduction	10%	20%	30%	40%	50%	55%	60%	65%	70%	70%	
relative risk of fire spread due to defect remediation compared to baseline fire statistics	90%	80%	70%	60%	50%	45%	40%	35%	30%	30%	
Gross impacts net of counterfactual											
	risk reduction adjustment factor	yr1	yr2	yr3	yr4	yr5	yr6	yr7	yr8	yr9	yr10
Major incident 25% fatalities	100%	0.0003	0.0002	0.0002	0.0002	0.0001	0.0001	0.0001	0.0001	0.0001	0.0001
Major incident (whole building loss)	100%	0.0017	0.0015	0.0013	0.0011	0.0010	0.0009	0.0008	0.0007	0.0006	0.0006
Medium incident (casualties)	100%	0.1800	0.1601	0.1397	0.1194	0.0990	0.0900	0.0800	0.0700	0.0600	0.0603

Medium incident (no casualties)	100%	0.2430	0.2161	0.1886	0.1612	0.1337	0.1215	0.1080	0.0945	0.0810	0.0814
Minor incident (2 floors)	30%	0.0679	0.0658	0.0637	0.0615	0.0594	0.0585	0.0574	0.0564	0.0553	0.0553
Minor incident (1 floor)	10%	0.9504	0.9408	0.9311	0.9213	0.9115	0.9072	0.9024	0.8976	0.8928	0.8929
Fires in common areas	10%	5.3262	5.2727	5.2179	5.1631	5.1084	5.0841	5.0572	5.0303	5.0034	5.0041

Additional risk reductions under the policy regime

Further reductions in fire risk are attributed directly to the implementation of the Building Safety Bill, reflecting the enhanced safety measures it introduces.

Table 8.10 - Assumptions on Further Risk Reduction for the Building Safety Act											
		yr1	yr2	yr3	yr4	yr5	yr6	yr7	yr8	yr9	yr10
Further risk reduction attributable to the Building Safety Act		2%	5%	10%	15%	20%	30%	40%	50%	60%	75%
Risk reduction adjustment factor		yr1	yr2	yr3	yr4	yr5	yr6	yr7	yr8	yr9	yr10
Major incident 25% fatalities	100%	2%	5%	10%	15%	20%	30%	40%	50%	60%	75%
Major incident - minor fatalities	100%	2%	5%	10%	15%	20%	30%	40%	50%	60%	75%
Medium incident (casualties)	75%	2%	4%	8%	11%	15%	23%	30%	38%	45%	56%
Medium incident (no casualties)	50%	1%	3%	5%	8%	10%	15%	20%	25%	30%	38%
Minor incident (2 floors)	50%	1%	3%	5%	8%	10%	15%	20%	25%	30%	38%
Minor incident (1 floor)	25%	1%	1%	3%	4%	5%	8%	10%	13%	15%	19%
Fires in common areas	50%	1%	3%	5%	8%	10%	15%	20%	25%	30%	38%

Estimating the reduction in fire incidents

The reduction in fire incidents is calculated by applying the risk reduction percentages (as shown in Table 8.10) to the counterfactual probabilities of fire incidents (Table 8.9).

Table 8.11 - Resulting Reduced Number of Incidents for the Building Safety Act

	yr1	yr2	yr3	yr4	yr5	yr6	yr7	yr8	yr9	yr10
Major incident 25% fatalities	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0001	0.0001	0.0001
Major incident - minor fatalities	0.0000	0.0001	0.0001	0.0002	0.0002	0.0003	0.0003	0.0003	0.0003	0.0004
Medium incident (casualties)	0.0027	0.0060	0.0105	0.0134	0.0149	0.0203	0.0240	0.0263	0.0270	0.0339
Medium incident (no casualties)	0.0024	0.0054	0.0094	0.0121	0.0134	0.0182	0.0216	0.0236	0.0243	0.0305
Minor incident (2 floors)	0.0007	0.0016	0.0032	0.0046	0.0059	0.0088	0.0115	0.0141	0.0166	0.0207
Minor incident (1 floor)	0.0048	0.0118	0.0233	0.0345	0.0456	0.0680	0.0902	0.1122	0.1339	0.1674
Fires in common areas	0.0533	0.1318	0.2609	0.3872	0.5108	0.7626	1.0114	1.2576	1.5010	1.8765

Estimating the monetised value of avoided accidents

To quantify the economic benefits or avoided costs, the cost per fire incident type is applied to the estimated reduction in incidents, yielding the total monetised value of avoided fires under the policy regime.

Table 8.12 - Monetised Value (£) of avoided incidents											
Health Impacts	cost per incident	yr1	yr2	yr3	yr4	yr5	yr6	yr7	yr8	yr9	yr10
Major incident 25% fatalities	174,390,000	927	2,062	3,600	4,613	5,101	6,955	8,243	9,016	9,273	11,642
Major incident - minor fatalities	75,150,000	2,597	5,776	10,082	12,920	14,289	19,481	23,088	25,253	25,975	32,609
Medium incident (casualties)	13,430,000	36,261	80,629	140,753	180,370	199,481	271,958	322,320	352,538	362,610	455,231
Medium incident (no casualties)	30,000	73	162	283	363	401	547	648	709	729	915
Minor incident (2 floors)	180,000	122	296	573	831	1,069	1,578	2,066	2,536	2,986	3,735
Minor incident (1 floor)	180,000	855	2,117	4,190	6,219	8,204	12,247	16,243	20,196	24,106	30,136
Fires in common areas	50,000	2,663	6,591	13,045	19,362	25,542	38,131	50,572	62,879	75,051	93,827
Total (non- discounted)		40,836	97,633	159,480	205,315	228,546	312,765	372,609	410,247	425,678	534,268

PV (Discounted value)		£0	£35,753	£77,147	£130,504	£161,077	£193,089	£255,042	£295,212	£314,525	£373,363
Non-Health Impacts											
Major incident 25% fatalities	21,550,000	115	255	445	570	630	859	1,019	1,114	1,146	1,439
Major incident - minor fatalities	21,550,000	745	1,656	2,891	3,705	4,098	5,586	6,621	7,242	7,448	9,351
Medium incident (casualties)	4,150,000	11,205	24,915	43,494	55,736	61,642	84,038	99,600	108,938	112,050	140,671
Medium incident (no casualties)	4,150,000	10,085	22,424	39,145	50,162	55,478	75,634	89,640	98,044	100,845	126,604
Minor incident (2 floors)	410,000	278	675	1,305	1,892	2,435	3,595	4,707	5,776	6,802	8,507
Minor incident (1 floor)	210,000	998	2,470	4,888	7,255	9,571	14,288	18,950	23,562	28,123	35,159
Fires in common areas	20,000	1,065	2,636	5,218	7,745	10,217	15,252	20,229	25,152	30,020	37,531
Total (non- discounted)		24,490	55,031	97,386	127,066	144,070	199,252	240,765	269,826	286,435	359,260
PV (Discounted value)		24,490	53,170	90,911	114,606	125,549	167,765	195,863	212,081	217,522	263,600
Total Discounted Benefits (cumulative)	19,683,620										

8.65 Similar steps were used to estimate the discounted avoided costs of structural incidents at £136K.

8.66 The same categories of building were used, although the duties to manage structural safety only extend to category 1 and category 2 buildings.

8.67 Types of structural incidents that could be avoided by the policy were identified:

- Major structural incidents – e.g. partial building collapse; and
- Medium structural incidents – e.g. elements falling from a building, such as parts of cladding, windows, balconies etc.

8.68 An estimate was made of the likelihood of an incident:

- Major incidents - Partial building collapse – literature review identified one incident in the last 10 years affecting buildings containing flats. As a result, we are assuming one incident occurring every 10 years across buildings in scope.
- Medium incidents – Elements falling from building – literature review identified 3 incidents in the last 10 years affecting buildings containing flats. As a result, we are assuming one incident every 3 years across the buildings in scope.

8.69 An estimate was made of the cost of an incident:

- Major structural incident costed at £400,000 per flat within buildings:
- for > 18m buildings this equates to £22.4m.
- for 11-18m this equates to £16m.
- for small blocks of flats it equates to £3.6m; and
- for converted buildings it equates to £0.8m per building.
- Medium structural incident costed at 10% of a major incident.

8.70 Scaling up:

- Category 1 – assume risk reduction of 80% as a result of policy.
- Category 2 – assume 40% risk reduction as a result of policy.

8.71 Further detail of the benefit modelling approach and methodology can be found in the Benefits Report which is published on the Senedd website Building Safety (Wales) Act.

Non-monetised benefits

8.72 A number of identified types of benefits have however not been monetised, because of lack of sufficient evidence to allow reliable estimates or because it was not considered proportionate to carry out the analysis. It may be possible to monetise some or all of these at a future date, when sufficient evidence is available.

- Making residents feel safer in their homes – a significant non-monetised benefit of the new regime is expected to be the improved well-being of residents of multi-occupied dwellings as a result of a reduced fear of the risk of fires spreading within their buildings (irrespective of whether a fire happens in their building or not). This would mitigate negative mental health and well-being impacts arising from any existing uncertainty or concerns as to the safety of people’s homes. This could be achieved by the cumulative impact of mandating a proactive approach to building safety, the provision of information to residents to help develop more transparent and collaborative relationships over building safety, and a more effective system of handling complaints, whereby residents have an increased confidence that issues are raised and resolved faster. Similarly, the introduction of building safety authorities, would give further confidence to residents that dedicated action is being taken to ensure that the fire and structural safety risks in their homes are minimised. At this point, it has not been possible to obtain a sufficiently accurate estimate regarding the extent to which people value feeling safer in their own homes as a result of the regime. Gathering evidence to do so, for example through a stated preference study, would be challenging and costly. Para 8.105 provides an estimate of the level of improvement required to make the policy cost neutral (switching value).
- Providing greater confidence to mortgage and insurance providers that in-scope buildings represent adequate collateral for loans – the new regime is also expected to improve the functioning of the mortgage and insurance markets by allowing lenders to borrow against flats that they are currently unable to, thus increasing the availability and value of these products to leaseholders and residents. Similarly, the new regime should help reduce the tendency for insurers to ask for higher premiums for building insurance because of the difficulties insurers face in differentiating between safe and unsafe buildings. Evidence on building insurance costs has however been mixed to date – whilst there is evidence that insurance rates have increased when risks are identified; also that the process of remediation work is seen as introducing additional short-term risks, but evidence is less clear that upon remediation, rates reduce. The increase in confidence may also help to encourage further investment in the buildings, generating additional benefits for residents.
- Reduced firefighting costs (time and materials): Fewer fires would result in lower costs for Fire and Rescue Services responding to them. Time saved would not be a cashable benefit for wholetime crews, but it would

for retained firefighters (most of whom are paid only for the time that they respond to incidents). The minimum initial response to any dwelling fire would normally be 2 vehicles crewed by 10 firefighters at a salary cost of around £200 per hour in total. Larger or more serious incidents naturally mean a greater deployment of resources. (The response to the fire at Grenfell Tower involved over 60 vehicles at its peak). All avoided fires would result in avoided costs for fuel, firefighting materials, and wear and tear on vehicles and equipment.

- **Avoided environmental contamination:** Related to the avoided use of firefighting materials, above, would be avoided environmental contamination and related health hazards.
- **Reduced enforcement costs for Fire and Rescue Authorities:** Two factors may be expected to contribute. The requirement for fire risk assessors to be competent should yield a higher standard of assessments, which will in turn facilitate effective inspection. And for buildings at least 11 metres in height, the register will clearly indicate who is accountable for building safety thus avoiding the difficulties that can currently occur in identifying the responsible person.
- The non-monetised benefits of occurrence recording and reporting include increasing awareness and shared knowledge of building safety concerns and providing building safety authorities with an informed intelligence picture of the safety issues within the sector.

Approach and methodology – other details

Appraisal period

8.73 The following appraisal periods are used in the analysis:

- **Costs** – a 10-year policy appraisal period is modelled
- **Benefits** – a 70-year appraisal period is used

8.74 The 10-year appraisal period for costs is long enough for the new regime to achieve a steady state. However, recurrent costs will continue to be incurred after the end of the 10-year appraisal period.

8.75 The 70-year appraisal period used to assess benefits captures those benefits that accrue during the 10-year policy appraisal period (equal to that used to estimate costs) and benefits that may persist over the lifespan of a building, assumed to be 60 years. This is to best capture all the benefits and reflects the Green Book guidance on ‘persistence’ of benefits.

8.76 It is likely to take 10-15 years before all of the improvements to building safety are actioned following safety cases. Therefore, we expect the benefits of reduced impact of fires and structural damage to be experienced between years 14/15 and years 19/20. Following that we expect benefits to reduce but with longer lasting benefits on building safety continuing to be realised throughout the life of the building.

Start year and price year

8.77 The analysis uses a start year of 2027-28 and a price year of 2023-24.

Phase-in and transition

8.78 18m+ buildings in Year 1 and other buildings in Year 2.

8.79 This is our working assumption for the purpose of this analysis. Further implementation planning will be undertaken, co-designed with partners.

Variance from the central estimate

8.80 Uncertainty in our assumptions means that it is not always possible to state the costs and benefits of the regime with certainty.

Limitations of the Assessment

8.81 The benefits analysis conducted by Adroit Economics evaluates the Building Safety Act as a complete set of measures. Due to limited supporting evidence and data constraints, it is challenging to isolate and attribute specific benefits to individual policy components—for instance, there is insufficient supporting evidence to quantify the fire risk reduction resulting solely from increased resident engagement or golden thread information. However, this comprehensive approach could be useful in shaping the design and focus of the post-implementation review, particularly when more context-specific data will be available for England and Wales.

8.82 It is further important to note that the cost and benefit estimates are based on provisional assumptions regarding the operational characteristics of the regime. These assumptions have been reviewed and refined in consultation with key stakeholders, including representatives from industry, the UK Government, the Health and Safety Executive, Community Housing Cymru, Welsh local authorities, the Welsh Local Government Association, and Welsh fire and rescue authorities. Despite these efforts, a degree of uncertainty remains. Specifically, assumptions related to fire risk profiles for the buildings in scope, % of risk reductions over years, risk adjustments for fire and building types, and potential loss estimates are inherently uncertain. While the extent of uncertainty varies across individual assumptions, it collectively contributes to variability in the overall cost-benefit estimates.

Results – costs, benefits and net benefits (central estimate)

Summary

8.83 All of the costs and benefits in this analysis have been presented net of the counterfactual (option 1). Therefore, the costs of not taking forward the measure in this Act, i.e. the consequences in relation to residents' safety and building management in continuing with business as usual, have not been monetised in the analysis. Unless otherwise stated, all costs and benefits are presented in present value terms and rounded to the nearest £10,000. Some of the totals may not sum due to this rounding. HM Treasury's standard discount rate of 3.5% has been used to discount all costs and benefits, with the exception of health-related benefits which have been discounted by 1.5%. This is in line with HM Treasury Green Book guidance.

8.84 We have considered the counterfactual in two ways:

- For a proportion of buildings, activities that will be new requirements under the Act are already being undertaken, and so the total cost has been discounted by this proportion.
- We have only considered the costs incurred from the additional time and resources required to perform new requirements of the Act.

8.85 This approach ensures that, as far as possible and where appropriate, we are only costing the new requirements of the regime. We are also only costing additional time, meaning that we are not counting time for activities that are already being done. This, therefore, means that we have not explicitly costed all the counterfactuals (as only additional time to undertake new burdens has been considered for some elements).

8.86 Table 8.13 shows the monetised benefits, costs and net benefits of options 2 and 3 over and above the counterfactual:

- Option 2 will generate a negative net benefit figure – minus £89.50m
- Option 3 will generate a negative net benefit figure – minus £87.59m

8.87 The monetised benefits are notably less than the costs for both policy options. As noted however, it has not been possible to monetise all of the benefits. If it had been possible to monetise all of the benefits, the benefits may have equalled or been greater than the costs.

Table 8.13: Summary of benefits, costs, and net benefits (£m, present value (PV))		
	Option 2	Option 3
Monetised Benefits	£55.00	£62.60
Costs	£144.50	£149.79
Net Benefits	-£89.50	-£87.19

Results – further detail

8.88 Table 8.14 shows the present value of the costs for both policy options over the ten-year appraisal period:

- Option 2 will cost £144.50m
- Option 3 will cost £149.79m

Table 8.14: Costs PV (£m)		
	Option 2	Option 3
storeys+7	£29.43	£29.43
4-6 storey	£5.87	£8.24
under 4 storey	£73.33	£74.42
HMO	£10.43	£10.43
Other costs (not building specific)	£25.44	£27.27
Total	£144.50	£149.79

8.89 Table 8.15 shows where costs for the Act (option3) fall over the 10 year appraisal period. These figures have not been discounted. Further information about costs can be found at Annex 5 and in the accompanying Cost Model Report.

Table 8.15: Undiscounted Costs (£m, 2023 prices)										
	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37
Industry	6.02	37.47	12.31	12.09	12.00	11.30	11.33	10.71	10.80	10.89
BSA	1.91	0.70	0.70	0.68	0.67	0.63	0.63	0.59	0.60	0.60
FSA	0.12	0.27	0.28	0.28	0.28	0.27	0.28	0.27	0.27	0.28
Welsh Government	3.22	2.53	2.53	2.51	2.53	2.50	2.50	2.50	2.50	2.50

Note: the analysis presented in Table 8.15 includes estimated costs of £1.2m expected to be incurred by local authorities to prepare for the introduction of the new regime. For the purpose of the appraisal, these costs have been included in the 2027-28 figures.

Costs in relation to the specific policy requirements of the Act

8.90 Table 8.16 shows an estimate of present value costs of option 3 over 10 years for industry and each of the authorities, against each of the specific policy requirements of the Act. The costs have been estimated using the approach and assumptions set out above.

Table 8.16: 10yr NPV (£m) 2023 Prices					
	Industry	Local Authorities	Fire and Rescue Authorities	Welsh Government	Total
Fire Safety Measures	£37.208	£0.000	£0.000	£0.000	£37.208
Safety Case	£4.183	£0.005	£0.008	£0.000	£4.196
Golden Thread	£15.822	£0.000	£0.000	£0.000	£15.822
Building Registration Information	£0.471	£0.000	£0.000	£0.000	£0.471
Occurrence Recording and Reporting	£0.064	£0.066	£0.023	£0.035	£0.188
Duties on Residents	£9.418	£0.000	£0.000	£0.000	£9.418
Engaging Residents	£24.214	£0.000	£0.000	£0.000	£24.214
Providing systems to receive building safety complaints	£22.233	£1.262	£0.302	£0.000	£23.797
Sanctions and Enforcement	£3.270	£1.211	£1.200	£21.515	£27.196
Building Registration	£0.079	£2.347	£0.000	£0.768	£3.195
Building Certificate	£0.155	£0.713	£0.664	£0.000	£1.532
Familiarisation and implementation	£1.296	£1.240	£0.017	£0.000	£2.552
	£118.414	£6.844	£2.214	£22.317	£149.789

Administrative costs for authorities in relation to specific activities

- 8.91 The present value cost to local authorities is estimated at £6.84m over 10 years. Building registration (£2.35m) represents 34% of costs to local authorities, handling building safety complaints (£1.26m), undertaking enforcement activity (£1.21m) and familiarisation and implementation (£1.24m) each representing 18% of costs. Building certification (£0.71m) represents 10% of costs to local authorities.
- 8.92 The present value cost to fire and rescue authorities is estimated at £2.21m over 10 years. Undertaking enforcement activity (£1.20m) represents 54% of costs to fire and rescue authorities, building certification (£0.66m) represents 30% of costs and handling building safety complaints (£0.30m) represents 14% of costs.

Administrative costs for the Welsh Government in relation to specific activities

- 8.93 In present value, costs for Welsh Government are discounted from £25.80m to £22.32m. Table 1 includes a breakdown of the present value costs for Welsh Government.
- 8.94 Sanction and Enforcement accounts for £21.51m or 96% of the total. This is the estimated cost of the new regime to the Residential Property Tribunal (RPT). The estimate is uncertain, being based on assumptions about the number of cases which the RPT may be asked to consider. Officials are working with the Welsh Tribunals Unit and the RPT to fully understand additional resource implications. We will keep these costs under review throughout the phased implementation period. This will be a recurring cost to Welsh Government.
- 8.95 Other costs for Welsh Government include £0.66m for the development of secondary legislation and guidance and £0.08m for annual remediation progress reports and £0.05m for progress report on bringing the Act into force. This will be a transitional cost to Welsh Government.
- 8.96 The Act provides a power for the Welsh Ministers to make regulations for, and in connection with, the charging of fees by building safety authorities for exercising their functions under the Act or regulations made under it, and also for doing anything

that is calculated to facilitate, or is conducive or incidental to, the exercise of any of those functions. Fee income may be used to offset some costs to local authorities. Fees charged to accountable persons would not increase the total cost of the Act but would change the proportion of the cost borne by industry rather than building safety authorities. No estimate of fees has been made yet. The regulations that will set the fees will be developed following engagement with key partners and will be consulted upon. The costs for industry and building safety authorities shown in the analysis assume no fees.

8.97 Undiscounted costs to industry total £134.92m over 10 years. These costs will be shared between the large number of people and entities (of various types) accountable for the safety of buildings under the new regime. Entities include, for example, SMEs, large companies, incorporated charities, registered social landlords and local authorities. We are not aware of any evidence from England that the building safety regime there is negatively affecting industry (although there are notable differences between the regime in England and that for Wales).

8.98 Tables 8.17a and 8.17b show the estimated average annual cost per building for the Act (option 3) broken down by detailed building type. Some or all of these costs (with the exception of enforcement costs) will be passed onto leaseholders or residents. Table 8.18 shows the estimated average annual cost per flat for the Act (option 3) broken down by detailed building type.

Table 8.17a Estimated average annual cost per building for policy option 3 broken down by detailed building type (£)						
Option 3		18+_non-LA owned	18+_LA owned	Purpose Built Flats - 11-18m	Purpose Built Flats - large (<11m)	Purpose Built Flats - small
All multi-occupied residential buildings at least 18m subject to category 1 duties; multi-occupied residential buildings between 11-18m subject to category 2 duties; multi-occupied residential building below 11m subject to category 3 duties; relevant HMO subject to the fire safety provisions only	Industry	15,487	16,243	1,828	1,271	458
	BSA	1,155	1,171	67	43	10
	FSA	512	517	61	61	14
	Welsh Gov					

Table 8.17b Estimated average annual cost per building for the Act (option 3) broken down by detailed building type (£)				
Option3	Converted Houses / Flats over shops (2-5 flats)	Sheltered accommodation	Student accommodation	HMO
Industry	116	462	1,065	62
BSA	2	9	31	-
FSA	1	13	42	0
Welsh Gov				

Table 8.18 Estimated average annual cost per flat for the Act (option3) broken down by detailed building type (£)										
Option 3		18m+_n on-LA owned	18m+_L A owned	Purpos e Built Flats - 11-18m	Purpos e Built Flats - large (<11m)	Purpos e Built Flats - small	Convert ed Houses / Flats over shops (2-5 flats)	Shelter ed accom modatio n	student accom modatio n	HMO
All multi-occupied residential buildings at least 18m subject to category 1 duties; multi-occupied residential buildings between 11-18m subject to category 2 duties; multi-occupied residential building below 11m subject to category 3 duties; relevant HMO subject to the fire safety provisions only	Industry	277	290	46	32	51	58	51	35	62
	BSA	21	21	2	1	1	1	1	1	-
	FSA	9	9	2	2	2	0	1	1	0
	Welsh Gov									

8.99 Table 8.19 shows the present value of the monetised benefits of both policy options, broken down by building category:

- Option 2 will generate £55.00m
- Option 3 will generate £62.60m

Table 8.19: Benefits PV (£m)		
	Option 2	Option 3
7 storeys+	£19.82	£19.82
4-6 storey	£3.23	£6.81
under 4 storey	£30.31	£34.33
HMO	£1.65	£1.65
	£55.00	£62.60

8.100 Further information about benefits can be found at Annex 5 and in the accompanying Benefits Model Report.

8.101 Table 8.20 shows the total net cost (the costs minus the benefits)

Table 8.20: Net Costs PV (£m)		
	Option 2	Option 3
7 storeys+	£9.61	£9.61
4-6 storey	£2.64	£1.43
under 4 storey	£43.02	£40.09
HMO	£8.78	£8.78
Other costs	£25.44	£27.27
Total net costs	£89.50	£87.19

8.102 On the basis of this assessment, neither policy option is expected to be cost neutral. There is a clear gap between costs and monetised benefits.

8.103 Table 8.21 shows the additional annual benefit required per option, per resident to breakeven (to be cost neutral).

Table 8.21: Additional annual non-monetised benefit required per resident to breakeven		
	Option 2	Option 3
7 storeys+	£74	£74
4-6 storey	£11	£6
under 4 storey	£20	£19
HMO	£13	£13
	£28	£28

8.104 These figures do not tell the whole story, however. It has not been possible to monetise some of the benefits, particularly the wider reduced anxiety and increased well-being of residents knowing that their buildings

are safe. If it had been possible to monetise these, the additional benefit would have gone some way toward narrowing the benefit gap.

8.105 It can be instructive to consider how great the monetised value of this benefit would need to be for the benefits of the policy to equal its costs (i.e., to achieve a NPV of zero). This can be done by calculating a switching value representing the required valuation of this benefit per resident of in-scope buildings. Table 8.21 shows that the switching value for the Act (option 3) is £27 per resident per year.

8.106 In practice, the reassurance benefit is unlikely to be experienced equally across the population of residents. Some residents will experience no or only a small benefit (for example, because they already feel safe in their home, or because they do not believe the Act and consequent actions will make their households safer). This means that other residents would need to experience greater reassurance for these averages to be achieved.

8.107 To put the switching value in context, Department for Transport's TAG data book¹¹ values the human cost of a slight casualty at £15,606 (2023-24 prices and values), which is substantially higher than the £27 calculated for the Act. This is based on a stated preference study and reflects the willingness of an individual to pay to avoid the pain, grief and suffering of a slight accident to the casualty, their relatives and friends.

8.108 Moreover, one of the objectives of the Act, alongside other measures, is to ensure that another catastrophic disaster similar to the Grenfell Tower fire, never happens again. The full financial cost of the Grenfell Tower fire is estimated to be over £1 billion¹². Since the chain of failures that led to the Grenfell fire involved repeated non-compliance with the law as it then stood, it may be impossible to legislate the risk out of existence entirely. Nonetheless, the avoided cost of reducing the likelihood of this happening again is significantly greater than the policy cost. But because of the protocols governing the methods of a Green Book compliant cost benefit analysis, it has not been fully possible to attribute £1 billion of benefits to the policy options:

- Firstly, because a proportion of the avoided costs need to be attributed to some of the other measures over and above those in the Act, such as changed Fire and Rescue Service evacuation policy, and to interim measures such as waking watch and removal of flammable cladding.
- Secondly, even without the Act and other measures, the probability of a Grenfell type incident occurring in Wales in the near future is small, hence the likelihood of a similar incident occurring in the policy appraisal period under the counterfactual is small, meaning that only a proportion of the benefit of avoiding such an incident can be taken into account in the benefit analysis. Such is the nature of probability methodology. But

¹¹ [TAG data book - GOV.UK](#)

¹² [Cost of Grenfell Tower disaster soars to nearly £1.2bn | Grenfell Tower fire | The Guardian](#)

even though the probability of a similar event happening in the policy appraisal period is small, it could do, and if it did happen because of the absence of the Act and other measures, then all of the £1 billion could have been avoided because of the Act.

8.109 Therefore, when considering the costs and benefits of the Act, it is suggested that two approaches are used:

- The first of which is the Green Book compliant cost benefit analysis approach set out in this document, which shows a monetised benefits gap, but one which may be significantly reduced if it had been possible to monetise those benefits it was not possible to monetise.
- and to balance against this, an approach that says that the current risk of an incident similar to the Grenfell Tower fire, although small, is still higher than is tolerable. The priority is to undertake measures (irrespective of the cost) that will reduce the risk, as far as reasonably possible, to a level that will prevent such an incident from happening again, because if it did, the loss/cost would more than outweigh the costs of the Act.

Results: further details

8.110 Further breakdown of the policy costs and benefits can be found at Annex 5.

Preferred Option

8.111 Our preferred option is option 3 (the Act) because of the additional benefits it provides to residents. Although the cost of option 3 is greater than that of option 2, the net benefit of option 3 is marginally better, and these benefits are not considered fully reflective of the benefits in reality.

9. Impact Assessments

9.1 A full Integrated Impact Assessment (IIA) has been undertaken, which covers all provisions in the Act. A summary of the impacts is outlined below, and the specific impact assessments will be published as appropriate.

9.2 In addition to the Health Impact Assessment Screening, specific assessments were undertaken to understand the impact of the Act on the following areas:

- Children's Rights.
- Welsh Language.
- Equality.
- Rural Proofing.
- Data Protection.
- Biodiversity.
- The Socio-economic Duty.
- Justice.

Children's Rights

9.3 The Rights of Children and Young Persons (Wales) Measure 2011 requires Welsh Ministers to have due regard to the United Nations Convention on the Rights of the Child.

9.4 By improving regulation, the Act aims to create safer living environments by reducing fire and structural risks, benefiting all residents, including children.

9.5 Households with children are much less likely to live in buildings in-scope of the Act than in all dwellings. Fire casualty data for Wales shows that the proportion of fire casualties who are children is much lower than the proportion of children in the population. Therefore, children will not be disproportionately impacted by the Act.

9.6 Improved resident engagement and a complaints process are intended to ensure that residents' concerns are heard and addressed, contributing to their psychological and emotional well-being. The Act aims to promote a sense of safety, which is crucial for the mental health of children and young people.

9.7 Although children are not directly involved in the engagement strategy, parents and guardians can engage them in safety discussions, instilling a sense of responsibility and highlighting the importance of safety measures. This approach can empower children to act responsibly and maintain their safety.

9.8 The most significant negative impact on children will be the cost of the new regime for their families. These costs could potentially have the greatest

impact on those least able to pay. Poverty rates vary for different family types. Households with children tend to have higher poverty rates because there are more people in the household relative to its potential income. Children living in private or social rented accommodation, those in workless households, single parent households and Black and Asian children are all more likely to be in poverty.

9.9 Overall, the Building Safety Act aims to enhance the safety and well-being of all residents, including children, but it may also present financial challenges for some families with children. The Act emphasizes compliance, accountability, and collaboration to create safer living environments.

Welsh Language

9.10 The Act will have no effect on the Welsh language or on the ability of people to use Welsh.

9.11 Welsh speakers are less prevalent in households living in buildings covered by the Act compared to all households. For example, only 8% of households in flats, maisonettes, and apartments have all adults speaking Welsh, compared to 10% in all dwellings.

9.12 Public sector bodies affected by the Act are subject to Welsh Language Standards (WLS), promoting the use of Welsh in their duties. This includes local authorities and fire and rescue authorities. These standards will apply to their duties under the Act in the same way as other duties.

Equality

9.13 The Equality Impact Assessment sets out the impact on people with protected characteristics as described in the Equality Act 2010.

9.14 While the Act aims to improve safety for all residents in multi-occupied residential buildings, those at greatest risk from fires are likely to benefit more significantly. These include older people, some disabled people and single parent families.

9.15 There will be costs associated with the new regime which may be passed on to residents. These are likely to have a greater impact on groups at highest risk of poverty, including:

- Some older households, particularly:
 - Older people who rent their homes, privately or through the social sector
 - Older Black and Asian people
 - Older single women
- Young households
- Households with children, particularly:

- Single parent households
- Households with 3 or more children
- Black or Asian households with children
- Households with children living in rented homes
- Disabled households, particularly those who:
 - Live in households with both disabled adults and children, or
 - Have long-term, limiting mental impairments
- Black, Asian or minority ethnic households
- Low-income households

Rural Proofing

9.16 The new regime is expected to benefit residents of multi-occupied buildings throughout Wales, regardless of whether they live in urban or rural areas. Local authorities and fire rescue services have been consulted, and they have not identified any significant differences in impact based on rurality. The Act is designed to have minimal impact on service users, workers, or consumers in rural areas and does not rely on infrastructure such as good road or rail connections, fast broadband, or mobile connectivity.

9.17 Multi-occupied residential buildings are less common in rural regions, and thus the impact of the Act on these areas is likely to be less. About a third of the population lives in rural local authorities. By comparison, only 5% of category 1 buildings, 15% of category 2 buildings and less than a third (23-30%) of HMOs are found in rural local authorities. Although the location of category 3 buildings aligns more closely with the population distribution of Wales.

9.18 The Act does not affect agriculture or related activities, so no Sustainable Land Management (SLM) Impact Assessment is necessary.

9.19 In summary, the Act is intended to enhance the safety of multi-occupied residential buildings across Wales without causing significant adverse effects on rural communities.

Data Protection

9.20 The Welsh Government will not be a controller for personal data processed in relation to the Act. Rather, building safety authorities, fire safety authorities, the Residential Property Tribunal, principal accountable persons, and duty holders under the Act will be the data controllers for the processing of personal data when carrying out their functions and duties.

9.21 Various provisions within the Act will require the processing of personal data, including the registration of buildings, operation of occurrence

recording systems, establishment of complaints systems, and compliance with requests for information. Personal data such as names, contact details, and addresses will be processed to ensure accountability and enable enforcement actions.

9.22 The processing of personal data under the Act is justified, necessary, and proportionate to achieve the Act's objectives while complying with data protection laws.

Biodiversity

9.23 This assessment is guided by the objectives of the Nature Recovery Action Plan for Wales, which aims to reverse the decline of biodiversity. The assessment considers both direct and indirect impacts on biodiversity, emphasizing the importance of proactively seeking opportunities to maintain and enhance biodiversity.

9.24 The Act will have no impact on biodiversity.

Socio-Economic Duty Assessment

9.25 The assessment considers how the Act contributes to inequalities of outcome due to socio-economic disadvantage.

9.26 Compared to the whole population, households living in flats, maisonettes, and apartments are more likely to be single-person households, older, disabled, Black, Asian, or minority ethnic, economically inactive, and in material deprivation.

9.27 Residents of HMOs are more likely to be young, economically inactive, Black, Asian, or minority ethnic.

9.28 The new regime aims to benefit all residents, including those most at risk, such as older people, disabled people, and single-parent households. However, there will be costs associated with the regime, which may disproportionately impact groups at highest risk of poverty.

9.29 Housing costs are a major factor in determining whether people are pulled into poverty. The cost of the new regime may exacerbate financial pressures for low-income households, particularly those who rent their homes. The groups most likely to be affected by the increased costs include:

- Some older households: Particularly older people who rent their homes, older Black and Asian people, and older single women.
- Young households
- Households with children: Particularly single-parent households, those with three or more children, Black or Asian households with children and households with children living in rented homes

- Disabled households: particularly, households with both disabled adults and children, or those with long-term, limiting mental impairments.
- Black, Asian, or minority ethnic households
- Low-income households: Households with low incomes are less likely to have savings to use as a safety net, making them more vulnerable to financial pressures.

9.30 Overall, while the new regime will bring additional costs that may disproportionately impact low-income households, it also aims to improve the safety and well-being of residents, particularly those most at risk.

Justice

9.31 We have considered the impacts of the Act on the justice system. The Welsh Government submitted a completed Justice System Impact Identification Form to the Ministry of Justice, which identified a medium potential impact on the justice system. The Lady Chief Justice's Department has also been consulted of the anticipated impact the Act will have on the justice system.

9.32 The Act will give local authorities in Wales new functions to regulate and enforce building safety duties in residential buildings (as the building safety authority).

9.33 The Act will impose additional duties on local authorities (as building safety authorities), fire and rescue authorities (as fire safety authorities), landlords, tenants, owners, leaseholders, and freeholders. It will also place duties on residents and owners of residential units within in-scope multi-occupied residential buildings to not do any act in a way that creates a significant risk of a building safety risk materialising in relation to the building.

9.34 Building safety authorities and fire safety authorities will be able to make applications to the Residential Property Tribunal under specific circumstances and to prosecute certain breaches under the Act via the courts. A new enforcement regime will ensure compliance with the new building safety regime. This includes:

- Civil Enforcement Powers: including power to issue compliance notices and urgent action notices for specific contraventions. Building safety authorities and fire safety authorities will be able to require information and documents from principal accountable persons and accountable persons and to access and inspect buildings. Fire safety authorities will also be able to issue prohibition notices.
- Enforcement Powers for Building Safety Management: Building safety authorities and fire safety authorities will have the power to take enforcement action against principal accountable persons, accountable persons and residents who fail to comply with their duties.

- 9.35 Accountable persons will be able to issue warning notices to residents where they think there is a contravention of a resident duty. Accountable persons can then apply to the Residential Property Tribunal for a contravention order in certain circumstances. Accountable persons and HMO duty holders can also apply to the Residential Property Tribunal for an access order in certain circumstances.
- 9.36 It is expected that the vast majority of principal accountable persons, accountable persons and residents will fully and willingly comply with the requirements of the new regime. The policy emphasises exhausting non-sanction routes to compliance, such as raising awareness of responsibilities, promoting cultural change, and education, before pursuing civil sanctions or criminal prosecutions. This approach aims to address non-compliance before it impacts the justice system. Buildings under 18 metres in height, which make up the majority of buildings within the scope of the Act, will be subject to a fewer duties.
- 9.37 Data on enforcement activity under the Regulatory Reform (Fire Safety) Order 2005 indicates a relatively low number of enforcement actions in Wales¹³. For example, in the three years from 2020-2023, there were a total of 116 enforcement notices, 17 prohibition notices and one prosecution.
- 9.38 The introduction of specific offences, such as the use of unqualified fire risk assessors, is intended to act as a deterrent rather than leading to an increased number of prosecutions.
- 9.39 When assessing the potential impact of Building Safety Act 2022 in England for buildings 18 metres and higher, UK Government officials concluded that there would be minimal impact on the justice system. Buildings at least 18 metres in height are much less prevalent in Wales than in England. But since the new regime in Wales will apply to a larger range of buildings, it is possible that this will result in more cases being referred, initially, to the Residential Property Tribunal. Our estimates of both the caseload and the unit cost of a case are uncertain and we will attempt to improve the expectation of high compliance and the use of supportive routes to compliance should help to mitigate the impact.

High-Level Health Impact Screening

- 9.40 The Health Impact Assessment (HIA) screening was based on guidance issued by Public Health Wales and aimed to identify potential health impacts of the new building safety regime.
- 9.41 The Act is intended to improve safety for people in or around multi-occupied residential buildings. The greatest impact will be on residents. Compared to the whole population, residents of in-scope buildings are more likely to be single person households, single older person households,

¹³ Stats Wales [Audit activity by audit outcome and financial year](#)

disabled, Black, Asian, or minority ethnic, economically inactive, or in material deprivation.

- 9.42 Death or injury from residential building safety incidents are extremely rare. In 2023-24, there was only 1 fatal casualty from fires in flats or HMOs and 13 casualties in houses or bungalows in Wales, compared to 98 deaths from road traffic collisions. Despite the rarity, the impact of such incidents can be devastating.
- 9.43 The Act is expected to have a positive impact on living and environmental conditions, particularly housing safety. The new regulatory system will clarify accountability for assessing and managing building safety risks in in-scope buildings. It will also encourage dialogue, communication, and engagement with residents on building safety matters. This should enable residents to be safer and feel safer in their homes.
- 9.44 The Act is anticipated to have a moderate positive impact on mental well-being. It aims to provide reassurance to residents by reducing risks to their safety and homes. This reduction in risk and the perception of risk is expected to mitigate negative mental health impacts.
- 9.45 The Act is expected to have a moderate positive impact on social and community influences on health. By improving the safety of multi-occupied residential buildings, the Act aims to reduce the likelihood of residents having to relocate due to building safety incidents. This helps maintain social support systems and community cohesion.
- 9.46 In summary, the Act is intended to improve the safety of multi-occupied residential buildings, benefiting all residents, especially those at greatest risk from building safety incidents. However, the costs associated with the new regime will have the greatest impact on those at highest risk of poverty.

Competition Assessment

- 9.47 The filter assessment shows that the Act is unlikely to have a significant detrimental effect on competition in Wales or the competitiveness of Welsh firms.
- 9.48 We do not have accurate data on the ownership of buildings, but no entity is thought to have a 10% market share of all in-scope buildings. The ownership of buildings at least 18m in height is concentrated in a smaller number of entities than that of other in scope buildings. For those buildings, it is possible that Cardiff Council has a 10% market share, but no entity is thought to have a 20% market share. The ownership of regulated buildings below 11m and HMOs is thought to be widely distributed.
- 9.49 The costs associated with the Act will be higher for buildings at least 18m in height. But the Act is unlikely to affect the market structure, even for these buildings. The requirements of the new regime are deliberately proportionate and therefore manageable for the accountable persons for

all regulated buildings and the landlords of HMOs. We should expect that some or all of the costs (with the exception of enforcement costs) will be passed onto leaseholders or residents. As well as aggregated costs, the RIA includes estimated average costs per building and per flat.

9.50 Costs associated with the Act would fall equally on both new and existing suppliers. The Act would not lead to higher ongoing costs for new suppliers that existing suppliers do not have to meet.

9.51 The sector is not characterised by rapid technological change, although the requirements to manage information, particularly for buildings at least 18m, may encourage greater use of technology.

9.52 The Act does places restriction on quality, for example by requiring fire risk assessors to be competent, because this is necessary to achieve the objectives.

10. Affordability Assessment

- 10.1 While the regulatory impact assessment assesses social value and includes cultural, social and environmental impacts alongside economic costs and benefits, this affordability assessment is a purely financial assessment. As such, only cash costs and cash-releasing benefits are included. Any environmental, social, cultural and wider economic costs and benefits identified in the Act regulatory impact assessment have been removed from this affordability assessment. Opportunity costs have also been removed.
- 10.2 The affordability assessment considers the same time period as the regulatory impact assessment, 2027-28 to 2036-37 and has been conducted by Welsh Government to determine whether the Act is affordable for the organisation.
- 10.3 The cash costs in this assessment have been adjusted to reflect anticipated inflation during the appraisal period. This adjustment has been made on the basis of the GDP deflator projections included in the Office for Budget Responsibility (OBR) Economic and Fiscal Outlook which was published in March 2024¹⁴. The OBR's projections extended only to 2029-30. Since the forecasts flatten out at around 1.9% towards the end of the OBR's forecast period, this rate has been assumed to hold for the remainder of our appraisal period. Although inflation is now relatively stable, there remains a degree of uncertainty as to its future path. The Welsh Government will continue to monitor the impact of inflation on the financial costs of the Act.

¹⁴ [Economic and fiscal outlook – March 2025 - Office for Budget Responsibility](#)

Local Authorities

10.4. The estimated financial costs attributed to local authorities to discharge the duties of the building safety authorities under the Act are summarised in Table 10.1.

Table 10.1. Estimated cost to local authorities (£m)

	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37
Total costs (2023 Prices)	1.91	0.70	0.70	0.68	0.67	0.63	0.63	0.59	0.60	0.60
Employment Costs (nominal prices)	1.50	0.33	0.34	0.33	0.33	0.30	0.31	0.29	0.30	0.31
Non Employment Costs (nominal prices)	0.69	0.51	0.53	0.53	0.53	0.52	0.53	0.52	0.54	0.55
proportion of employment costs additional	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Total adjusted for inflation	2.19	0.84	0.87	0.86	0.86	0.83	0.85	0.81	0.83	0.86

Note: Local authorities are estimated to incur a total of £1.20m of expenditure preparing for the introduction of the duties in the years 2025-26 and 2026-27. This cost has been include in the 2027-28 figures in the table above.

Fire and Rescue Authorities

10.5. The estimated financial costs attributed to fire and rescue authorities to discharge the duties of the fire safety authorities under the Act are summarised in Table 10.2.

Table 10.2. Estimated cost to fire and rescue authorities (£m)

	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37
Total costs (2023 Prices)	0.10	0.27	0.28	0.28	0.28	0.27	0.28	0.27	0.27	0.28
Employment Costs (nominal prices)	0.07	0.19	0.20	0.20	0.20	0.20	0.21	0.21	0.21	0.22
Non Employment Costs (nominal prices)	0.05	0.12	0.13	0.13	0.13	0.13	0.14	0.14	0.14	0.14
proportion of employment costs additional	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Total adjusted for inflation	0.05	0.12	0.13	0.13	0.13	0.13	0.14	0.14	0.14	0.14

Welsh Government

10.6. The estimated financial costs attributed to the Welsh Government to implement the Act are summarised in Table 10.3.

Table 10.3. Estimated cost to Welsh Government (£m)

	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37
Total costs (2023 Prices)	3.22	2.53	2.53	2.51	2.53	2.50	2.50	2.50	2.50	2.50
Employment Costs (nominal prices)	3.61	2.88	2.93	2.97	3.05	3.07	3.12	3.18	3.24	3.31
Non Employment Costs (nominal prices)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
proportion of employment costs additional	79%	99%	99%	99%	99%	100%	100%	100%	100%	100%
Total adjusted for inflation	2.86	2.85	2.90	2.95	3.01	3.07	3.12	3.18	3.24	3.31

Summary

10.7. The total estimated financial cost associated with the Act across all these bodies is estimated to be £41.54 million over ten years. This cost is affordable from Welsh Government budgets.

11. Post implementation review

11.1 An evaluation of the Building Safety (Wales) Act will begin approximately three years after the new regime begins to come into effect, which will be approximately four years after Royal Assent. This would allow for:

- all category 1 buildings to have been registered,
- principal accountable persons for category 1 buildings to have applied for and been granted a building certificate,
- residents' engagement strategies to have been developed and implemented for category 1 buildings,
- roll out of the building safety regime to category 2 and 3 buildings and HMOs to be underway if not complete.

11.2 The evaluation approach will be determined following Royal Assent. The initial evaluation should consider.

- The process of implementing the Building Safety (Wales) Act, including perspectives of relevant stakeholders,
- The progress made towards implementing the building safety regime,
- Initial impacts of the legislation on building safety, including the costs and benefits, and perspectives of relevant stakeholders.

11.3 A phased approach to evaluation will be considered to understand the longer-term impacts of the legislation on building safety, including an assessment of the costs and benefits. Actual costs will be reported from the earliest stages of the evaluation. The 10 year policy appraisal period will be complete in 2036-37. Once data from this period is available it should be possible to complete the evaluation.

11.4 The benefits of the new regime are estimates of avoided losses and so cannot be measured directly. Therefore, although a 70 year appraisal period is used for benefits, there is no need to continue the appraisal for this length of time.

Annex 1 - Index of Standing Order requirements

Standing order		Section	pages/ paragraphs
26.6(ii)	Set out the policy objectives of the Bill	Chapter 3 - Purpose and intended effect of the legislation	Page 4 – 40
26.6(iii)	Set out whether alternative ways of achieving the policy objectives were considered and, if so, why the approach taken in the Bill was adopted	Part 2 – Regulatory Impact Assessment	Page 90 – 161
26.6(iv)	Set out the consultation, if any, which was undertaken on: (a) the policy objectives of the Bill and the ways of meeting them. (b) the detail of the Bill, and (c) a draft Bill, either in full or in part (and if in part, which parts)	Chapter 4 – Consultation	Page 41 – 52
26.6(v)	Set out a summary of the outcome of that consultation, including how and why any draft Bill has been amended	Chapter 4 – Consultation	Page 41 para 4.5
26.6(vi)	If the Bill, or part of the Bill, was not previously published as a draft, state the reasons for that decision	Chapter 3 – Purpose and intended effect of the legislation	Page 39 Para 3.154 – 3.158

Standing order		Section	pages/ paragraphs
		There was no formal consultation on a draft Bill. The provisions that were included in the Bill aligned, for the most part, with the provisions set out in the White Paper consultation.	
26.6(vii)	Summarise objectively what each of the provisions of the Bill is intended to do (to the extent that it requires explanation or comment) and give other information necessary to explain the effect of the Bill	Explanatory Notes	To be published on the National Archives website
26.6(viii)	<p>Set out the best estimates of:</p> <ul style="list-style-type: none"> (a) the gross administrative, compliance and other costs to which the provisions of the Bill would give rise. (b) the administrative savings arising from the Bill. (c) net administrative costs of the Bill's provisions. (d) the timescales over which such costs and savings would be expected to arise; and (e) on whom the costs would fall 	Part 2 – Regulatory Impact Assessment	Page 90

Standing order		Section	pages/ paragraphs
26.6(ix)	Any environmental and social benefits and dis-benefits arising from the Bill that cannot be quantified financially	Part 2 – Regulatory Impact Assessment	Page 152-153 para 9.23 – 9.30
26.6(x)	<p>Where the Bill contains any provision conferring power to make subordinate legislation, set out, in relation to each such provision:</p> <p>(a) the person upon whom, or the body upon which, the power is conferred and the form in which the power is to be exercised.</p> <p>(b) why it is considered appropriate to delegate the power; and</p> <p>(c) the Senedd procedure (if any) to which the subordinate legislation made or to be made in the exercise of the power is to be subject, and why it was considered appropriate to make it subject to that procedure (and not to make it subject to any other procedure).</p>	Chapter 5 - Power to make subordinate legislation	Page 53 – 89
26.6(xi)	Where the Bill contains any provision charging expenditure on the Welsh Consolidated Fund, incorporate a report of the Auditor General setting out his or her views on whether the charge is appropriate	Chapter 6 – Regulatory Impact Assessment summary	Page 90

Standing order		Section	pages/ paragraphs
26.6(xii)	Set out the potential impact (if any) on the justice system in England and Wales of the provisions of the Bill (a “justice impact assessment”), in accordance with section 110A of the Act.	Part 2 – Regulatory Impact Assessment	Page 153-154 para 9.31 – 9.39
26.6B	Where provisions of the Bill are derived from existing primary legislation, whether for the purposes of amendment or consolidation, the Explanatory Memorandum must be accompanied by a table of derivations that explain clearly how the Bill relates to the existing legal framework.	Annex 2 -The requirement in Standing Order 26.6B for a Table of Derivations is not applicable to this Act as the Act is a standalone piece of legislation and does not derive from existing primary legislation for the purposes of amendment or consolidation.	Page 166
26.6C	Where the Bill proposes to significantly amend existing primary legislation, the Explanatory Memorandum must be accompanied by a schedule setting out the wording of existing legislation amended by the Bill, and setting out clearly how that wording is amended by the Bill.	Annex 3 –The requirement is Standing Order 26.6C for a Schedule of Amendments is not applicable to this Act as the Act does not significantly amend existing primary legislation.	Page 167

Annex 2 - Table of Derivations

The requirement in Standing Order 26.6B for a Table of Derivations is not applicable to this Act as the Act is a standalone piece of legislation and does not derive from existing primary legislation for the purposes of amendment or consolidation.

Annex 3 - Schedule of amendments

The requirement of Standing Order 26.6C does not apply to this Act as the Act does not propose to significantly amend existing primary legislation. Although the Act does make consequential amendments to the Landlord and Tenant Act 1985, the Landlord and Tenant Act 1987 and the Commonhold and Leasehold Reform Act 2002, the amendments insert new standalone provisions into those Acts, rather than amending existing provisions. The amendments are considered to be sufficiently clear and accessible to the reader and do not significantly amend those Acts.

Annex 4 – Detailed Results of the Cost Benefit Analysis

Further details – policy costs

Table A.1 to A.9 show further details of the policy costs, broken down by cost per flat, cost per building, by building types and by who the costs fall on:

- Tables A.1 shows the estimated 10yr PV costs for the proposed options, broken down by whom they fall on – the building safety authority (BSA), fire safety authority (FSA), Welsh Government
- Table A.2 shows the estimated 10yr PV costs for policy option 2, broken down by (i) whom the costs fall on and (ii) by Building Type
- Table A.3 shows the estimated 10yr PV costs for policy option 3, broken down by (i) whom the costs fall on and (ii) by building type
- Table A.4(a) and A.4(b) show the estimated 10yr PV costs for policy option 2, broken down by (i) whom the costs fall on and (ii) by detailed building type
- Table A.5(a) and A.5(b) show the estimated 10yr PV costs for policy option 3, broken down by (i) whom the costs fall on and (ii) by detailed building type
- Table A.6 shows the estimated average annual cost per flat for policy option 2 broken down by detailed building type
- Table A.7(a) and A.7(b) show the estimated average annual cost per flat for policy option 3 broken down by detailed building type
- Table A.8(a) and A.8(b) show the estimated average annual cost per building for policy option 2 broken down by detailed building type
- Table A.9 shows the estimated average annual cost per flat for policy option 2 broken down by detailed building type

Table A.1 shows the estimated 10yr PV costs for the proposed options

Table A.1: Estimated 10yr PV costs for Proposed Options (£m)						
		Industry Costs	Building safety authority Costs	Fire safety authority Costs	Welsh Government costs	Total
Counterfactual - no change	Option 1	-	-	-	-	-
All multi-occupied residential buildings at least 18m subject to category 1 duties. Multi-occupied residential building below 18m subject to fire safety provisions only.	Option 2	115.68	4.69	1.82	22.32	144.50
All multi-occupied residential buildings at least 18m subject to category 1 duties; multi-occupied residential buildings between 11-18m subject to category 2 duties; multi-occupied residential building below 11m subject to category 3 duties; relevant HMO subject to the fire safety provisions only	Option 3	118.41	6.84	2.21	22.32	149.79

Table A.2 shows the estimated 10yr PV costs for policy option 2, broken down by (i) whom the costs fall on and (ii) by building type

Table A.2: Estimated 10yr PV costs for Policy Option 2 by Building Type (£m)							
			Category 1	Fire Safety Provision Only	Fire Safety Provision Only	Fire Safety Provision Only	
	Familiarisation Costs	Other Costs (Regulator IT etc)	18m+ buildings	11-18m buildings	<11m buildings	HMO	Total
Industry	£1.27	£0.25	£26.58	£5.56	£71.60	£10.39	£115.68
BSA	£1.11	£0.46	£1.97	£0.13	£1.00	£0.00	£4.69
FSA	£0.02	£0.00	£0.87	£0.17	£0.72	£0.03	£1.82
Welsh Government	£0.00	£22.32	£0.00	£0.00	£0.00	£0.00	£22.32
Total	£2.41	£23.04	£29.43	£5.87	£73.33	£10.43	£144.50

Table A.3 shows the estimated 10yr PV costs for policy option 3, broken down by (i) whom the costs fall on and (ii) by building type.

Table A.3: Estimated 10yr PV costs for Policy Option 3 by Building Type (£m)							
			Category 1	Category 2	Category 3	Fire Safety Provision Only	
	Familiarisation Costs	Other Costs (Regulator IT etc)	18m+ buildings	11-18m buildings	<11m buildings	HMO	Total
Industry	£1.30	£0.25	£26.58	£7.70	£72.18	£10.39	£118.41
BSA	£1.24	£2.15	£1.97	£0.28	£1.20	£0.00	£6.84
FSA	£0.02	£0.00	£0.87	£0.26	£1.04	£0.03	£2.21
Welsh Government	£0.00	£22.32	£0.00	£0.00	£0.00	£0.00	£22.32
Total	£2.55	£24.72	£29.43	£8.24	£74.42	£10.43	£149.79

Table A.4(a) and A.4(b) show the estimated 10yr PV costs for policy option 2, broken down by (i) who the costs fall on and (ii) by detailed building type

Table A.4(a): Estimated 10yr PV costs for Policy Option 2 by (i) who the costs fall on and (ii) by Detailed Building Type (£)					
Option 2			Category 1 Buildings		
		Familiarisation costs	Other Costs (Regulator IT etc)	18m+_non-LA owned	18m+_LA owned
All multi-occupied residential buildings at least 18m subject to category 1 duties. Multi-occupied residential building below 18m subject to fire safety provisions only.	Industry	1,274,978	254,924	22,529,629	4,054,716
	BSA	1,114,632	463,374	1,680,058	292,328
	FSA	16,744	0	745,102	129,061
	Welsh Government	0	22,317,460	0	0
	Total	2,406,354	23,035,758	24,954,789	4,476,106

Table A.4(b): Estimated 10yr PV costs for Policy Option 2 by (i) who the costs fall on and (ii) by Detailed Building Type (£)								
Option 2	Fire Safety Provisions Only							Total
	Purpose Built Flats - 11-18m	Purpose Built Flats - large (<11m)	Purpose Built Flats - small	Converted Houses / Flats over shops (2-5 flats)	Sheltered accommodation	Student accommodation	HMO	Total
Industry	5,563,505	803,687	24,364,868	44,593,112	1,663,321	179,269	10,393,447	115,675,457
BSA	132,139	20,148	384,561	571,718	24,036	3,759	0	4,686,753
FSA	173,269	26,836	500,112	161,132	30,334	4,773	32,881	1,820,245
Welsh Government	0	0	0	0	0	0	0	22,317,460
Total	5,868,913	850,671	25,249,542	45,325,962	1,717,691	187,801	10,426,328	144,499,915

Table A.5(a) and A.5(b) show the estimated 10yr PV costs for policy option 3, broken down by (i) whom the costs fall on and (ii) by detailed building type

Table A.5(a): Estimated 10yr PV costs for Policy Option 3 by (i) who the costs fall on and (ii) by Detailed Building Type (£)						
Option 3				Category 1 Buildings		Category 2 Buildings
		Transition costs	Other Costs (Regulator IT etc)	18m+_non-LA owned	18m+_LA owned	Purpose Built Flats - 11-18m
All multi-occupied residential buildings at least 18m subject to category 1 duties; multi-occupied residential buildings between 11-18m subject to category 2 duties; multi-occupied residential building below 11m subject to category 3 duties; relevant HMO subject to the fire safety provisions only	Industry	1,295,720	254,924	22,529,629	4,054,716	7,701,150
	BSA	1,239,721	2,148,254	1,680,058	292,328	283,974
	FSA	16,744	0	745,102	129,061	255,012
	Welsh Government	0	22,317,460	0	0	0
Total		2,552,185	24,720,638	24,954,789	4,476,106	8,240,136

Table A.5(b): Estimated 10yr PV costs for Policy Option 3 by (i) who the costs fall on and (ii) by Detailed Building Type (£)							
Option 3	Category 3 Buildings					Fire Safety Provisions only	
	Purpose Built Flats - large (<11m)	Purpose Built Flats - small	Converted Houses / Flats over shops (2-5 flats)	Sheltered accommodation	Student accommodation	HMO	Total
Industry	826,664	24,790,621	44,690,897	1,692,313	183,834	10,393,447	118,413,915
BSA	28,244	534,295	597,254	34,243	5,367	0	6,843,739
FSA	39,549	735,518	206,353	46,371	7,299	32,881	2,213,890
Welsh Gov.	0	0	0	0	0	0	22,317,460
Total	894,457	26,060,435	45,494,504	1,772,927	196,500	10,426,328	149,789,004

Table A.6 shows the estimated average annual cost for policy option 2 broken down by detailed building type.

Table A.6: Estimated average annual cost for policy option 2 broken down by detailed building type (£)											
Option 2		Other Costs (IT etc)	18m+ buildings		Purpose Built Block of Flats - Large		Purpose Built Block of Flats - Small	Converted Houses/ Flats over shops (2-5 flats)	Other Residential Buildings		HMO
			18m+_n on-LA owned	18m+_LA owned	Purpose Built Flats - 11-18m	Purpose Built Flats - large (<11m)	Purpose Built Flats - small	Converted Houses / Flats over shops (2-5 flats)	Sheltered accomm.	student accomm.	HMO
All multi-occupied residential buildings at least 18m subject to category 1 duties. Multi-occupied residential building below 18m subject to fire safety provisions only.	Industry	29,616	2,617,385	471,058	646,342	93,369	2,830,594	5,180,615	193,237	20,827	1,207,461
	BSA	53,833	195,181	33,961	15,351	2,341	44,676	66,420	2,792	437	0
	FSA	0	86,562	14,994	20,130	3,118	58,101	18,720	3,524	555	3,820
	Welsh Government	2,592,736	0	0	0	0	0	0	0	0	0

Table A.7(a) and A.7(b) show the estimated average annual cost for policy option 3 broken down by detailed building type

Table A.7(a) Estimated average annual cost for Option 3 broken down by Detailed Building Type (£)							
Option 3		Other Costs (Regulator IT etc)	18m+_no n-LA owned	18m+_ LA owned	Purpose Built Flats - 11-18m	Purpose Built Flats - large (<11m)	Purpose Built Flats - small
All multi-occupied residential buildings at least 18m subject to category 1 duties; multi-occupied residential buildings between 11-18m subject to category 2 duties; multi-occupied residential building below 11m subject to category 3 duties; relevant HMO subject to the fire safety provisions only	Industry	29,616	2,617,385	471,058	894,683	96,038	2,880,056
	BSA	249,574	195,181	33,961	32,991	3,281	62,072
	FSA	0	86,562	14,994	29,626	4,595	85,449
	Welsh Government	2,592,736	0	0	0	0	0

Table A.7(b): Estimated average annual cost for policy option 3 broken down by Detailed Building Type (£)				
	Converted Houses / Flats over shops (2-5 flats)	Sheltered accommodation	Student accommodation	HMO
Industry	5,191,975	196,605	21,357	1,207,461
BSA	69,386	3,978	624	0
FSA	23,973	5,387	848	3,820
Welsh Government	-	-	-	-

Table A.8(a) and A.8(b) show the estimated average annual cost per building for policy option 2 broken down by detailed building type

Table A.8(a) Estimated average annual cost per Building for Policy Option 2 broken down by Detailed Building Type (£)					
Option 2		18m+ buildings		Purpose Built Block of Flats - Large	
		18m+_non-LA owned	18m+_LA owned	Purpose Built Flats - 11-18m	Purpose Built Flats - large (<11m)
All multi-occupied residential buildings over 18m subject to category 1 duties. Multi-occupied residential building below 18m subject to fire safety provisions only.	Industry	15,487	16,243	1,321	1,235
	BSA	1,155	1,171	31	31
	FSA	512	517	41	41
	WG				

Table A.8(b) Estimated average annual cost per Building for policy option 2 broken down by Detailed Building Type (£)					
Option 2	Purpose Built Block of Flats - Small	Converted Houses/Flats over shops (2-5 flats)	Other Residential Buildings		HMO
	Purpose Built Flats - small	Converted Houses / Flats over shops (2-5 flats)	Sheltered accommodation	student accommodation	HMO
Industry	450	115	454	1038	62
BSA	7	1	7	22	0
FSA	9	0	8	28	0
Welsh Government					

Table A.9 shows the estimated average annual cost per flat for policy option2 broken down by detailed building type

Table A.9 Estimated average annual cost per flat for Policy Option 2 broken down by Detailed Building Type (£)										
Option 2		18m+ buildings		Purpose Built Block of Flats - Large		Purpose Built Block of Flats - Small	Converted Houses/Flats over shops (2-5 flats)	Other Residential Buildings		HMO
		18m+ non-LA owned	18m+ LA owned	Purpose Built Flats - 11-18m	Purpose Built Flats - large (<11m)	Purpose Built Flats - small	Converted Houses / Flats over shops (2-5 flats)	Sheltered accommodation	student accommodation	HMO
All multi-occupied residential buildings at least 18m subject to category 1 duties. Multi-occupied residential building below 18m subject to fire safety provisions only.	Industry	277	290	33	31	50	58	50	35	62
	BSA	21	21	1	1	1	1	1	1	0
	FSA	9	9	1	1	1	0	1	1	0
	Welsh Gov.									

Further details - benefits

Tables A.10 to A.17 shows further details of the policy benefits calculations.

- Tables A.10 shows a summary of benefits, costs, net benefits and annual non-monetised benefits per resident required to break even
- Table A.11 shows the numbers/scale of loss associated with a Grenfell Tower type incident
- Table A.12 shows the assumptions made regarding the proportion of Grenfell Tower losses assumed to occur in each type of fire spread incident included in the model.
- Table A.13 shows the resulting estimated scale of loss assumed for each category 1 building fire spread incident type
- Table A.14 shows the resulting estimated scale of loss assumed for each large block building fire spread incident type
- Table A.15 shows the resulting estimated scale of loss assumed for each small block building fire spread incident type.
- Table A.16 shows the resulting estimated scale of loss assumed for each category 2 converted building fire spread incident type
- Table A.17 shows the total estimated economic cost of fire for each fire type and building type

Table A.10 shows a summary of benefits, costs, net benefits and annual non-monetised benefits per resident required to break even.

Table A.10: Summary of benefits, costs, net benefits and annual non-monetised benefits per resident required to break even		
	Option 2	Option 3
Benefits	£55.00m	£62.60m
Costs	£145.50m	£149.79m
Net Benefits	-£89.50m	-£87.17m
Annual non-monetised benefits per resident required to break even	£28	£28

Table A.11 shows the numbers/scale of loss associated with a Grenfell Tower type incident.

Table A.11: the numbers/scale of loss associated with a Grenfell Tower type incident		
		Grenfell Tower Economic Costs - Best estimate
Type of impact	Type of unit	number of units
Health Impacts		
Fatalities – residents	number of persons	72
Serious Injuries – residents	number of persons	20
Slight Injuries – residents	number of persons	42
injuries - rescue services	number of emergency personnel	114
mental health - treatment - residents	number of residents	231
mental health - op - screening	number of non-residents - family, friends, neighbours	11,000
mental health - treatment - other	number of non-residents - family, friends, neighbours	3,630
mental health – well-being - avoiding depression	number of non-residents - family, friends, neighbours	3,630
Non-Health Impacts		
Demolition of building	number of buildings	1
rebuilding cost	number of flats	120
lost personal possessions	number of flats	120
specialist recovery	number of flats	120
temporary accommodation	number of residents	231
lost rent from commercial space	number of weeks	48
experts' investigation	average cost of investigation	1
legal fees	average cost of investigation	1
resident's meetings	number of meetings	10

Table A.12 shows the assumptions made regarding proportion of Grenfell Tower losses assumed to occur in each type of fire spread incident included in the model.

Table A.12: Assumptions made regarding proportion of Grenfell Tower losses assumed to occur in each type of fire spread incident included in the model						
	Category 1	Category 1	Category 1	Category 1	Category 1	Category 1
Type of impact	Major incident - with fatalities	Major incident - with reduced fatalities	Medium incident - with casualties	Medium incident - without casualties	minor incident - 2 floor	minor incident - 1 floor
Health Impacts						
Fatalities – residents	25%	5%	*	0%	*	*
Serious Injuries – residents	25%	25%	*	0%	*	*
Slight Injuries – residents	25%	25%	*	0%	*	*
injuries - rescue services	25%	25%	5%	0%	0%	0%
mental health - treatment – residents	50%	25%	5%	0%	0%	0%
mental health - op - screening	50%	25%	5%	0%	0%	0%
mental health - treatment - other	50%	25%	5%	0%	0%	0%
mental health – well-being - avoiding depression	50%	25%	5%	0%	0%	0%
Non-Health Impacts						
Demolition of building	100%	100%	0%	0%	0%	0%
rebuilding cost	50%	50%	10%	10%	1%	0.5%
lost personal possessions	50%	50%	10%	10%	1%	0.5%
specialist recovery	50%	50%	10%	10%	1%	0.5%
temporary accommodation	50%	50%	10%	10%	1%	0.5%
lost rent from commercial space	50%	50%	10%	10%	1%	0.5%

experts' investigation	50%	50%	10%	10%	1%	0.5%
legal fees	50%	50%	10%	10%	1%	0.5%
resident's meetings	50%	50%	10%	10%	1%	0.5%

Table A.13 shows the resulting estimated scale of loss assumed for each Category 1 building fire spread incident type.

Table A.13: Resulting estimated scale of loss assumed for each Category 1 building fire spread incident type							
Type of impact	Major incident - with fatalities	Major incident - with reduced fatalities	Medium incident - with casualties	Medium incident - without casualties	minor incident - 2 floor	minor incident - 1 floor	Common areas
Health Impacts							
Fatalities – residents	18	4	0.17	-	0.03	0.03	-
Serious Injuries – residents	5	5	0.50	-	0.23	0.23	0.08
Slight Injuries – residents	11	11	0.50	-	0.23	0.23	0.08
injuries - rescue services	29	29	6	-	-	-	
mental health - treatment - residents	116	58	12	-	-	-	-
mental health - op - screening	5,500	2,750	550	-	-	-	
mental health - treatment - other	1,815	908	182				
mental health – well-being - avoiding depression	1,815	908	182	0.42	0.42	0.42	0.42
Non-Health Impacts							
Demolition of building	1	1	-	-	-	-	
rebuilding cost – number of flats	60	60	12	12	1	1	
lost personal possessions – number of flats	60	60	12	12	1	1	
specialist recovery – number of flats	60	60	12	12	1	1	
temporary accommodation – number of residents	116	116	23	23	2	1	
lost rent from commercial space – number of weeks	24	24	5	5	0	0	
experts' investigation	1	1	0	0	0	0	
legal fees	1	1	0	0	0	0	

Table A.14 shows the resulting estimated scale of loss assumed for each large block building fire spread incident type.

Table A.14: Resulting estimated scale of loss assumed for each Large Block building fire spread incident type							
	Major incident - with fatalities	Major incident - with reduced fatalities	Medium incident - with casualties	Medium incident - without casualties	minor incident - 2 floor	minor incident - 1 floor	Common areas
Health Impacts							
Fatalities – residents	4	2	0.17	-	0.03	0.03	-
Serious Injuries - residents	2	2	0.50	-	0.23	0.23	0.08
Slight Injuries - residents	4	4	0.50	-	0.23	0.23	0.08
injuries - rescue services	11	11	2	-	-	-	
mental health - treatment - residents	23	23	5	-	-	-	
mental health - op - screening	1,100	1,100	220	-	-	-	
mental health - treatment - other	363	363	73	-	-	-	
mental health - avoiding depression	363	363	73	0.30	0.30	0.30	0.30
Non-Health Impacts							
Demolition of building	0	0	-	-	-	-	
rebuilding cost	30	30	12	12	1	0	
lost personal possessions	30	30	12	12	1	0	
specialist recovery	30	30	12	12	1	0	
temporary accommodation	58	58	23	23	1	1	
lost rent from commercial space	12	12	5	5	0	0	
experts' investigation	0	0	0	0	0	0	
legal fees	0	0	0	0	0	0	
resident's meetings	3	3	1	1	0	0	

Table A.15 shows the resulting estimated scale of loss assumed for each small block building fire spread incident type.

Table A.15: Resulting estimated scale of loss assumed for each Small Block building fire spread incident type							
	Major incident - with fatalities	Major incident - with reduced fatalities	Medium incident - with casualties	Medium incident - without casualties	minor incident - 2 floor	minor incident - 1 floor	Common areas
Health Impacts							
Fatalities – residents	4	2	0.17	-	0.03	0.03	-
Serious Injuries - residents	2	2	0.50	-	0.23	0.23	0.08
Slight Injuries - residents	4	4	0.50	-	0.23	0.23	0.08
injuries - rescue services	6	6	1	-			
mental health - treatment - residents	12	12	2	-			
mental health - op - screening	550	550	110	-	-	-	
mental health - treatment - other	182	182	36	-	-	-	
mental health - avoiding depression	182	182	36	0.07	0.07	0.07	0.07
Non-Health Impacts							
Demolition of building	0	0	-	-	-	-	
rebuilding cost	12	12	4	4	0	0	
lost personal possessions	12	12	4	4	0	0	
specialist recovery	12	12	4	4	0	0	
temporary accommodation	23	23	7	7	1	0	
lost rent from commercial space	5	5	1	1	0	0	
experts' investigation	0	0	0	0	0	0	
legal fees	0	0	0	0	0	0	
resident's meetings	1	1	0	0	0	0	

Table A.16 shows the resulting estimated scale of loss assumed for each category 2 converted building fire spread incident type.

Table A.16: Resulting estimated scale of loss assumed for each Category 2 converted building fire spread incident type							
	Major incident - with fatalities	Major incident - with reduced fatalities	Medium incident - with casualties	Medium incident - without casualties	minor incident - 2 floor	minor incident - 1 floor	Common areas
Health Impacts							
Fatalities – residents	4	2	0.17	-	0.03	0.03	-
Serious Injuries - residents	2	2	0.50	-	0.20	0.20	0.08
Slight Injuries - residents	4	4	0.50	-	0.20	0.20	0.08
injuries - rescue services	2	2	1	-			
mental health - treatment – residents	12	12	2	-	-	-	
mental health - op - screening	-	-	-	-	-	-	
mental health - treatment - other	-	-	-	-	-	-	
mental health - avoiding depression	-	-	-	0.02	0.02	0.02	0.02
Non-Health Impacts							
Demolition of building	0	0	-	-	-	-	
rebuilding cost	2	2	2	2	0	0	
lost personal possessions	2	2	2	2	0	0	
specialist recovery	2	2	2	2	0	0	
temporary accommodation	5	5	5	5	0	0	
lost rent from commercial space	1	1	1	1	-	-	
experts' investigation	0	0	0	0	-	-	
legal fees	0	0	0	0	-	-	
resident's meetings	0	0	0	0	-	-	

Table A.17 shows the total estimated economic cost of fire for each fire type and building type.

Table A.17 shows the total estimated economic cost of fire for each fire type and building type (£)					
	Category 1 (18m+) Building Type	Under 18m - Large Building Type	Under 18m - Small Building Type	Under 18m - Converted Building Type	HMO
Health impacts					
Major incident (whole building loss)	174,390,000	35,780,000	23,000,000	10,580,000	3,120,000
Major incident (whole building loss) - reduced casualties	75,150,000	31,010,000	18,230,000	5,810,000	800,000
rapid fire spread resulting in part building loss - some casualties	13,380,000	5,710,000	3,160,000	740,000	-
internal fire spread beyond residential unit of origin to two floors	150,000	150,000	150,000	150,000	160,000
internal fire spread beyond residential unit of origin but on one floor	150,000	150,000	150,000	150,000	160,000
Fires in common areas (not spreading)	50,000	40,000	30,000	30,000	30,000
Non health impacts					
Major incident (whole building loss)	21,550,000	10,570,000	4,230,000	870,000	450,000
Major incident (whole building loss) - reduced casualties	21,550,000	10,570,000	4,230,000	870,000	450,000
Rapid fire spread resulting in part building loss - some casualties	4,150,000	4,150,000	1,240,000	830,000	410,000
Rapid fire spread resulting in part building loss - no casualties	4,150,000	4,150,000	1,240,000	830,000	410,000

Internal fire spread beyond residential unit of origin to two floors	410,000	210,000	100,000	80,000	20,000
Internal fire spread beyond residential unit of origin but on one floor	210,000	100,000	50,000	60,000	20,000
Fires in common areas (not spreading)	20,000	20,000	20,000	20,000	20,000