



**Corporate Policy and
Resources**

Thursday, 16 April 2026

Subject: Building Safety Levy (BSL)

Report by:

Chief Executive

Contact Officer:

Rachael Hughes
Head of Policy and Strategy

rachael.hughes@west-lindsey.gov.uk

Purpose / Summary:

Seek approval to spend Building Safety Levy
New Burdens Funding to develop and implement
a compliant administration system.

RECOMMENDATION(S):

1. Corporate Policy and Resources Committee approves spending of £90,871 from the ring-fenced £132,900 New Burdens Funding Building Safety Levy to implement a compliant administration system using Microsoft Power Platform and Dataverse.

IMPLICATIONS

Legal: The Building Safety Levy (BSL) was introduced by Section 58 of the Building Safety Act 2022, which amended the Building Act 1984 to give the Secretary of State powers to impose the charge. The BSL is a key component of the government's response to the Grenfell Tower tragedy (2017).

The government aims to raise funding from applicable developments across the country to support the remedial works required to make a number of high-rise buildings safe for residents.

The Council is required to have arrangements in place to calculate charges, apply exemptions, issue notices, collect payments, and provide accurate reporting and audit information to central government.

(N.B.) Where there are legal implications the report MUST be seen by the MO

Financial: FIN/16/27/CPR/SL

MHCLG confirmed on the 27th of January 2026 Building Safety Levy – New Burdens funding of £132,900, payable in 2026/2027.

The revenue costs of developing the system will be met through the Governments BSL New Burdens funding. By selecting Option 2, utilising Microsoft Power Platform and Dataverse it means that it is unlikely that there will be any additional revenue costs usually associated with a new commercial system, as this will be covered under an existing professional services agreement with the Council.

However, any additional costs, including licence fees will be covered by the BSL administration fee which is calculated on a cost recovery basis and includes officer time, software subscriptions and any other activities associated with the processing and administering of the BSL.

The initial expenditure is classified as revenue spend as the system is cloud based and a SAAS (software as a service) agreement. This means, as with other cloud based systems, we will not retain ownership of the software and are therefore unable to capitalise the expenditure.

(N.B.) All committee reports MUST have a Fin Ref

Staffing: There are no staffing implications as a result of this report.

(N.B.) Where there are staffing implications the report MUST have a HR Ref

Equality and Diversity including Human Rights: None

Data Protection Implications: Full Data Protection Impact Assessment undertaken. Continued monitoring will be undertaken as part of the development and implementation of the system.

Climate Related Risks and Opportunities: None

Section 17 Crime and Disorder Considerations: None

Health Implications: None

Title and Location of any Background Papers used in the preparation of this report:

N/A

Risk Assessment :

Risk	Mitigating actions
<p>The council fails to meet the statutory deadline for implementing the Building Safety Levy (BSL) by 1st October 2026.</p>	<ul style="list-style-type: none"> • Implement phased delivery (BSL first, CIL/S106 later), as per the preferred option. • Secure early engagement with the external delivery partner (TrustMarque). • Establish a statutory focused project delivery timeline with gateway checkpoints. • Monitor national BSL guidance updates and adjust scope accordingly.
<p>Future council reorganisation may require system convergence; chosen solution must scale and align to regional direction.</p>	<ul style="list-style-type: none"> • Select technology aligned with corporate ICT vision (cloud first, Power Platform). • Document configuration decisions for future portability. • Engage regionally to ensure consistency with neighbouring authorities.
<p>Reliance on external partner (TrustMarque) in Phase 1 introduces delivery risk around timescales, cost, and quality.</p>	<ul style="list-style-type: none"> • Implement strong contract management and acceptance criteria. • Hold project delivery catch up meetings • Require early prototypes or proof-of-concept outputs.

	<ul style="list-style-type: none">• Ensure knowledge transfer before the supplier exits. Ensure key officer involvement throughout the process
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Call in and Urgency:

Is the decision one which Rule 14.7 of the Scrutiny Procedure Rules apply?

i.e. is the report exempt from being called in due to urgency (in consultation with C&I chairman)

Yes

No

Key Decision:

A matter which affects two or more wards, or has significant financial implications

Yes

No

1 Introduction

- 1.1 The Building Safety Levy (BSL) is a new national levy on applicable new residential development, designed to contribute to the remediation of historic building safety defects of high-rise buildings across England. The levy will be collected locally by councils, reflecting their established role in building control and developer charge administration.
- 1.2 Statutory guidance was issued in July 2025, with the levy coming into force on 1 October 2026. From this date, West Lindsey District Council (“the Council”) is legally required to have arrangements in place to calculate charges, apply exemptions, issue notices, collect payments, and provide accurate reporting and audit information to central government.
- 1.3 The BSL rates charged, have been set nationally by Government. The rates covering West Lindsey are as follows:
- Standard Rate = **£18.58 per square metre**
 - Previously Developed Land (PDL) Rate (50%) = **£9.29 per square metre**
- 1.4 Further information about BSL can be found on the Council’s website by following the link below.

[West Lindsey District Council BSL FAQs](#)

- 1.5 The Council has been awarded £132,900 under section 31 of the Local Government Act 2003 to support start-up costs associated with this new duty. Further information of the mechanisms of the BSL is available on the following website: <https://www.gov.uk/guidance/building-safety-levy-guidance>

2 Current Arrangements & Limitations

- 2.1 At present, the Council does not have a dedicated system for the administration of the Building Safety Levy (BSL), as the levy is a new statutory requirement which comes into force from October 2026.
- 2.2 The Council currently administers Community Infrastructure Levy (CIL) and Section 106 (S106) developer contributions through bespoke Microsoft Access databases developed in-house.
- 2.3 The system offers a high degree of flexibility and functionality, consistently meeting statutory obligations and supporting detailed reporting, automation, and custom workflows. These systems are well-established, highly tailored to local processes, and have successfully supported statutory compliance to date.
- 2.4 There are similarities between CIL, S106 and the BSL, particularly in relation to developer charging, exemptions, notices, payment tracking and reporting.

- 2.5 The introduction of the BSL represents a new national tax with distinct statutory guidance, audit requirements, reporting obligations and central government oversight.
- 2.6 Extending the existing Access-based arrangements to accommodate BSL would increase reliance on unsupported legacy systems and exacerbate existing resilience risks, as the current solution is maintained by a single officer and sits outside of a corporately supported platform.
- 2.7 In this context, while the existing CIL and S106 systems provide a strong foundation of expertise and process understanding, they do not provide a sufficiently resilient or future-proof basis for the introduction of the BSL.

3 Work to date & Options Consideration

- 3.1 In line with the Council's agreed Project Management Office (PMO) approach, a detailed business case has been developed to explore how to implement the BSL system. This work involved consultation with ICT, finance, procurement, service leads and subject matter experts and considered 4 options.
- 3.2 The following options were appraised.
- Option 1. Continuing with existing systems (do nothing)
 - Option 2. Develop a system on Microsoft Power Platform and Dataverse using a phased approach focused on BSL compliance first, with future alignment activity opportunities for CIL and S106.
 - Option 3. In house delivery and development of a bespoke system.
 - Option 4. Procuring a full commercial system for BSL and include CIL and S106 capabilities.
- 3.3 The appraisal assessed deliverability, statutory compliance, risk, value for money and alignment with wider corporate programmes. A phased approach (option 2) was identified as the preferred option.

4 Proposed Solution

- 4.1 Phase 1 will deliver a compliant BSL administration solution through an external provider using Microsoft Power Platform and Dataverse. This will support charge calculation, exemptions, notice generation, payment tracking, reporting and audit requirements, while aligning with corporate ICT standards.
- 4.2 Phase 1 will be operational ahead of the October 2026 statutory deadline.

- 4.3 Phase 2 will consist of internally led activity to consider how existing CIL and S106 processes, data structures and monitoring arrangements align with the new platform and with related initiatives.
- 4.4 This activity will be undertaken using existing officer capacity and does not require additional funding or committee approval.

5 Financial Considerations

- 5.1 Under the New Burdens Doctrine, central government is required to fully fund new duties placed on local authorities. The Council is set to receive £132,900 in April 2026, ring-fenced funding for BSL implementation.
- 5.2 The cost of Phase 1 delivery is £82,610, with a prudent 10% contingency of £8,261 to mitigate design and delivery risk.
- 5.3 The total proposed spend is therefore £90,871, fully funded from the allocation.
- 5.4 Any underspend will remain ring-fenced for future BSL purposes in line with the section 31 agreement.
- 5.5 The administration of the BSL will be undertaken by the existing CIL officer, reflecting procedural similarities between the regimes.
- 5.6 Ongoing revenue costs associated with the system will be covered by an existing professional services agreement.

6 Procurement

- 6.1 Delivery of Phase 1 will be undertaken through a contract change under an existing compliant professional services agreement.
- 6.2 This approach ensures timely delivery ahead of statutory deadlines and represents best value, removing the need for a separate procurement exercise.
- 6.3 Due to the value of the contract extension being over £50,000, a decision from the Corporate Policy & Resources Committee is required.

7 Recommendation

- 7.1 That Corporate Policy and Resources Committee approves expenditure of £90,871 from the ring-fenced £132,900 Building Safety Levy allocation to deliver a compliant BSL administration system via Microsoft Power Platform and Dataverse.