

An analysis of service charge data

BDO PropCost 2026

Offices

Industrial parks

Retail parks

Shopping centres

September 2026





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Truly Independent Service Charge Benchmarking



Kathryn Archer
Director, BDO LLP
PropCost Project Lead

This is our fourth edition of PropCost, the UK's independent benchmark for service charges in commercial property. As the UK commercial real estate sector continues to experience a volatile geopolitical and economic environment, decision making informed by data remains important. This year we have been engaging with our clients around how we can make the best use of increasing data points to provide value to investors and occupiers, with conversations informing the development of PropCost as a tool to support better investment decisions and to improve occupier experiences. The headline from our longitudinal reviews is that costs are increasing ahead of consumer inflation, and our analysis helps support the conversations around explaining these increases.

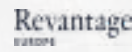
Evolution of our analysis

After expanding our report to cover four asset types last year, this year we have focused on evolving our analysis based on the feedback we have received from our contributors and other real estate professionals. The main development is the inclusion of a broader range of regions with analysis now providing results for Scotland, Midlands, North and South West of England, in our offices and industrial parks review.

This supports more informed decision making across UK regions outside of London where there is growing interest in their contribution to the economy, including recent BDO research on mid-market businesses identifying companies in the North West as those with the fastest year-on-year turnover growth in England at 6.1%¹.

This year's analysis includes 1,100 assets across the four sectors covered, representing £700m in total service charge expenditure. All expenditure data included in this analysis is sourced from our eMOS (Electronic Management of Service Charges) platform, which underpins our assurance work and is checked for consistency with the RICS industry best practice cost classifications. By gathering data in this manner, we benefit from consistently classified expenditure that becomes available immediately upon the completion of our review.

The periods covered by this report are accounting periods falling within the calendar years of 2023, 2024, and 2025. This means that our one-year dataset, which is the largest analysis carried out, comprises accounts with year-end dates running up to 31 December 2025 as the latest. It is important to note that, due to changes in the mix of our database this year, we have re-stated any longitudinal reviews. Therefore, historical results reported in this year's publication will not necessarily match with those published in our last report.



Changing minimum efficiency requirements

In June 2026 the UK government released the outcome on the Minimum Energy Efficiency Standards (MEES) consultation, setting out the intention to implement updated requirements for rented commercial buildings². This would require that non-domestic buildings over 1,000 square metres (or 10,000 sq. ft.) will need to meet the energy efficiency standard of EPC B, or higher, by 2031. Whilst dropping the previous target of EPC C by 2027, the requirement is now higher, with the government citing cost savings for occupiers at the heart of this change. We capture the efficiency rating of all assets in our review, with 68% of retail parks having an efficiency rating of A or B, whilst within the offices data, it is only 43% within these bands, highlighting the scale of the challenge to be addressed by 2031 should these assets require significant investment to meet the new requirements.

Differentiating cost for Prime sites

Offices is our largest dataset and therefore offers the most scope to provide meaningful analysis using different criteria. Listening to our contributors, there would be a benefit to identifying those costs associated with 'Grade A' or 'Prime' assets, where there is strong occupier demand, but also an associated cost with the premium standard of accommodation.

In this year's analysis, the best indicators for this are the location, with Central London having a high concentration of 'Prime' offices, and EPC ratings, where 'Prime' space tends to be at the upper end of the efficiency spectrum to address occupier requirements.

The recent research by the British Council for Offices 'Beyond Grade A' (2025)³ supports that sustainability criteria are important, but also includes a number of other factors to be considered when making an assessment for 'Prime' space, and proposes a framework for comparison in the future if it is applied consistently. This framework provides a future opportunity as we continue to develop the utility of our data.

Thank you to our contributors

The ongoing evolution and growth in our dataset and analysis has only been made possible through the support of our eight contributors. We are very grateful for their ongoing support with our shared vision for better transparency in relation to service charge cost data.

We would like to sincerely thank all our contributors for their involvement. We also extend our thanks to RICS, who have provided continuous support to BDO's PropCost initiative.



See sources on page 71

Highlights

In our dataset...



Offices

5%

increase in total service charge costs in 2025, down from a 9% increase in 2024.

50%

reduction in service charge costs across South East, Midlands, North and Scotland when compared to central London costs.

9%

increase in mechanical and electrical Services (M&E) costs in 2025 compared to 2024, which made up 23% of overall costs.

5%

increase in electricity costs in 2025, down from a 14% increase in 2024.



Industrial parks

3%

increase in total service charge costs in 2025, up from a 12% decrease in 2024.

33%

higher service charge costs in London compared to the Midlands.

8%

increase in security costs in 2025, up from a 13% decrease in 2024.

43%

of service charges had a total expenditure higher than the budget set.



Retail parks

11%

increase in total service charge costs in 2025, following a 9% increase in 2024.

92%

higher service charge costs in small properties when compared to large assets.

65%

of service charges had a total expenditure lower than the budget set.

57%

higher service charge costs in London compared to the South East, Midlands and North.



Shopping centres

18%

higher service charge costs in 2025 compared to 2023.

57%

higher service charge costs for enclosed properties compared to open assets.

45%

of service charge costs were made up by cleaning and security.

10%

increase in security costs in 2025, following a 11% increase in 2024.

Executive Summary

The results from our database reflected a number of key themes which face the commercial property sector



Offices

Our offices data is the largest sample we analyse, with the highest service charge costs of the four asset types in our report. Our findings from the review of accounting periods from 2023 to 2025, identified an increase in total costs above inflation, as inflationary pressures impact on costs recovered through the service charge. We identified an increase in total costs of 8% from 2023 to 2024, and a further increase of 5% by 2025.

The cost of services such as cleaning and security are largely driven by employment costs which have been rising above inflation, with National Minimum Wage increases and an upward shift in the cost of Employer's National Insurance Contributions all adding to the pressure on costs.



Retail

Our analysis includes a review of both shopping centres and retail parks, each with very different cost profiles for a typical service charge. Since the challenges brought by reduced footfall in the pandemic, shopping centres have had to work hard to bring in customers, whilst retail parks have been experiencing a growing popularity. For shopping centres, this may mean additional costs to make a visit more attractive, whilst retail parks have experienced other challenges resulting in increasing security costs.

We identified an increase of 18% in total average service charge costs for shopping centres across the three-year period, with a 20% increase identified for retail parks. This is significantly above inflation, but when compared to National Minimum Wage increases the trajectory is very similar.



Economic pressures

The UK has experienced significant inflationary pressures in recent years with peak inflation of 11% seen in October 2022, which did not subside until Autumn 2023. The trends we have identified show that since our 2023 dataset, across all sectors except for industrial parks, costs have increased at a greater rate than inflation.

When we compare costs such as cleaning to increases in the National Minimum Wage during this period, particularly in offices, it appears that increases in employment costs have been a strong contributing factor to a 19% increase in cleaning costs for offices over the three-year period. What is encouraging is that when we look at the overall cost increases from 2024 to 2025, they are lower than the previous period in 3 out of the four sectors analysed.



RICS Professional Standard

All service charge reviews carried out by BDO are in accordance with the RICS Professional Standard for Service Charges in Commercial Property. This means that the expenditure within our database is consistently classified in line with the RICS cost taxonomy.

The purpose of the RICS Professional Standard is to promote greater transparency in the reporting and management of service charge costs. The new Professional Standard was released in June 2025 with an effective date from 1 January 2026. This includes updates which will further improve the integrity of our analysis as a result of consistent disclosure.



Location and size

When looking at the reasons for variations in costs across each of the sectors, in most cases, we have identified the greatest correlation when looking at both the size of the asset or site. In the case of size, economies of scale appear to exist for most of the asset classes we analyse. This is most pronounced in industrial parks and retail parks where average costs for the smallest sites were double or more, compared to the 'large' sites. In the case of location, costs for London based assets were considerably higher than other regions across all sector types, with the only exception being costs for the North region almost matching London costs for industrial parks.



Efficiency and sustainability

In order to consider the efficiency and sustainability credentials of assets in our dataset, we have reviewed the Energy Performance Certificate (EPC) rating across all asset types and included a dataset of 95 offices with BREEAM certifications.

With the introduction of the Minimum Energy Efficiency Standards (MEES) in 2023, and the recent outcome of the MEES consultation, there is an increasing risk of stranded assets due to this legislation and therefore we expect to see those buildings within the higher EPC categories increase. 8% of our office dataset is rated A, with 'A' properties tending to have a higher spend on soft services and lower spend on utilities reflective of the prime spaces that tend to offer both energy efficiency and a greater levels of amenities.

UK Real Estate Market 2026 Sector Spotlight



Hira Sharma
Partner, BDO LLP
Head of Real Estate & Construction

In 2026 the UK real estate market has continued to adjust to ongoing geopolitical uncertainty and a higher and volatile inflation /interest rate environment than many had anticipated. Transaction volumes remain modest compared with 2025, with deal values below historical levels, particularly as investors and lenders navigate macroeconomic challenges and pricing uncertainty. While global capital remains available, it is being deployed selectively, with investors focusing on high-quality assets, resilient income streams and value-add opportunities.

While investment plans continue to prioritise resilience, the market narrative is shifting, with growing interest in operational real estate and value-add asset classes such as data centres, build-to-rent, hotels and selected retail formats. Retrofitting existing buildings has also moved higher up the agenda, with many owners opting to upgrade existing stock rather than pursuing costly redevelopment projects, and more investors selecting assets with a view to conversion.

Against this backdrop, we're seeing a growing divide across the market. Prime assets with strong ESG credentials and sustainable income streams still attract occupier and investor demand, while demand for secondary stock and out of town commercial assets lag. Transaction volumes remain below historic levels, but deals are still getting done, particularly where recapitalisations, structured transactions and value-add opportunities offer a clear route to creating value. A clear trend is that transactions are taking longer and being negotiated more fiercely, with a higher risk of abort.

Although a broad-based recovery has yet to materialise, activity is expected to increase gradually as pricing becomes clearer and market participants gain greater certainty around interest rates. Many of the investors we speak with have simply acknowledged that some form of macroeconomic and geopolitical uncertainty will always exist – becoming the 'new-normal' - and their strategies are to continue to invest carefully, rather than waiting.

Below, we explore how offices, industrial estates, retail parks and shopping centres are responding to these evolving market dynamics:

Offices

The gap between prime and secondary office stock persists. Demand remains strongest for high-quality, sustainable buildings in core locations, and a limited supply of new Grade A space is helping to support rents for the best assets.

Older offices that require significant investment are facing a more challenging outlook, particularly where refurbishment costs are difficult to justify. Outside of London, where demand persists, regional markets such as Manchester, Birmingham and Bristol continue to attract interest, with investors drawn to well-let assets offering strong income and growth potential.

Industrials

The industrial and logistics sector has remained one of the more resilient areas of the UK real estate market, with demand being driven by logistics operators, manufacturers and e-commerce businesses. Rental growth is no longer running at the levels seen in recent years, but occupier demand for modern, well-located space remains strong.

High-quality assets with sustainable income and good underlying fundamentals are favoured by investors. In particular, demand for modern warehouse space naturally remains healthy in locations close to major population centres and transport networks, albeit new development has slowed due to the higher construction and borrowing costs.

Retail parks

Retail parks have performed strongly over the past few years. Their convenience, accessibility and broad occupier appeal have helped to keep vacancy levels low and demand for the best schemes robust. Well-located retail parks remain attractive to investors, particularly those looking for reliable income and assets that have shown resilience through changing market conditions.



Owners are focusing on the fundamentals: refining tenant mix, extending leases and making targeted investments to keep schemes competitive and relevant. Not every scheme is benefiting equally, however. Older retail parks in weaker catchments face a more challenging outlook, with higher re-letting risk and increasing pressure to invest in upgrades and sustainability improvements.

Shopping centres

Performance across shopping centres remains mixed. The strongest regional destinations and flagship schemes are attracting retailers, shoppers and investors, helping to drive leasing activity and reduce vacancy levels. Many of these schemes are benefitting from retailer expansion plans and new market entrants, particularly where they can offer a compelling mix of retail, leisure and food & beverage operators.

There is a broader feeling amongst investors that the sector has weathered the worst of the economic cycle and is due a resurgence, but economic conditions continue to challenge occupiers. Investor interest is still largely focused on the best performing assets, as well as schemes where there is a clear opportunity to create value through active management or repositioning. This is reflected in the growing number of town centre regeneration projects, with owners increasingly introducing residential, leisure, hospitality and community uses alongside traditional retail. The schemes performing best today are those that have adapted to changing consumer habits and established themselves as destinations rather than purely places to shop.

We advise 60% of all main UK listed REITs and are No. 1 Auditor to Real Estate UK Listed Companies



#1 Auditor
to UK-Listed Companies

We have representation on industry bodies including INREV, EPRA and BPF.

BDO's award-winning Real Estate and Construction Group is one of the UK's largest specialist property advisory teams. With more than 300 technical specialists, we provide a comprehensive range of services, including Audit and Accounting, Tax, Corporate Finance, Capital Allowances Review, Financial Modelling, Valuations, Outsourced Accounting, ESG Consultancy, and Forensic Review.

Our clients and audited entities range from entrepreneurial businesses developing innovative real estate solutions to some of the world's largest and most sophisticated investors. Our strong market presence is built on deep sector expertise, a client-centric approach and a commitment to delivering practical, forward-thinking advice. Clients consistently describe us as 'efficient, thorough and pragmatic' and value our collaborative approach, working alongside them to understand their challenges, support their ambitions and provide access to the right expertise across our business.

We are actively involved in shaping the future of the sector through our representation on key industry bodies, including INREV, EPRA, Real Estate:UK and Real Estate:Scotland, as well as participation in a wide range of other property associations. With 17 offices across the UK and two in Ireland, we support clients in all major strategic regions.

Globally, BDO International is one of the world's leading professional services networks, with a dedicated International Real Estate and Construction Group providing specialist support to clients and audited entities operating across multiple jurisdictions.

Driving Transparency, Consistency and Value in Service Charge Management



Paul Bagust
Head of Professional Practice
Royal Institution of Chartered
Surveyors (RICS)

In an environment of increasing cost pressures, evolving occupier expectations and heightened scrutiny of operational expenditure, benchmarking has become an essential tool for both landlords and occupiers.

RICS has long promoted transparency, fairness and accountability through the RICS Code of Practice: Service Charges in Commercial Property. The principles set out within the professional standard remain as relevant today as ever, ensuring that service charge costs are communicated clearly, allocated equitably and managed in a way that delivers demonstrable value for money.

The insights provided within BDO's benchmarking report offer an important evidence base for the market. Reliable benchmarking enables property owners, managing agents and occupiers to better understand cost drivers, identify anomalies and make informed decisions regarding procurement, operational efficiencies and investment priorities. As buildings become increasingly complex, particularly with the introduction of enhanced sustainability targets, smart building technologies and stricter compliance requirements, understanding how costs compare across sectors and geographies is becoming increasingly important.

A key challenge facing the industry is balancing cost control with the delivery of safe, sustainable and high-performing buildings. While occupiers naturally seek value, under investment in building services, compliance activities or planned maintenance can create longer-term risks and costs.

Effective benchmarking helps stakeholders distinguish between avoidable expenditure and necessary investment that supports asset resilience, environmental performance and occupier wellbeing.

Sustainability is increasingly a significant component of service charge expenditure. Investment in energy management, net-zero initiatives, building performance monitoring and environmental compliance is increasingly reflected within service charge budgets. The industry must continue to ensure that such costs are transparent, justifiable and linked to measurable outcomes that benefit both owners and occupiers.

As the commercial property sector continues to evolve, collaboration between professional bodies, advisers, managing agents, landlords and occupiers will remain essential. Benchmarking reports such as this contribute meaningfully to that objective by providing data-led insight that supports informed decision-making and promotes best practice across the industry.

RICS welcomes the continued focus on market transparency and believes robust benchmarking, aligned with professional standards and industry best practice, will play an increasingly important role in delivering fair, effective and sustainable service charge management across the built environment.



Energy Efficiency Standards



Hannah Routh
Partner, BDO LLP,
Head of Sustainability
and ESG Services

Changes to Minimum Energy Efficiency Standards (MEES)

Arguably the most significant change to regulatory direction affecting UK commercial real estate over the last year is the June 2026 interim response from the Government on MEES. This would provide for a more targeted approach than under previous proposals by requiring higher energy efficiency standards for larger assets.

What is an EPC?

An Energy Performance Certificate (EPC) assesses the efficiency of a property along a banded scale from A, representing the most efficient, to G, representing the least efficient. An EPC can provide valuable insight into the energy performance and environmental impact of a building, whilst highlighting potential areas for energy cost savings. It can prove to be a useful tool for multiple stakeholders including owners, tenants and potential buyers.

MEES regulations

The Minimum Energy Efficiency Standards (MEES) regulations form part of the Government's strategy to reduce carbon emissions and improve energy efficiency in buildings. As things currently stand (since 1 April 2023), the regulation dictates that landlords cannot let, or continue to let, non-domestic properties in England and Wales with an EPC rating below E, unless a valid exemption has been registered. Failure to comply may result in loss of rental income, fines, and reputational damage.

Recent changes in regulatory direction

In June 2026 the Government published its interim response to the consultation on strengthening the MEES regulations for non-domestic property. Key updates in the response include:

- ▶ Large privately rented non-domestic buildings over 1,000 square meters will be required to achieve an elevated energy efficiency standard of an EPC rating of B from 2031. This is subject to improvements being deemed cost effective. The proposed EPC B requirement will only take effect following the passage of secondary legislation through Parliament
- ▶ Smaller buildings under 1,000 square meters are expected to remain subject to the current EPC E minimum standard. There is no defined deadline for increasing beyond this level
- ▶ The proposed EPC C rating milestone for 2027 will not be taken forward
- ▶ Existing flexibility mechanisms, including the seven-year payback test and exemptions, are expected to remain in place.

Context behind changes

The Climate Change Committee's Seventh Carbon Budget was successfully voted into law by the government earlier this year and highlighted that non-residential buildings currently account for 5% of the UK's total emissions. An 87% reduction in commercial and public real estate emissions is required by 2040, to support the UK's 2050 net-zero goal. Newly defined legislation around EPCs, combined with energy efficiency initiatives and the integration of renewable energy, will therefore play a pivotal role in this transition.



See sources on page 71

All Sectors





Approach and Dataset – All Sectors

Approach

The data that forms the basis of this report is taken from the service charge data we hold on our online platform, eMOS (electronic Management Of Service charges). Each data record BDO holds is linked to a set of service charge accounts. Typically, a service charge account corresponds to a single building. However, it can sometimes relate to a section of a building or a group of buildings within an estate, depending on the structure of the service charge.

Confidentiality

No results have been reported where the number of properties in the relevant sample is below 5. This is in order to protect the data from being traceable should it have unique characteristics.

Limitations of using benchmark information

The purpose of this report is to provide insight and transparency into service charge costs. Whilst we have given consideration to some of the factors which may impact on costs, each building or development will have many additional factors which influence service charge spend and should be considered when reviewing costs. It is also important to note that when average or median values are reported, it is impossible for a large part of the sample to have a spend 'below' the benchmark.

All sectors

Comparative data	707
All data	1,098

Total service charge reviewed

£692m

Approach to data segments

The data has been sliced according to factors which are expected to correlate with cost as set out below:

Efficiency

The Energy Performance Certificate (EPC) is an assessment of efficiency and therefore relevant when considering the energy usage of a building. The limitations when considering service charges is the certification may not be up to date, and it may not be representative of the common areas of the building. However, the EPC will tend to be a good indicator for the overall level of modernisation of an asset.

Size

Buildings have been categorised by size based on the floor area set out in the service charge budget (see definitions provided in each section). Service charge costs are driven by costs relating to the common areas, but it is still expected that economies of scale can be achieved on larger scale operations.

Region

Region has been determined using the postcode for each building or development, aligned to those areas with wage differentials. See further information on page 15 and 16 which outlines the postcodes which have been allocated to each region.

Sustainability

There are a range of sustainability certification systems available. We have identified a sample of our office data set with BREEAM certifications as an example of a holistic approach to an office's initial environmental impact, although we acknowledge that these do not measure the sustainable impact of an office 'in use'.



All sectors

Comparative data **707**

All data **1,098**

Approach and Dataset – All Sectors



Comparative

Properties where we have three years of expenditure data, allowing us to do meaningful analysis on the trends across three years.



All data

Properties including the comparative dataset where we have the latest year of expenditure, allowing us to do analysis on a slightly larger dataset.

Full details of our approach and dataset are set out in our 'PropCost Methodology' report which can be downloaded from <https://www.bdo.co.uk/en-gb/insights/business-services-and-outsourcing/propcost-service-charge-benchmarking>.

Offices

Comparative data: **300**

All data: **483**

Industrial parks

Comparative data: **219**

All data: **362**

Retail parks

Comparative data: **139**

All data: **187**

Shopping centres

Comparative data: **49**

All data: **66**

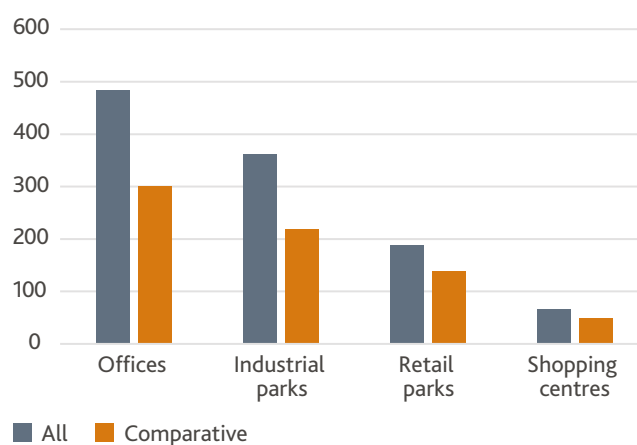
Use of the median value

The median value, rather than the mean, has been used to report the average for the trend analysis. The median is the value found by lining up all values for a data point, and selecting the item at the mid-point. This is an effective way of reducing the impact of outlier values, and returns a value that is likely to be found within a 'typical' service charge reconciliation. For our analysis, we have excluded zero values so that results are not skewed by expenditure lines where there is simply no spend incurred. The benefit of this is that we are able to report true 'typical' values, and the effect of outliers does not disproportionately impact the result.

Dataset

Our data is taken from eight contributors totalling 1,098 service charges with an accounting year-end date falling within the 2025 calendar year. From this data we have identified 707 service charge properties with three years' worth of comparative data, with accounting year-ends which fall into 2023, 2024 and 2025. The datasets for each sector type are summarised below:

Sector datasets



Approach and Dataset – Regions

Postcodes were sourced for each property based on their address. These were mapped to regions as set out below, with a broader set of regions used for office and industrial parks due to the larger amount of data available.

Offices and Industrial

Central London

E14, EC, SW1, W1, WC

Greater London

(excluding above specific areas)

BR, CR, DA, E, EN, HA, IG, KT, N, NW, RM, SE, SW, TW, UB, W, WD

South West

BA, BH, BS, EX, GL, PL, SN, SP, TA, TQ, TR

South East

AL, BN, CM, CT, GU, HP, LU, ME, MK, OX, PO, RG, RH, SG, SL, SO, SS, TN

Scotland

AB, DD, DG, EH, FK, G, I, KA, KY

North

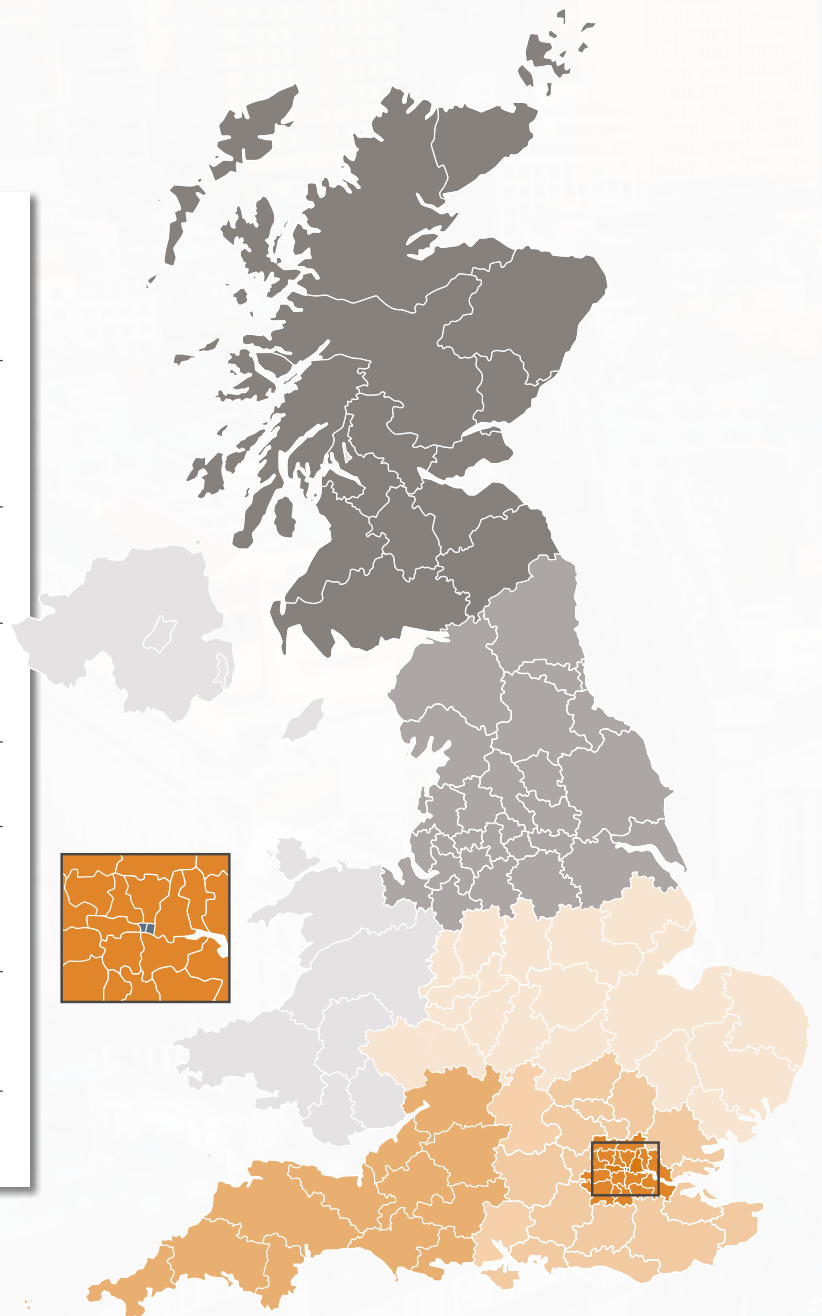
BB, BD, BL, CA, CH, CW, DN, HD, HU, HX, L, LA, LS, M, NE, OL, PR, S, SK, TS, WA, WF, YO

Midlands

B, CB, CO, CV, DE, DY, HR, IP, LE, LN, NG, NN, NR, PE, ST, TF, WR, WS, WV

Rest of the UK

Includes all areas not included above



Approach and Dataset – Regions

Approach to regions

Regions have been identified based on giving a reasonable sample size to give meaningful results. We have also considered regional variations in the cost base for service charges, particularly linked with wage costs. This means that rather than 'bundling' areas such as Northern Ireland and Wales with other regions, they have been excluded from the regional analysis until we have enough data to report meaningfully for these regions. Offices and industrial parks have larger datasets and broader regional distributions, so therefore have 7 and 6 regions reported respectively.

For retail parks and shopping centres we have only reported on three regions, with a view that these results will be more meaningful. Note that if regions are excluded from our regional analysis, then it does not mean that they are excluded from our analysis in any other parts of our report.

Shopping centres and retail parks

London

BR, CR, DA, E, EC, EN, HA, IG, KT, N, NW, RM, SE, SW, TW, UB, W, WC, WD

South East

AL, BN, CM, CT, GU, HP, LU, ME, MK, OX, PO, RG, RH, SG, SL, SO, SS, TN

North and Midlands

B, BB, BD, BL, CA, CB, CH, CO, CV, CW, DE, DN, DY, HD, HR, HU, HX, IP, L, LA, LE, LN, LS, M, NE, NG, NN, NR, OL, PE, PR, S, SK, ST, TF, TS, WA, WF, WR, WS, WV, YO



Offices





Number of offices



Comparative data	300
All data	483

Approach and Dataset – Offices

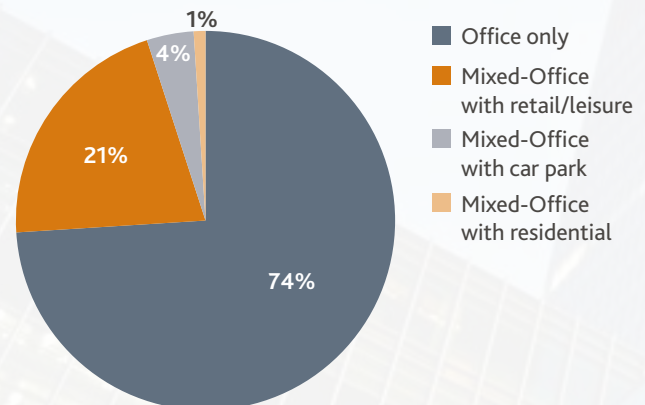
The offices dataset is taken from our contributors' data held on eMOS where the majority of the asset use type is office space. The mix of offices making up our dataset this year has changed due to changes in the submissions from existing contributors. Therefore previous years' results are restated to allow a meaningful trend analysis, but will not match to previous reports.

Total service charge reviewed

£506m

Property use

Number of properties by property use (all data).

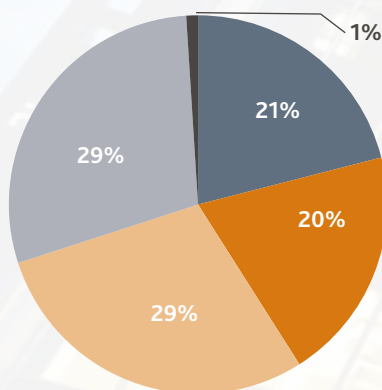


This legend applies to both charts below.

Management Utilities Soft services Hard services Insurance Total

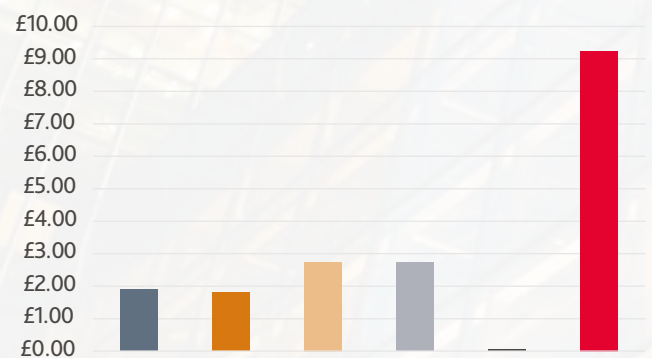
Total average service charge split

Overall split of costs based on median data (excluding exceptional and miscellaneous costs).



Total average service charge split

Total costs based on median data (excluding exceptional and miscellaneous costs).







Efficiency Analysis

Considerations

Energy efficiency considerations for offices can be broken down into the following areas:

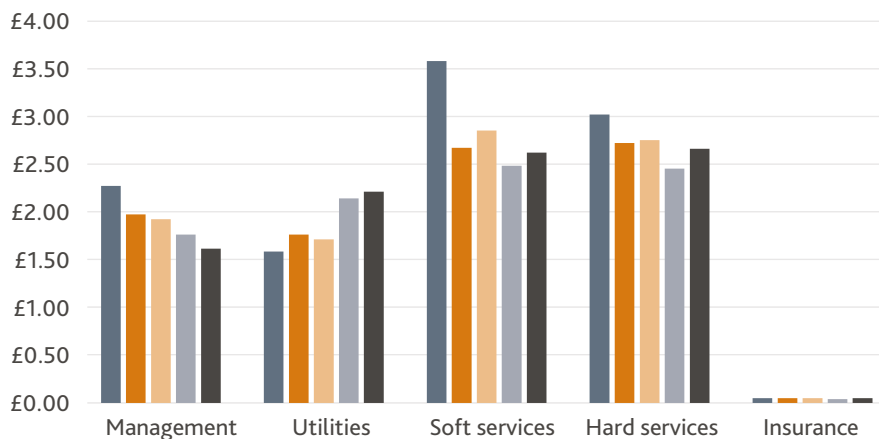
- ▶ **Regulatory compliance and the risk of stranded assets.** With increasingly stringent energy efficiency regulations emerging for larger assets (see page 10), there is a growing risk that non-compliant buildings may become stranded assets. Proactively implementing energy efficiency measures ensures legal compliance and the future proofing of assets
- ▶ **Enhancing energy efficiency through targeted retrofitting measures** can significantly reduce operational costs and lower the environmental footprint of office buildings. Priority actions include conducting energy audits to identify areas of inefficiency, upgrading lighting systems to more efficient alternatives, and optimising heating, ventilation, and air conditioning (HVAC) performance. Additionally, the integration of smart building technologies, such as Building Management Systems (BMS), enables the real-time monitoring and control of energy consumption, allowing for adjustments based on occupancy patterns and operational needs
- ▶ **Tenant preferences and expectation.** Tenant demand is increasingly influenced by sustainability, employee health and wellbeing, data quality and energy performance. Key advantages include operational cost savings, enhanced employee wellbeing and productivity supported by biophilic design, and support for tenant decarbonisation objectives amid increasing regulatory and reputational pressures. Green leases can facilitate data sharing between owners and occupiers on operational and sustainability performance.

The legend below applies to all graphs on pages 21 and 22.

EPC rating: ■ A ■ B ■ C ■ D ■ E to G

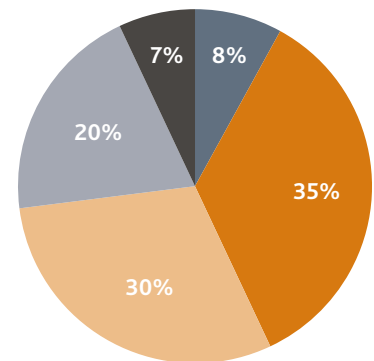
Cost class analysed by EPC rating

Median cost per sq. ft. analysed by cost class and EPC rating.



Analysis of properties by EPC rating

Percentage of properties by EPC rating.



Total costs analysed by EPC rating

Median cost per sq. ft. analysed by EPC rating.





Number of offices

All data

483

Efficiency Analysis

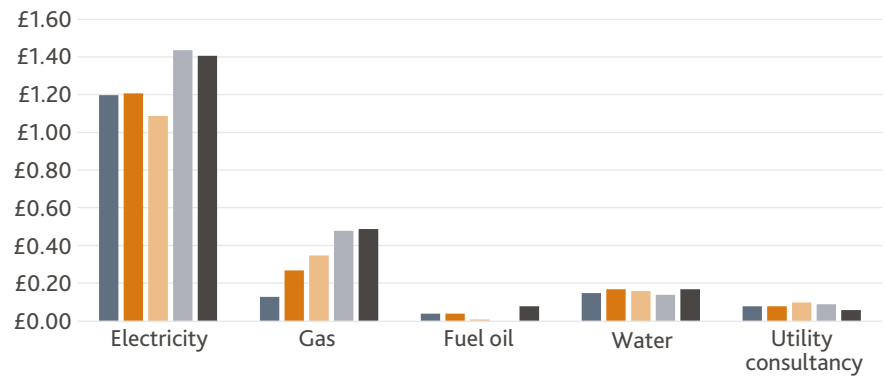


Observations

- ▶ Total costs are highest for A rated properties and lowest for D rated properties
- ▶ Whilst gas costs show a correlation with the EPC certificate, where costs are lowest for the most efficient offices, electricity results follow a different pattern with the lowest median costs reported for rating 'C'.

Utilities cost categories analysed by EPC rating

Median fee per sq. ft. analysed by utility type and EPC rating.

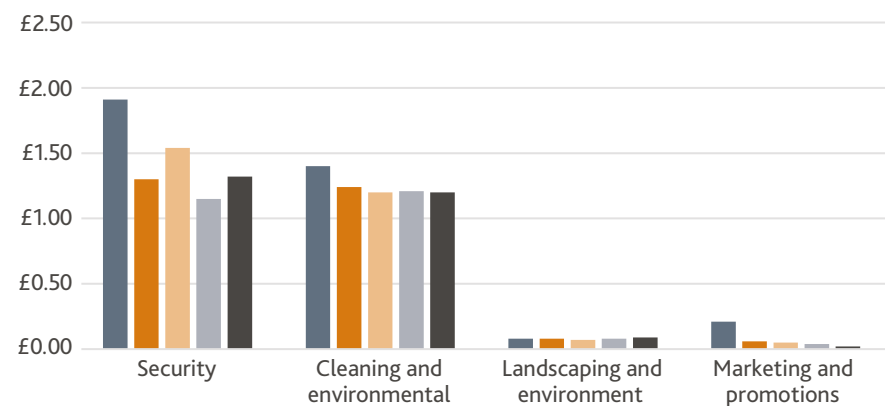


Trend analysis

- ▶ More energy-efficient buildings (A and B ratings) tend to have higher overall service charge costs, driven primarily by increased Security, Cleaning and Management expenditure
- ▶ The results suggest that higher-rated buildings typically support a wider range of services and amenities, contributing to higher operating costs despite improved energy efficiency.

Soft services cost categories analysed by EPC rating

Median fee per sq. ft. analysed by soft service type and EPC rating.





Size Analysis

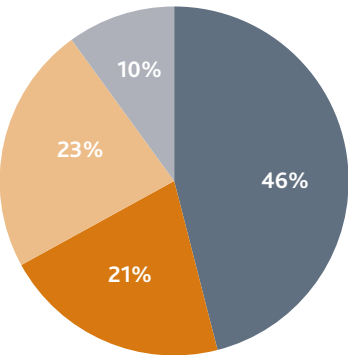
We have analysed our dataset based on total floor area of the service charge building or development. The population has been split into four size categories – Small, Medium, Large and Extra large – with the greatest volume of our dataset falling into the Small category.

The legend below applies to all graphs on this page.

■ Small ■ Medium ■ Large ■ Extra large

Analysis of properties by size

Percentage of properties by size.



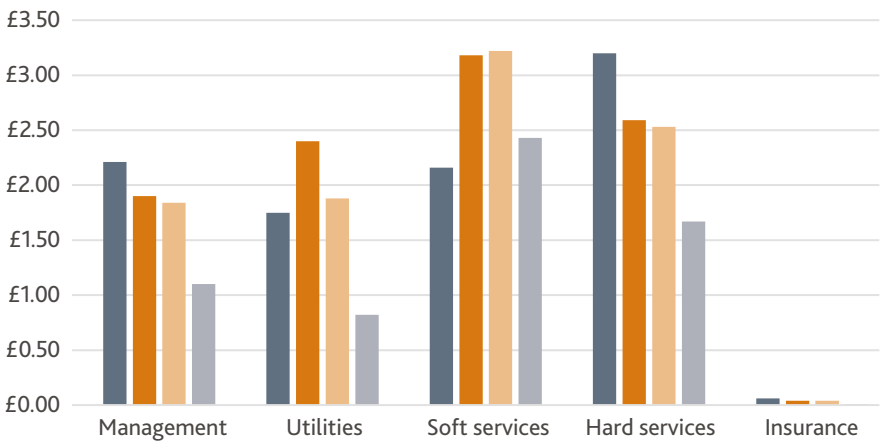
Total costs analysed by size

Median cost per sq. ft. analysed by size.



Cost class analysed by size

Median fee per sq. ft. analysed by cost class and building size.



Observations

- ▶ Small properties account for the largest share of the dataset (46%), while Extra Large properties represent (10%)
- ▶ Average costs are similar for Small, Medium and Large properties, but are notably lower for Extra Large properties.



Trend analysis

- ▶ Larger properties benefit from economies of scale, resulting in lower costs per sq. ft. across most cost classes
- ▶ Soft Services costs remain relatively high in Extra Large properties, reflecting the greater servicing requirements of larger common areas.

Size	Floor area (sq. ft.)
Small	0 – 49,999
Medium	50,000 – 99,999
Large	100,000 – 299,999
Extra Large	300,000 and above

All data

476

Regional Analysis



Observations

- ▶ Central London represents the largest proportion of the dataset (41%) and has the highest overall costs at £13 per sq. ft.
- ▶ Greater London also shows elevated costs (£8.90 per sq. ft.) compared with the regional average
- ▶ Soft Services and Hard Services are the main drivers of higher costs in both Central London and Greater London
- ▶ Regional costs outside London are broadly comparable, ranging between £6.30 per sq. ft. and £7.80 per sq. ft.

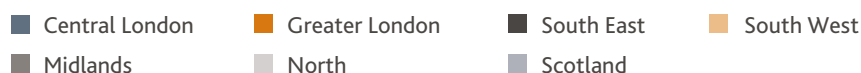


Trend analysis

- ▶ The results indicate a clear London premium, with higher wage and operating costs reflected across most cost classes
- ▶ There is a minimal differential between the other regions analysed, reflecting more consistent operating costs across the rest of the UK.

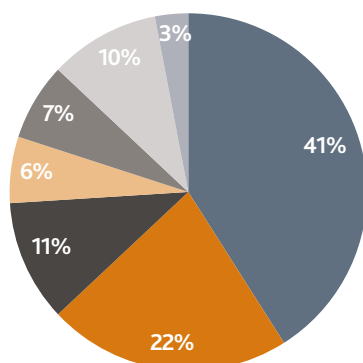
Properties have been mapped to regions as set out on page 15.

The legend below applies to all graphs on this page.



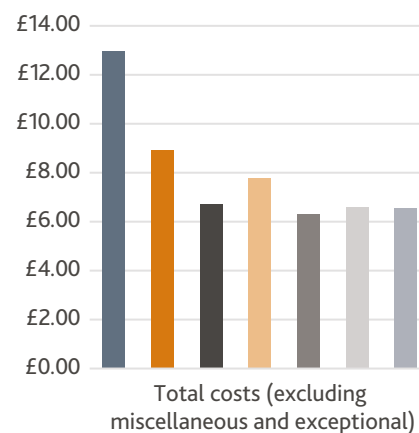
Analysis of properties by region

Percentage of properties by region.



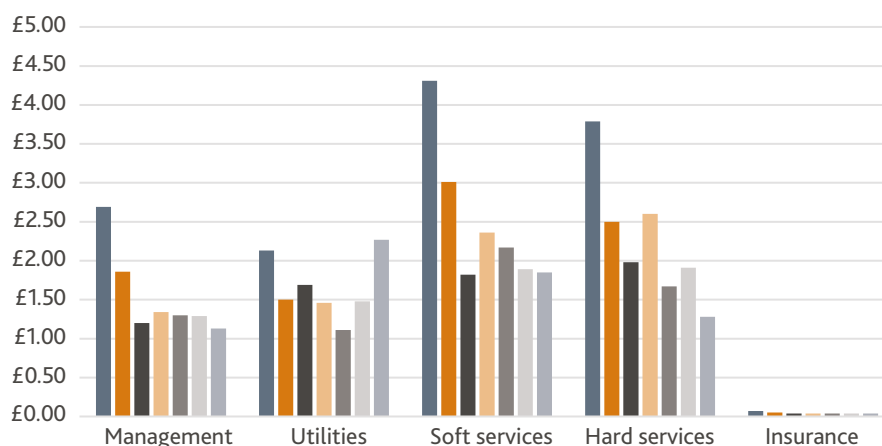
Total costs analysed by region

Median cost per sq. ft. analysed by region.



Cost class analysed by region

Median cost per sq. ft. analysed by cost class and region.



Number of offices



All data	483
BREEAM certification	95

Sustainability Analysis

Green building rating systems serve as essential tools for evaluating and enhancing the environmental and sustainability performance of buildings. They deliver a range of benefits to owners, investors, and tenants, including:

- ▶ Reduced environmental impact, through the adoption of sustainable design and construction practices
- ▶ Operational cost savings, as a result of increased energy efficiency
- ▶ Enhanced occupant health and wellbeing through the adoption of biophilic design principles
- ▶ Increased market demand for prime assets, often leading to higher rental income and reduced vacancy rates
- ▶ Stakeholder transparency, through third-party verification that buildings meet the required sustainability standards.

Predominant rating systems include:

The Building Research Establishment Environmental Assessment Method (BREEAM), developed by the Building Research Establishment (BRE), is a globally recognised framework for assessing the sustainability performance of buildings.

The BREEAM framework evaluates the whole life performance of a building across multiple categories, including energy, water, health and wellbeing, transport, materials, waste, land use and ecology, pollution, and management.

Buildings are then assigned a rating of either pass, good, very good, excellent or outstanding. To date, more than one million BREEAM assessments have achieved certification globally with more than 3 million registered buildings across 108 countries. For context, this is a significant increase from 610,000 global building certifications a year ago.

Leadership in Energy and Environmental Design (LEED), developed by the U.S. Green Building Council (USGBC) provides a framework for designing, constructing, operating and maintaining sustainable buildings. Its ethos is to provide guidance for healthy, efficient and cost-effective green buildings. LEED can be applied to a variety of project types, and whilst the criteria is tailored to suit the specific building type and phase, common areas of focus include, location and transportation, materials and resources, water efficiency, sustainable sites and energy. Projects are certified as either certified, silver, gold or platinum.

The WELL Building Standard, developed by the International WELL Building Institute (IWBI) is a performance-based system that adopts a holistic approach to health in the built environment. It focuses upon monitoring factors that impact human health and well-being, delving into how buildings can prioritise people, given that we spend more than 90% of our time indoors.

The standard is designed to accommodate all project types and sectors and has ten core concepts: air, water, nourishment, light, movement, thermal comfort, sound, materials, mind and community. Projects are certified as either bronze, silver, gold or platinum.

The National Australian Built Environment Rating System (NABERS)

has been adopted by the UK and is overseen by the Chartered Institution of Building Services Engineers (CIBSE). It offers two key products. Design for performance is aimed at improving the energy efficiency of new buildings, and Energy for offices focuses upon assessing the operational performance of existing buildings. Over a 12-month period, NABERS evaluates a building's actual performance in areas such as energy and water consumption, waste generation, and indoor environmental quality. This enables building owners to monitor performance, identify opportunities for cost savings, and implement improvements. Buildings are rated on a scale from 1 to 6 stars, with a 6-star rating signifying outstanding environmental performance.





Number of offices

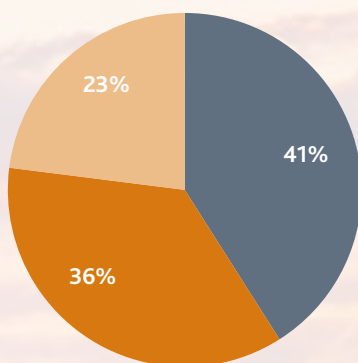
All data	483
BREEAM certification	95

Sustainability Analysis

■ Outstanding and excellent ■ Very good ■ Good and below ■ Not rated

Analysis of properties by BREEAM Certification

Percentage of properties by BREEAM Certification.



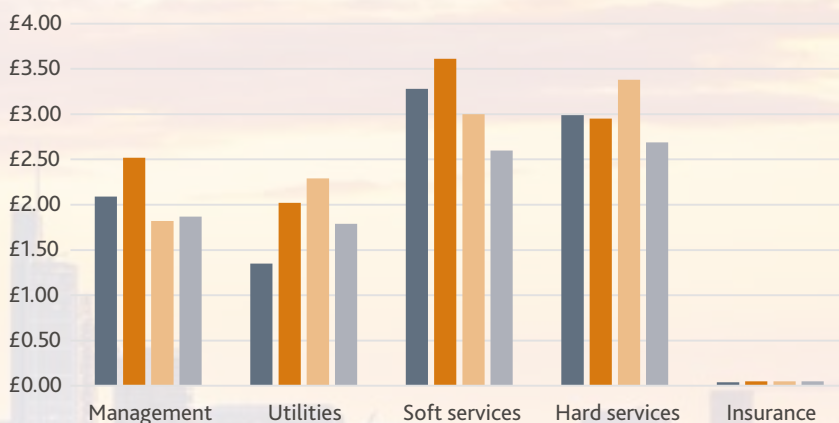
Total costs analysed by BREEAM Certification

Median cost per sq. ft. analysed by BREEAM Certification.



Cost class analysed by BREEAM certification

Median cost per sq. ft. analysed by cost class and BREEAM Certification.



Observations

- ▶ At total cost level, all assets with a BREEAM certification had higher costs than the overall average service charge costs seen for the whole dataset
- ▶ The offices with an 'outstanding' or 'excellent' certification have the lowest total costs of those certified, driven by lower utility costs, although there is variation when looking at individual cost classes.



Trend analysis

- ▶ BREEAM certified assets are more likely to be premium office space, with sustainable credentials being desirable to many occupiers, and therefore it is understandable the overall service charge cost for these spaces is higher
- ▶ It is possible that buildings with the highest sustainability scores have lower energy consumption due to greater efficiency supported by the fabric of the building such as better insulation. However, within a relatively small population it is important to consider that other factors may be at play as the BREEAM does not score efficiency in use. For example, a large proportion of the Outstanding & Excellent and Very Good certified properties are located in London, which is also a factor for higher costs.



Total Cost Review

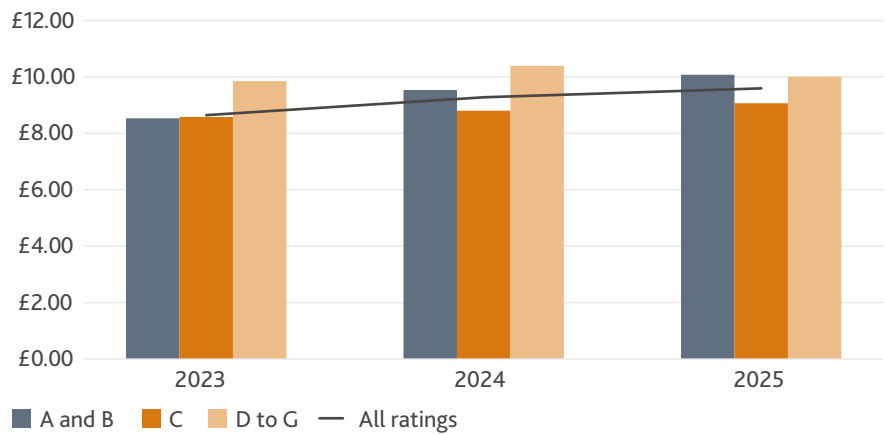
Three Year Analysis by EPC Rating

Cost classes

EPC rating group category	A and B			C			D to G		
	2023	2024	2025	2023	2024	2025	2023	2024	2025
	£/sq. ft.			£/sq. ft.			£/sq. ft.		
Management	1.99	2.28	2.26	1.60	1.87	1.97	1.93	1.89	1.93
Utilities	1.68	1.72	1.83	1.98	1.70	1.54	2.37	2.54	2.54
Soft services	2.44	2.70	2.77	2.37	2.59	2.65	2.42	2.72	2.59
Hard services	2.37	2.79	3.17	2.57	2.59	2.86	3.08	3.18	2.90
Insurance	0.06	0.05	0.05	0.06	0.06	0.05	0.06	0.07	0.05

Median total cost per sq. ft. analysed by EPC and Year (with AC)

Median taken from totals for property within each EPC category excluding exceptional and miscellaneous expenditure (offices with air conditioning).



Observations

- ▶ The trend across three years is that costs have increased year on year across all EPC categories, with the greatest increase in costs being within the 'A and B' category
- ▶ A&B and D-G rated properties recorded the highest costs in 2025, at £10.08/sq. ft. and £10.01/sq. ft. respectively.



Trend analysis

- ▶ Cost increases across the three years has been driven by a combination of rising wage costs, and volatile utility costs. This is reflected in the results where, Utilities and Soft Services were contributors to cost growth, particularly in A&B rated properties.





Number of offices

Comparative data with AC 256

Total Cost Review

Three Year Analysis by Size



Observations

- ▶ Whilst the overall trend is an increase in costs, the greatest increase is in the Extra Large size with an overall increase of 17% between 2023 and 2025.



Trend analysis

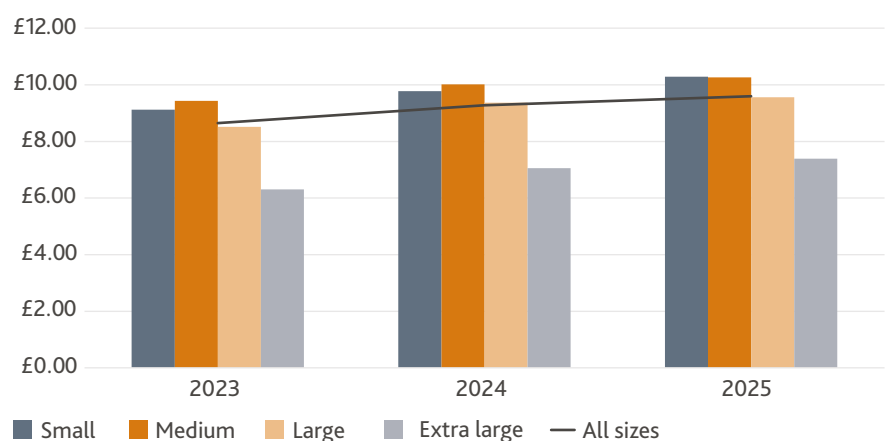
- ▶ Utilities, Soft Services and Hard Services were the main contributors to cost growth between 2023 and 2025 again reflecting the inflationary pressures seen in the period.

Cost classes

Size group category	Small			Medium			Large			Extra large		
	2023	2024	2025	2023	2024	2025	2023	2024	2025	2023	2024	2025
	£/sq. ft.			£/sq. ft.			£/sq. ft.			£/sq. ft.		
Management	2.03	2.27	2.24	1.87	2.00	2.16	1.92	2.05	2.06	1.19	1.37	1.43
Utilities	2.12	1.95	2.01	2.17	2.31	2.49	1.69	1.71	1.81	0.88	0.98	0.82
Soft services	2.13	2.17	2.31	2.79	3.12	2.92	2.65	2.98	3.12	2.24	2.49	2.79
Hard services	2.78	3.32	3.68	2.56	2.54	2.63	2.20	2.58	2.53	1.98	2.20	2.31
Insurance	0.06	0.06	0.05	0.04	0.05	0.06	0.06	0.05	0.04	0.02	0.02	0.04

Median total cost per sq. ft. analysed by Size and Year (with AC)

Median taken from totals for property within each size category excluding exceptional and miscellaneous expenditure (offices with air conditioning).





Total Cost Review

Three Year Tracked Against CPI

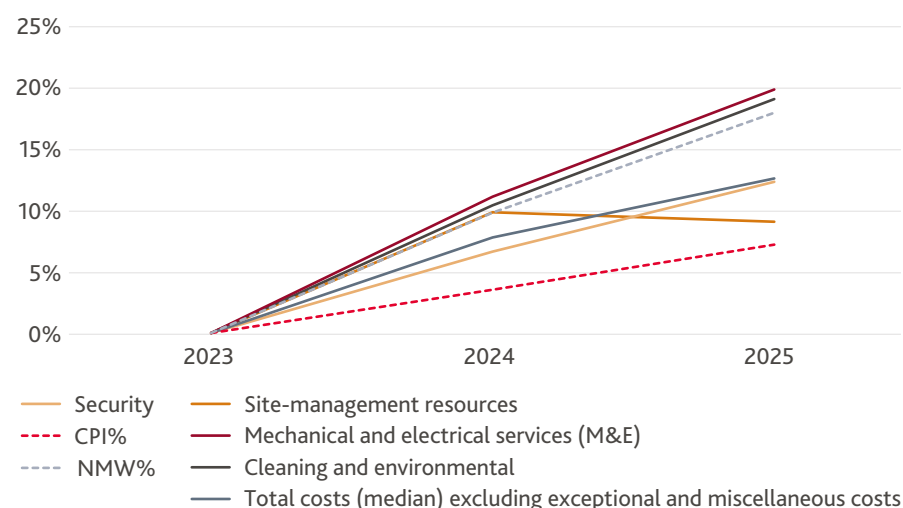
Median costs tracked against CPI

The movement of median costs has been plotted below, against CPI and National Minimum Wage (NMW) increases across the three years reviewed. The inflation line represented below is taken from the CPI figure at 31 December for each year of the datasets (noting that not all accounting year ends will be aligned to this, but will fall within the preceding twelve months). NMW increases occur in April, but have been plotted on the subsequent December to allow for easier comparison. Not all workers will be on the NMW rate, but this gives an idea of wage inflation in the period, in addition, Employer's NI contributions increased during 2025.

The comparative dataset has been used, with both air conditioned, and non-air conditioned buildings included to give a broad view across the population.

Median costs tracked against CPI and NMW

Index tracking CPI and NMW compared to median total costs per sq. ft.



As a result of employer's National Insurance cost increases in April 2025, there was a 3.2% increase in employer costs for workers on the minimum wage, and 2.5% increase for median paid employees. (Source: Institute for Fiscal Studies).



Observations

- ▶ Total costs increased by 12.6% between 2023 and 2025, exceeding CPI, but remaining below wage growth
- ▶ Mechanical and Electrical and Cleaning and Environmental recorded the largest cost increases over the period, both exceeding average minimum wage increases seen in the same period
- ▶ Site-management resources costs, being an exception to the trend lines, are showing a small reduction in costs in 2025.



Trend analysis

- ▶ Cost growth has been driven primarily by labour-intensive services, particularly Cleaning & environmental and Security
- ▶ The reduction in site management costs in 2025 could be reflective of cost management by property managers in this area
- ▶ Overall service charge costs have risen faster than CPI, reflecting continued pressure from labour, maintenance and service delivery costs.





Number of offices

Comparative data

300

Total Cost Review

Three Year Analysis of Variance to Budget



Observations

- ▶ Median costs remained below budget across all three years, ranging from -0.5% to -1.7%
- ▶ However, there is consistently a broad range of outcomes when looking at the upper and lower quartiles which are consistently around 8% either underspend or overspent compared to budget across the three years.



Trend analysis

- ▶ Looking at median results, these suggest effective budget management, with most properties operating close to or below expected cost levels
- ▶ However, the quartile results reflecting a wide range of outcome could be representative of the challenges of both budgeting for anticipated cost increases, and then managing actual costs in a volatile economic environment.

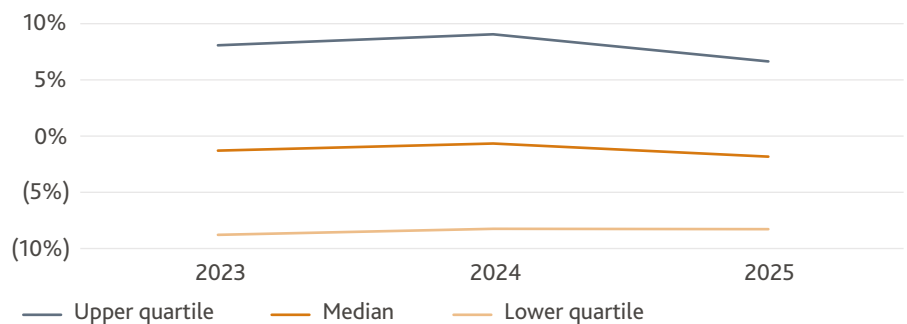
Budget variance

As represented below, median variance is the middle value if all variances were lined up in order when comparing actual total spend with budget for each of the three years. We would expect this to track at around 0% if service charge costs are generally incurred in line with expected costs as set out in the budget. The upper and lower quartile represent the mid-point between the median and the outermost values, therefore showing the degree of spread of values within the normal distribution curve.

The graph below demonstrates the trend for variance between actual service charge spend and budget across the three periods.

Percentage variance to budget

Median variance to budget across three years, quartiles below show the relative spread of variances identified.



	2023	2024	2025
Upper quartile	8%	9%	7%
Median	(1%)	(1%)	(2%)
Lower quartile	(9%)	(8%)	(8%)



Offices – Benchmark Cost Table

Analysis by Size

Median values analysed by size

Median cost value for each cost category and class across the three periods cut by building size.

Size of building	Small			Medium			Large			Extra large		
	2023	2024	2025	2023	2024	2025	2023	2024	2025	2023	2024	2025
	£/sq. ft.			£/sq. ft.			£/sq. ft.			£/sq.ft		
Management												
Management fees	0.78	0.82	0.83	0.64	0.70	0.70	0.57	0.60	0.61	0.49	0.54	0.55
Accounting fees	0.07	0.08	0.09	0.04	0.05	0.05	0.02	0.03	0.03	0.01	0.01	0.01
Site-management resources	0.86	0.93	0.92	1.08	1.09	1.24	1.24	1.35	1.33	0.68	0.80	0.85
Professional fees	0.32	0.44	0.40	0.11	0.16	0.17	0.09	0.07	0.10	0.01	0.02	0.02
Management total	2.03	2.27	2.24	1.87	2.00	2.16	1.92	2.05	2.06	1.19	1.37	1.43
Utilities												
Electricity	1.19	1.24	1.27	1.43	1.64	1.72	1.12	1.16	1.31	0.60	0.66	0.45
Gas	0.68	0.45	0.33	0.57	0.48	0.45	0.39	0.32	0.23	0.12	0.15	0.14
Fuel oil	0.00	0.00	0.08	0.00	0.01	0.07	0.03	0.06	0.06	0.01	0.02	0.01
Water	0.13	0.13	0.16	0.11	0.13	0.17	0.10	0.11	0.14	0.08	0.09	0.14
Utility consultancy	0.11	0.13	0.16	0.06	0.06	0.08	0.05	0.06	0.06	0.06	0.06	0.08
Utilities total	2.12	1.95	2.01	2.17	2.31	2.49	1.69	1.71	1.81	0.88	0.98	0.82
Soft services												
Security	0.82	0.66	0.74	1.64	1.79	1.56	1.54	1.76	1.78	1.20	1.34	1.53
Cleaning and environmental	1.18	1.35	1.41	1.09	1.26	1.27	1.03	1.13	1.21	0.95	1.05	1.18
Landscaping	0.10	0.13	0.14	0.04	0.04	0.05	0.04	0.05	0.06	0.03	0.04	0.05
Marketing and promotions	0.03	0.03	0.03	0.02	0.03	0.04	0.04	0.04	0.06	0.06	0.05	0.03
Soft services total	2.13	2.17	2.31	2.79	3.12	2.92	2.65	2.98	3.12	2.24	2.49	2.79
Hard services												
Mechanical and electrical services (M&E)	2.03	2.38	2.76	2.01	1.93	2.05	1.77	2.02	1.95	1.45	1.59	1.72
Lifts and escalators	0.23	0.20	0.23	0.14	0.16	0.20	0.15	0.16	0.18	0.26	0.26	0.30
Suspended-access equipment	0.03	0.02	0.03	0.03	0.05	0.04	0.03	0.01	0.06	0.04	0.04	0.05
Fabric repairs and maintenance	0.49	0.73	0.66	0.38	0.40	0.34	0.25	0.39	0.35	0.23	0.31	0.24
Hard services total	2.78	3.32	3.68	2.56	2.54	2.63	2.20	2.58	2.53	1.98	2.20	2.31
Insurance												
Engineering insurance	0.04	0.04	0.04	0.03	0.03	0.03	0.03	0.04	0.03	0.01	0.01	0.02
All-risks insurance cover	0.02	0.02	0.02	0.01	0.02	0.03	0.03	0.02	0.02	0.01	0.00	0.02
Insurance total	0.06	0.06	0.05	0.04	0.05	0.06	0.06	0.05	0.04	0.02	0.02	0.04
Grand total	9.12	9.79	10.29	9.43	10.02	10.26	8.51	9.37	9.57	6.31	7.06	7.39





Number of offices

Comparative data with AC **256**

Offices – Benchmark Cost Table

Analysis by Size

Percentage of median values analysed by size

Percentage value for each cost category and class as a proportion of overall costs.

Size of building	Small			Medium			Large			Extra large		
	2023	2024	2025	2023	2024	2025	2023	2024	2025	2023	2024	2025
	%			%			%			%		
Management												
Management fees	8.55%	8.38%	8.07%	6.79%	6.99%	6.82%	6.70%	6.40%	6.37%	7.77%	7.65%	7.44%
Accounting fees	0.77%	0.82%	0.87%	0.42%	0.50%	0.49%	0.24%	0.32%	0.31%	0.16%	0.14%	0.14%
Site-management resources	9.43%	9.50%	8.94%	11.45%	10.88%	12.09%	14.57%	14.41%	13.90%	10.78%	11.33%	11.50%
Professional fees	3.51%	4.49%	3.89%	1.17%	1.60%	1.66%	1.06%	0.75%	1.04%	0.16%	0.28%	0.27%
Management total	22.26%	23.29%	21.77%	19.83%	19.96%	21.05%	22.56%	21.88%	21.53%	18.86%	19.41%	19.35%
Utilities												
Electricity	13.05%	12.67%	12.34%	15.16%	16.37%	16.76%	13.16%	12.38%	13.69%	9.51%	9.35%	6.09%
Gas	7.46%	4.60%	3.21%	6.04%	4.79%	4.39%	4.58%	3.42%	2.40%	1.90%	2.12%	1.89%
Fuel oil	0.00%	0.00%	0.78%	0.00%	0.10%	0.68%	0.35%	0.64%	0.63%	0.16%	0.28%	0.14%
Water	1.43%	1.33%	1.55%	1.17%	1.30%	1.66%	1.18%	1.17%	1.46%	1.27%	1.27%	1.89%
Utility consultancy	1.21%	1.33%	1.55%	0.64%	0.60%	0.78%	0.59%	0.64%	0.63%	0.95%	0.85%	1.08%
Utilities total	23.25%	19.92%	19.53%	23.01%	23.05%	24.27%	19.86%	18.25%	18.91%	13.95%	13.88%	11.10%
Soft services												
Security	8.99%	6.74%	7.19%	17.39%	17.86%	15.20%	18.10%	18.78%	18.60%	19.02%	18.98%	20.70%
Cleaning and environmental	12.94%	13.79%	13.70%	11.56%	12.57%	12.38%	12.10%	12.06%	12.64%	15.06%	14.87%	15.97%
Landscaping	1.10%	1.33%	1.36%	0.42%	0.40%	0.49%	0.47%	0.53%	0.63%	0.48%	0.57%	0.68%
Marketing and promotions	0.33%	0.31%	0.29%	0.21%	0.30%	0.39%	0.47%	0.43%	0.63%	0.95%	0.71%	0.41%
Soft services total	23.36%	22.17%	22.45%	29.59%	31.14%	28.46%	31.14%	31.80%	32.60%	35.50%	35.27%	37.75%
Hard services												
Mechanical and electrical services (M&E)	22.26%	24.31%	26.82%	21.31%	19.26%	19.98%	20.80%	21.56%	20.38%	22.98%	22.52%	23.27%
Lifts and escalators	2.52%	2.04%	2.24%	1.48%	1.60%	1.95%	1.76%	1.71%	1.88%	4.12%	3.68%	4.06%
Suspended-access equipment	0.33%	0.20%	0.29%	0.32%	0.50%	0.39%	0.35%	0.11%	0.63%	0.63%	0.57%	0.68%
Fabric repairs and maintenance	5.37%	7.46%	6.41%	4.03%	3.99%	3.31%	2.94%	4.16%	3.66%	3.65%	4.39%	3.25%
Hard services total	30.48%	33.91%	35.76%	27.15%	25.35%	25.63%	25.85%	27.53%	26.44%	31.38%	31.16%	31.26%
Insurance												
Engineering insurance	0.44%	0.41%	0.39%	0.32%	0.30%	0.29%	0.35%	0.43%	0.31%	0.16%	0.14%	0.27%
All-risks insurance cover	0.22%	0.20%	0.19%	0.11%	0.20%	0.29%	0.35%	0.21%	0.21%	0.16%	0.00%	0.27%
Insurance total	0.66%	0.61%	0.49%	0.42%	0.50%	0.58%	0.71%	0.53%	0.42%	0.32%	0.28%	0.54%
Grand total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%



Industrial Parks





Number of industrial parks



Comparative data	219
All data	362

Approach and Dataset – Industrial Parks

Industrial parks are the second-largest asset type in our dataset. With an 'all data' population of circa 362 sites this provides a solid foundation for our analysis.

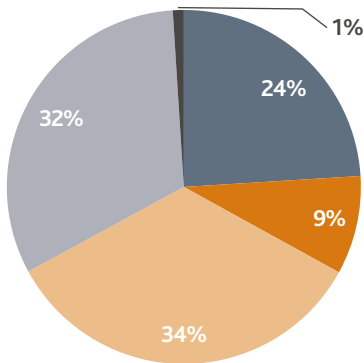
The majority of costs incurred on average are within the soft services and hard services categories.

The legend below applies to all graphs on this page.

- Management
- Utilities
- Soft services
- Hard services
- Insurance
- Total

Total average service charge split

Number of properties by property use (all data).

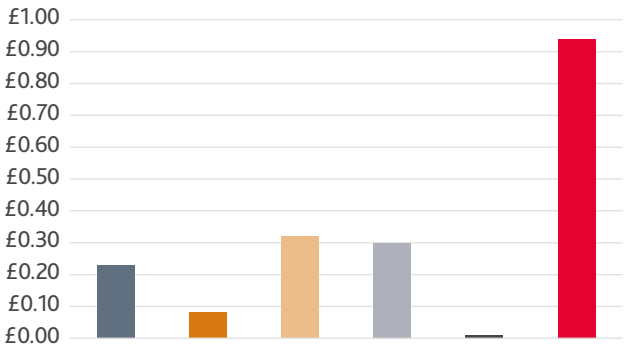


Total service charge reviewed

£72m

Total average service charge split

Total costs based on median data (excluding exceptional and miscellaneous costs).





Number of Industrial parks

All data

362

Efficiency Analysis

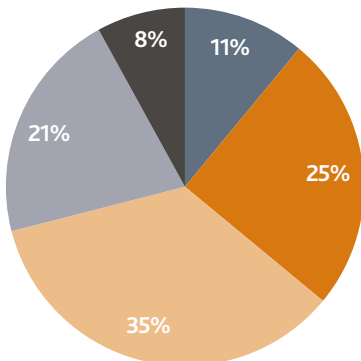
The efficiency rating for each asset has been identified with reference to the latest rating published for each asset, noting that there may be multiple efficiency ratings available at each site address.

The legend below applies to all graphs on this page.

EPC rating: ■ A ■ B ■ C ■ D ■ E to G

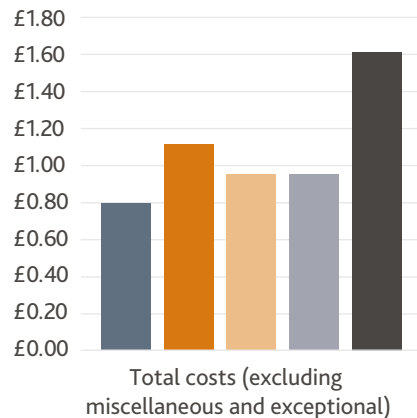
Analysis of properties by EPC rating

Percentage of properties by EPC rating.



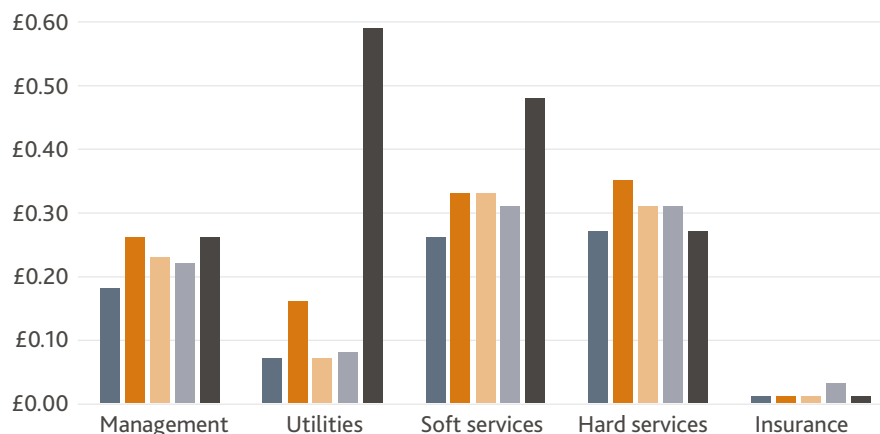
Total costs analysed by EPC rating

Median cost per sq. ft. analysed by EPC rating.



Cost class analysed by EPC rating

Median cost per sq. ft. analysed by cost class and EPC rating.



Observations

- ▶ The dataset is weighted towards B, C and D-rated properties (81%), with C-rated assets representing the largest share (35%)
- ▶ Overall cost variations by EPC rating are modest. The most significant difference is in Utilities, where costs increase substantially for E-G rated properties, while A-rated properties incur the lowest utility costs. Other cost categories show no consistent correlation with EPC performance.



Trend analysis

- ▶ While higher EPC-rated properties appear to achieve modest utility cost savings, particularly in gas consumption, these savings represent a small proportion of overall service charge costs
- ▶ Total costs do not show a clear correlation with EPC rating overall, although significant differences are evident at the extreme ends of the rating spectrum
- ▶ Variations in soft service and other cost categories suggest that factors beyond energy efficiency are the primary drivers of overall expenditure.



Size Analysis

Size analysis

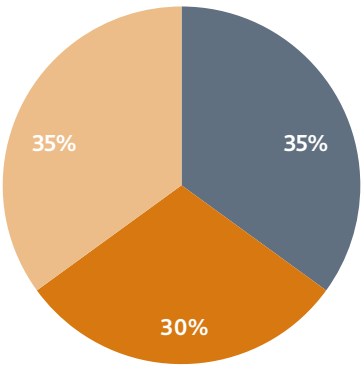
We have analysed our dataset based on total floor area of the service charge building or development. The population has been split into three size categories – Small, Medium and Large.

The legend below applies to all graphs on this page.

■ Small ■ Medium ■ Large

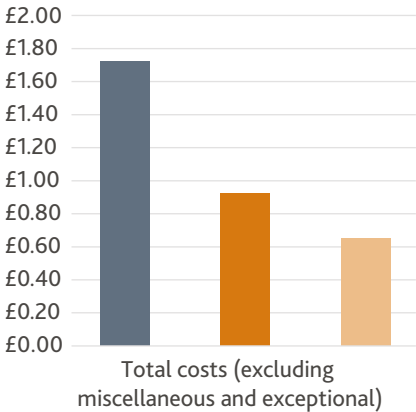
Analysis of properties by size

Percentage of properties by size.



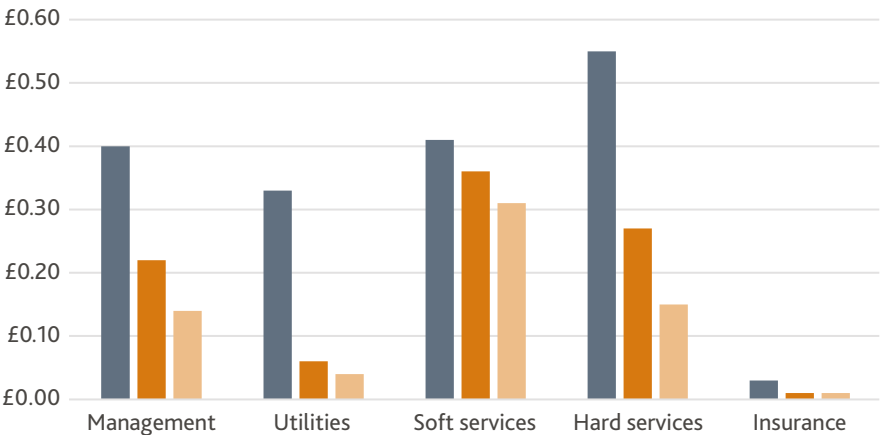
Total costs analysed by size

Median cost per sq. ft. analysed by size.



Cost class analysed by size

Median fee per sq. ft. analysed by cost class and building size.



Observations

- ▶ Total costs per sq. ft. reduce as property size increases, with Small properties incurring the highest costs and Large properties the lowest
- ▶ Small properties have the highest costs across all cost classes, particularly within Hard Services, Management, and Utilities
- ▶ Soft Services costs show less variation by size than other cost categories.



Trend analysis

- ▶ The data demonstrates clear economies of scale, with larger properties achieving lower costs per sq. ft. across most service areas. The most significant reductions are seen in Hard Services, Management, and Utilities costs as property size increases
- ▶ Soft Services costs decline more gradually, suggesting they are influenced more by service requirements and site characteristics than by scale alone.

Size	Floor area (sq. ft.)
Small	0 – 74,999
Medium	75,000 – 149,999
Large	150,000 and above



Number of Industrial parks

All data

356

Regional Analysis



Observations

- ▶ London and the North of England record the highest average total costs per sq. ft., while the South West has the lowest
- ▶ London has the highest average Management, Soft Services and Hard Services costs, whereas the North reports the highest Utilities and Insurance costs
- ▶ The South West generally records the lowest average costs across most cost classes.



Trend analysis

- ▶ As seen in the offices sector, average service charge costs are higher in London due to the higher operational and wage costs in this area
- ▶ In London, higher Soft Services and Hard Services costs are the main drivers of total expenditure, reflecting greater operational and maintenance requirements
- ▶ The South West remains the lowest-cost region overall, reflecting the relatively lower employment cost base in this area.

Regional analysis

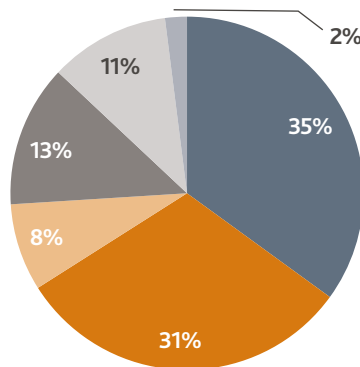
Properties have been mapped to regions as set out on page 15.

The legend below applies to all graphs on this page.

■ London ■ South East ■ South West ■ Midlands ■ North ■ Scotland

Analysis of properties by region

Percentage of properties by region.



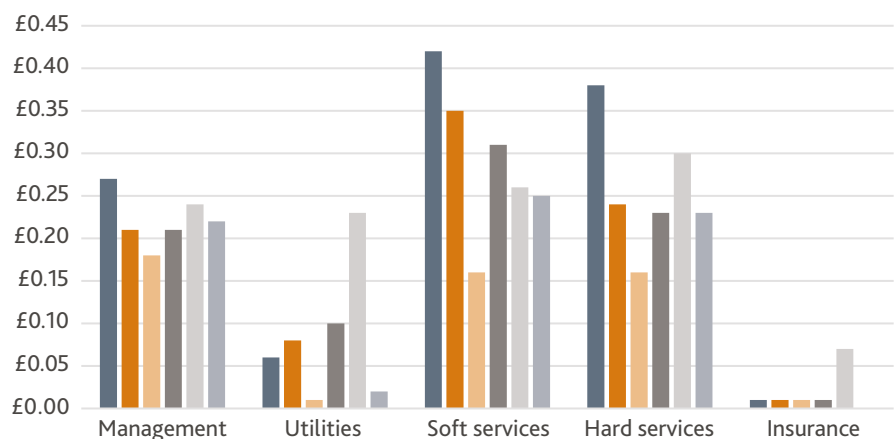
Total costs analysed by region

Median cost per sq. ft. analysed by region.



Cost class analysed by region

Median cost per sq. ft. analysed by cost class and region.





Total Cost Review

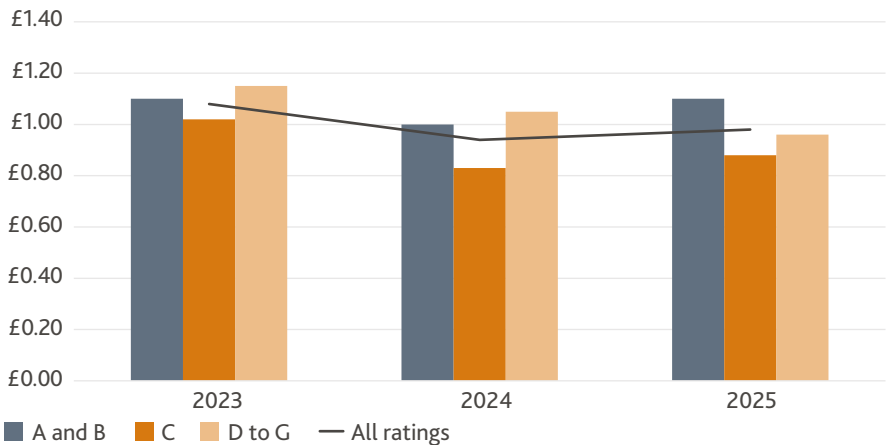
Three Year Analysis by EPC Rating

Cost classes

EPC rating group category	A and B			C			D to G		
	2023	2024	2025	2023	2024	2025	2023	2024	2025
	£/sq. ft.			£/sq. ft.			£/sq. ft.		
Management	0.22	0.23	0.28	0.19	0.21	0.21	0.21	0.23	0.24
Utilities	0.23	0.17	0.14	0.25	0.13	0.07	0.35	0.10	0.09
Soft services	0.35	0.32	0.36	0.31	0.26	0.31	0.32	0.39	0.33
Hard services	0.29	0.27	0.31	0.25	0.22	0.28	0.25	0.32	0.28
Insurance	0.01	0.01	0.01	0.02	0.01	0.01	0.02	0.01	0.02

Median total cost per sq. ft. analysed by EPC and year

Median taken from totals for property within each EPC category excluding exceptional and miscellaneous expenditure (industrial parks with air conditioning).



Observations

- Due to the nature of our dataset, the comparative data is lower than the full dataset, so the results are different from those reported earlier in the report. However, the comparative dataset does allow for a more reliable view of cost changes over time
- Median costs remained broadly stable between 2023 and 2025, with only minor fluctuations across EPC ratings. Where costs have reduced slightly across the three years, in the 'C' and 'D to G' categories, it is a result of the reduction in utilities costs.



Trend analysis

- The overall reduction in costs is largely driven by falling fabric repairs and maintenance costs within Hard Services, which peaked in the 2023 data
- The costs reductions in utilities could be a result of reducing gas costs, or a shift away from gas usage, as this is where cost reduction is seen within utilities.





Number of Industrial parks

Comparative data

219

Total Cost Review

Three Year Analysis by Size



Observations

- ▶ Small sites consistently have the highest costs, while Medium and Large sites remain significantly lower
- ▶ Overall median costs fell in 2024 before increasing slightly in 2025, remaining below 2023 levels.

Cost classes

Size group category	Small			Medium			Large		
	2023	2024	2025	2023	2024	2025	2023	2024	2025
	£/sq. ft.			£/sq. ft.			£/sq. ft.		
Management	0.37	0.39	0.42	0.18	0.19	0.21	0.12	0.14	0.16
Utilities	0.63	0.65	0.28	0.04	0.07	0.05	0.11	0.04	0.03
Soft services	0.39	0.42	0.44	0.24	0.24	0.26	0.34	0.38	0.34
Hard services	0.62	0.55	0.57	0.25	0.25	0.28	0.13	0.14	0.16
Insurance	0.05	0.04	0.03	0.01	0.01	0.01	0.02	0.01	0.02

Median total cost per sq. ft. analysed by size and year

Median taken from totals for property within each size category excluding exceptional and miscellaneous expenditure (industrial parks with air conditioning).

£2.50

£2.00

£1.50

£1.00

£0.50

£0.00

2023

2024

2025

■ Small ■ Medium ■ Large — All sizes



Trend analysis

- ▶ Costs for Medium and Large sites remained broadly stable across the period
- ▶ Where the Small sites had a reduction in total costs in 2025, again this reduction was driven by a fall in gas costs.





Total Cost Review

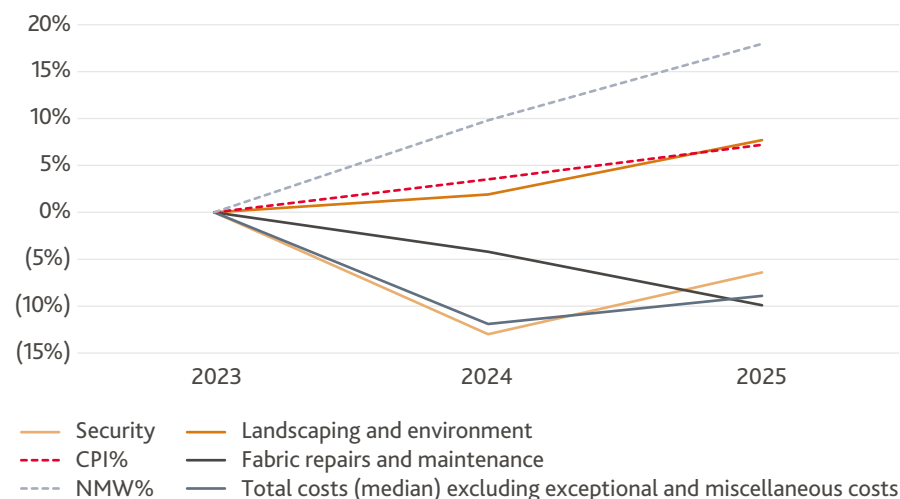
Three Year Tracked Against CPI

Median costs tracked against CPI

The movement of median costs has been plotted below, against CPI and National Minimum Wage (NMW) increases across the three years reviewed. The inflation line represented below is taken from the CPI figure at 31 December for each year of the datasets (noting that not all accounting year ends will be aligned to this, but will fall within the preceding twelve months). NMW increases occur in April, but have been plotted on the subsequent December to allow for easier comparison. Not all workers will be on the NMW rate, but this gives an idea of wage inflation in the period, in addition, Employer's NI contributions increased during 2025. The comparative dataset has been used.

Median costs tracked against CPI and NMW

Index tracking CPI and NMW compared to median total costs per sq. ft.



As a result of employer's National Insurance cost increases in April 2025, there was a 3.2% increase in employer costs for workers on the minimum wage, and 2.5% increase for median paid employees. (Source: Institute for Fiscal Studies).



Observations

- ▶ Overall costs reduced by 12% in 2024 and remained 9% below the 2023 baseline in 2025
- ▶ Security and fabric repair costs showed the largest reductions over the period, down 6% and 10% respectively across the three year period
- ▶ Landscaping costs increased gradually, reaching 8% above the 2023 baseline by 2025.



Trend analysis

- ▶ Total costs have remained below the 2023 baseline despite inflation of 7% and NMW increases 18% between 2023 and 2025
- ▶ The data suggests a degree of effective cost control against wider inflationary and labour cost pressures, and that reduced or deferred maintenance costs could also be contributing to the overall reduction in costs.





Number of Industrial parks

Comparative data

219

Total Cost Review

Three Year Analysis of Variance to Budget



Observations

- ▶ Median costs were consistently below budget across all three years, ranging from -1.6% to -2.2%
- ▶ The spread of results remained similar across the period, with expenditure in 2025 tending to be more likely below budget than earlier periods.



Trend analysis

- ▶ Overall budget performance remained stable, with actual costs typically delivered slightly below budget
- ▶ The widening lower quartile indicates an increasing number of properties achieving costs materially below budget, this is unsurprising in the context of the trend of reducing costs seen in our earlier analysis.

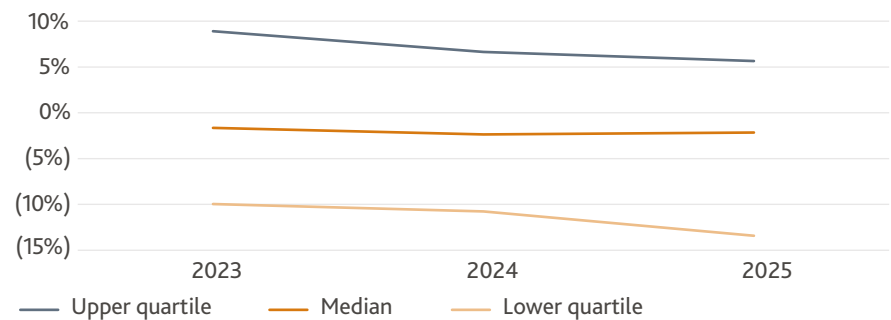
Budget variance

As represented below, median variance is the middle value if all variances were lined up in order when comparing actual total spend with budget for each of the three years. We would expect this to track at around 0% if service charge costs are generally incurred in line with expected costs as set out in the budget. The upper and lower quartile represent the mid-point between the median and the outermost values, therefore showing the degree of spread of values within the normal distribution curve.

The graph below demonstrates the trend for variance between actual service charge spend and budget across the three periods.

Percentage variance to budget

Median variance to budget across three years, quartiles below show the relative spread of variances identified.



	2023	2024	2025
Upper quartile	9%	7%	6%
Median	(2%)	(2%)	(2%)
Lower quartile	(10%)	(11%)	(13%)





Industrial Parks – Benchmark Cost Table

Analysis by Size

Median values analysed by size

Median cost value for each cost category and class across the three periods cut by building size.

Size of building	Small			Medium			Large		
	2023	2024	2025	2023	2024	2025	2023	2024	2025
	£/sq. ft.			£/sq. ft.			£/sq. ft.		
Management									
Management fees	0.13	0.14	0.17	0.07	0.08	0.09	0.06	0.07	0.08
Accounting fees	0.03	0.03	0.03	0.01	0.01	0.01	0.00	0.01	0.01
Site-management resources	0.18	0.18	0.19	0.08	0.08	0.09	0.05	0.05	0.06
Professional fees	0.03	0.04	0.03	0.02	0.02	0.02	0.01	0.01	0.01
Management total	0.37	0.39	0.42	0.18	0.19	0.21	0.12	0.14	0.16
Utilities									
Electricity	0.06	0.06	0.05	0.02	0.03	0.02	0.02	0.02	0.02
Gas	0.47	0.44	0.09	0.01	0.01	0.00	0.08	0.01	0.00
Water	0.09	0.14	0.13	0.01	0.03	0.03	0.01	0.01	0.00
Utility consultancy	0.01	0.01	0.01	0.00	0.00	0.00	0.00	0.00	0.01
Utilities total	0.63	0.65	0.28	0.04	0.07	0.05	0.11	0.04	0.03
Soft services									
Security	0.14	0.15	0.15	0.10	0.09	0.11	0.24	0.26	0.24
Cleaning and environmental	0.11	0.11	0.09	0.04	0.05	0.04	0.03	0.03	0.03
Landscaping	0.14	0.16	0.15	0.09	0.09	0.10	0.06	0.06	0.06
Marketing and promotions	0.00	0.00	0.05	0.01	0.01	0.01	0.01	0.03	0.01
Soft services total	0.39	0.42	0.44	0.24	0.24	0.26	0.34	0.38	0.34
Hard services									
Mechanical and electrical services (M&E)	0.19	0.15	0.15	0.09	0.09	0.11	0.06	0.06	0.08
Lifts and escalators	0.13	0.08	0.10	0.04	0.04	0.04	0.02	0.03	0.02
Suspended-access equipment	0.00	0.00	0.00	0.01	0.02	0.03	0.00	0.00	0.00
Fabric repairs and maintenance	0.30	0.32	0.32	0.11	0.10	0.10	0.05	0.05	0.06
Hard services total	0.62	0.55	0.57	0.25	0.25	0.28	0.13	0.14	0.16
Insurance									
Engineering insurance	0.04	0.03	0.02	0.00	0.00	0.00	0.01	0.00	0.01
All-risks insurance cover	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01
Insurance total	0.05	0.04	0.03	0.01	0.01	0.01	0.02	0.01	0.02
Grand total	2.06	2.05	1.74	0.72	0.76	0.81	0.72	0.71	0.71





Number of Industrial parks

Comparative data

219

Industrial Parks – Benchmark Cost Table

Analysis by Size

Percentage of median values analysed by size

Percentage value for each cost category and class as a proportion of overall costs.

Size of building	Small			Medium			Large		
	2023	2024	2025	2023	2024	2025	2023	2024	2025
	%			%			%		
Management									
Management fees	6.31%	6.83%	9.60%	9.72%	10.53%	11.11%	8.33%	9.86%	11.27%
Accounting fees	1.46%	1.46%	1.69%	1.39%	1.32%	1.23%	0.00%	1.41%	1.41%
Site-management resources	8.74%	8.78%	10.73%	11.11%	10.53%	11.11%	6.94%	7.04%	8.45%
Professional fees	1.46%	1.95%	1.69%	2.78%	2.63%	2.47%	1.39%	1.41%	1.41%
Management total	17.96%	19.02%	23.73%	25.00%	25.00%	25.93%	16.67%	19.72%	22.54%
Utilities									
Electricity	2.91%	2.93%	2.82%	2.78%	3.95%	2.47%	2.78%	2.82%	2.82%
Gas	22.82%	21.46%	5.08%	1.39%	1.32%	0.00%	11.11%	1.41%	0.00%
Water	4.37%	6.83%	7.34%	1.39%	3.95%	3.70%	1.39%	1.41%	0.00%
Utility consultancy	0.49%	0.49%	0.56%	0.00%	0.00%	0.00%	0.00%	0.00%	1.41%
Utilities total	30.58%	31.71%	15.82%	5.56%	9.21%	6.17%	15.28%	5.63%	4.23%
Soft services									
Security	6.80%	7.32%	8.47%	13.89%	11.84%	13.58%	33.33%	36.62%	33.80%
Cleaning and environmental	5.34%	5.37%	5.08%	5.56%	6.58%	4.94%	4.17%	4.23%	4.23%
Landscaping	6.80%	7.80%	8.47%	12.50%	11.84%	12.35%	8.33%	8.45%	8.45%
Marketing and promotions	0.00%	0.00%	2.82%	1.39%	1.32%	1.23%	1.39%	4.23%	1.41%
Soft services total	18.93%	20.49%	24.86%	33.33%	31.58%	32.10%	47.22%	53.52%	47.89%
Hard services									
Mechanical and electrical services (M&E)	9.22%	7.32%	8.47%	12.50%	11.84%	13.58%	8.33%	8.45%	11.27%
Lifts and escalators	6.31%	3.90%	5.65%	5.56%	5.26%	4.94%	2.78%	4.23%	2.82%
Suspended-access equipment	0.00%	0.00%	0.00%	1.39%	2.63%	3.70%	0.00%	0.00%	0.00%
Fabric repairs and maintenance	14.56%	15.61%	19.77%	15.28%	13.16%	12.35%	6.94%	7.04%	8.45%
Hard services total	30.10%	26.83%	33.90%	34.72%	32.89%	34.57%	18.06%	19.72%	22.54%
Insurance									
Engineering insurance	1.94%	1.46%	1.13%	0.00%	0.00%	0.00%	1.39%	0.00%	1.41%
All-risks insurance cover	0.49%	0.49%	0.56%	1.39%	1.32%	1.23%	1.39%	1.41%	1.41%
Insurance total	2.43%	1.95%	1.69%	1.39%	1.32%	1.23%	2.78%	1.41%	2.82%
Grand total	100%	100%	100%	100%	100%	100%	100%	100%	100%



Retail Parks





Number of retail parks



Comparative data	139
All data	187

Approach and Dataset – Retail Parks

Retail parks

Our retail parks dataset is nearly 200 sites, and although the third largest of the asset types analysed, still provides a good coverage across the UK for analysis purposes.

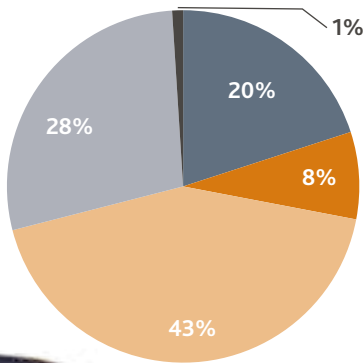
The soft services cost class makes up a significant part of the typical service charge for this asset type and is therefore a key driver for many of the trends we have identified.

The legend below applies to all graphs on this page.

Management Utilities Soft services Hard services Insurance Total

Total average service charge split

Overall split of costs based on median data (excluding exceptional and miscellaneous costs).

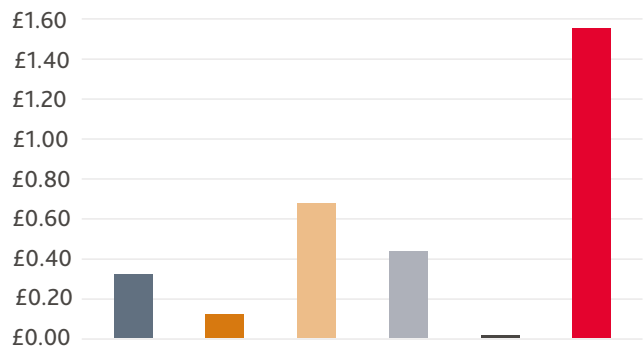


Total service charge reviewed

£37m

Total average service charge costs

Total costs based on median data (excluding exceptional and miscellaneous costs).





Number of retail parks

All data

187

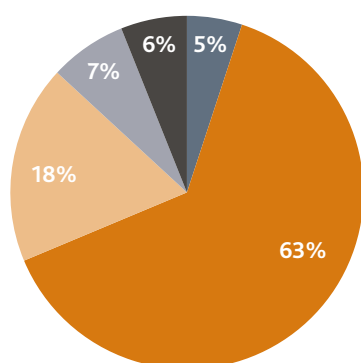
Efficiency Analysis

The efficiency rating for each asset has been identified with reference to the latest rating published for each asset, noting that there may be multiple efficiency ratings available at each site address. The legend below applies to all graphs on this page.

EPC rating: ■ A ■ B ■ C ■ D ■ E to G

Analysis of properties by EPC rating

Percentage of properties by EPC rating.



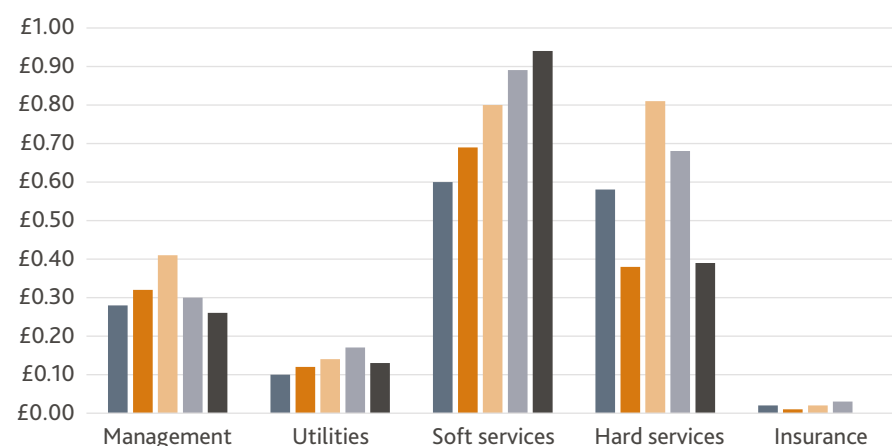
Total costs analysed by EPC rating

Median cost per sq. ft. analysed by EPC rating.



Cost class analysed by EPC rating

Median cost per sq. ft. analysed by cost class and EPC rating.



Observations

- ▶ The dataset is heavily weighted towards efficient assets, with 68% of properties rated A or B
- ▶ B-rated properties have the lowest overall costs, while C-rated properties have the highest
- ▶ There is a trend towards lower total costs for the most efficient sites, which is also mirrored in the utilities and soft services cost class.



Trend analysis

- ▶ Retail parks tend to be more modern than other asset types due to their age and style of construction. Therefore it is unsurprising that the majority of sites are certified as B or above for efficiency
- ▶ More efficient assets (A and B rated) generally exhibit lower overall costs, although individual cost categories vary across EPC groups
- ▶ It is possible that the lower costs for utilities in the most efficient sites is a result of lower energy usage, however the overall spend in this class is relatively low. It is also possible that the most efficient assets have been constructed most recently, and therefore have lower maintenance costs which is contributing to the overall trend.



Size Analysis

Size analysis

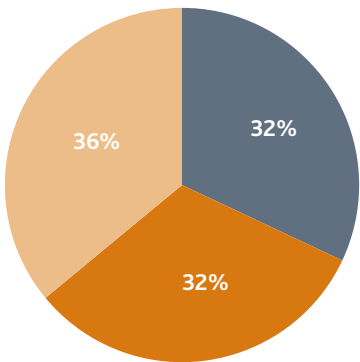
We have analysed our dataset based on total floor area of the retail parks as reported in the budgets. The population has been split into three size categories – Small, Medium and Large – which gives an even spread of assets.

The legend below applies to all graphs on this page.

■ Small ■ Medium ■ Large

Analysis of properties by size

Percentage of properties by size.



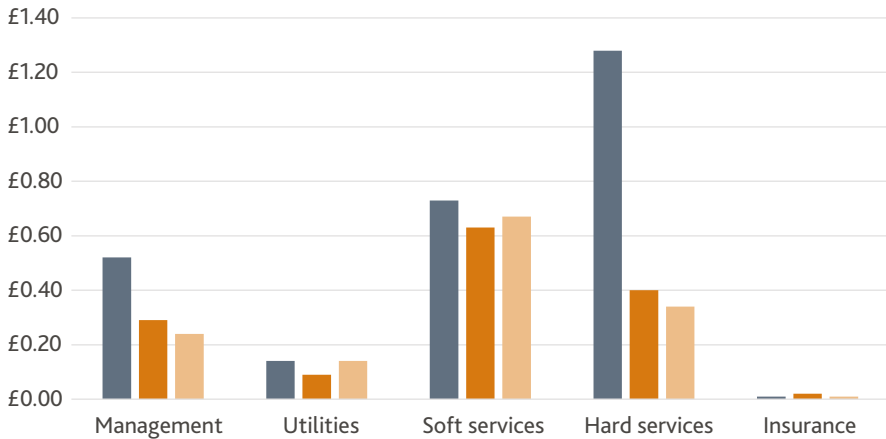
Total costs analysed by size

Median cost per sq. ft. analysed by size.



Cost class analysed by size

Median fee per sq. ft. analysed by cost class and building size.



Observations

- ▶ The sites within the 'Small' category have the highest average cost per sq. ft., with a similar trend seen across each cost class
- ▶ Hard Services are the largest cost component for Small properties, accounting for almost half of total costs.



Trend analysis

- ▶ Costs decrease significantly as property size increases, highlighting the impact of economies of scale
- ▶ The largest cost differential is within Hard Services, where costs are substantially higher in Small properties
- ▶ Medium and Large properties have similar cost profiles, suggesting that most scale efficiencies are achieved once properties exceed 50,000 sq. ft.

Building size	Floor area (sq. ft.)
Small	0 – 49,999
Medium	50,000 – 99,999
Large	100,000 and above



Number of retail parks

All data

142

Regional Analysis



Observations

- Due to the nature of retail parks being based in out of town locations, a lower proportion of our data is within the London area compared to the other sectors. Whilst there is a premium for the London based sites, the differential is not as significant as we have observed in other sector types
- Costs in the Midlands & North and South East are broadly aligned across most cost categories.



Trend analysis

- The overall trend towards higher costs in London can be explained by the higher operational and wage costs in this area. However, the trends at cost class level do not seem to follow a consistent trend that can be explained by regional variations.

Regional analysis

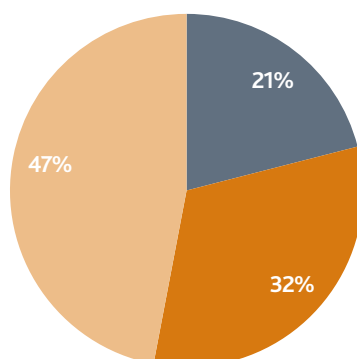
Properties have been mapped to regions as set out on page 15.

The legend below applies to all graphs on this page.

■ London ■ South East ■ Midlands and North

Analysis of properties by region

Percentage of properties by region.



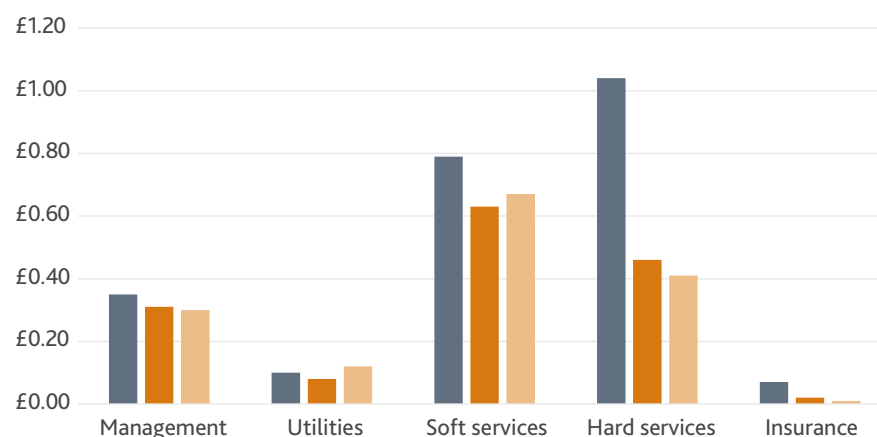
Total costs analysed by region

Median cost per sq. ft. analysed by region.



Cost class analysed by region

Median cost per sq. ft. analysed by cost class and region.





Total Cost Review

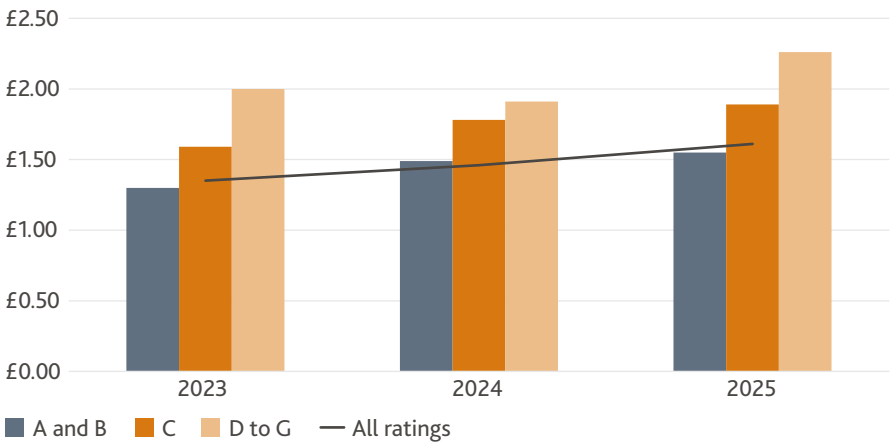
Three Year Analysis by EPC Rating

Cost classes

EPC rating group category	A and B			C			D to G		
	2023	2024	2025	2023	2024	2025	2023	2024	2025
	£/sq. ft.			£/sq. ft.			£/sq. ft.		
Management	0.27	0.29	0.32	0.36	0.38	0.42	0.27	0.28	0.29
Utilities	0.11	0.13	0.12	0.27	0.15	0.15	0.23	0.19	0.20
Soft services	0.52	0.66	0.67	0.59	0.72	0.78	1.04	0.96	1.04
Hard services	0.39	0.40	0.43	0.36	0.52	0.54	0.43	0.44	0.69
Insurance	0.01	0.01	0.01	0.01	0.01	0.02	0.03	0.02	0.04

Median total cost per sq. ft. analysed by EPC and year

Median taken from totals for each property within each EPC category excluding exceptional and miscellaneous expenditure.



Observations

- ▶ Median costs increased across all EPC categories between 2023 and 2025
- ▶ Within all categories, spend on cleaning costs is a key driver for the movements seen, being one of the biggest areas of spending
- ▶ Cost growth was consistent across all EPC ratings, with the largest increases seen in C rated properties.



Trend analysis

- ▶ The majority of our data is within the 'A and B' category, and therefore the increase seen within this data is most representative of retail parks overall
- ▶ Cleaning costs have been a significant driver of overall spend, reflecting the impact of wage inflation.





Number of retail parks

Comparative data

139

Total Cost Review

Three Year Analysis by Size



Observations

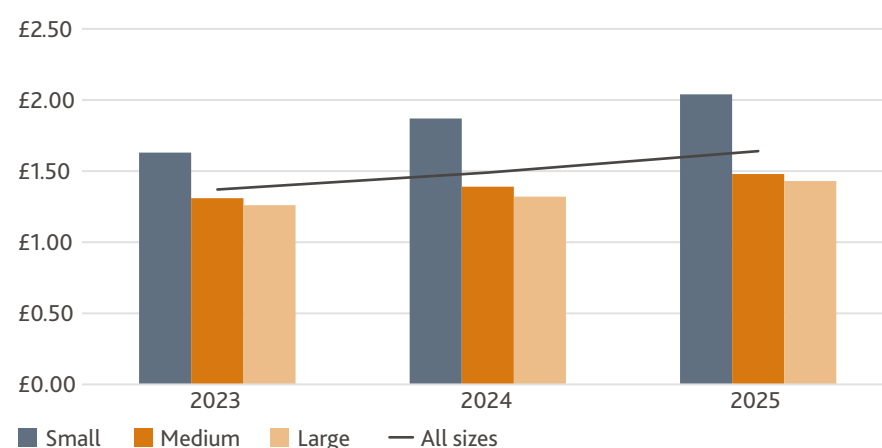
- ▶ Median costs increased across all size categories between 2023 and 2025, with the Small category experiencing the greatest increases in costs.

Cost classes

Size group category	Small			Medium			Large		
	2023	2024	2025	2023	2024	2025	2023	2024	2025
	£/sq. ft.			£/sq. ft.			£/sq. ft.		
Management	0.44	0.47	0.50	0.27	0.27	0.29	0.21	0.23	0.25
Utilities	0.11	0.14	0.13	0.09	0.09	0.08	0.14	0.13	0.13
Soft services	0.57	0.62	0.70	0.55	0.56	0.63	0.59	0.65	0.68
Hard services	0.50	0.63	0.70	0.38	0.45	0.46	0.32	0.30	0.36
Insurance	0.01	0.01	0.01	0.02	0.02	0.02	0.00	0.01	0.01

Median total cost per sq. ft. analysed by size and year

Median taken from totals for each property within each size category excluding exceptional and miscellaneous expenditure.



Trend analysis

- ▶ Whilst it seems that the Small sites do not benefit from the same economies of scale compared to the larger sites, it appears that these sites are also experiencing more significant increases in costs. This may be related to the ability to secure good rates for smaller sites due to the size of contracts.





Total Cost Review

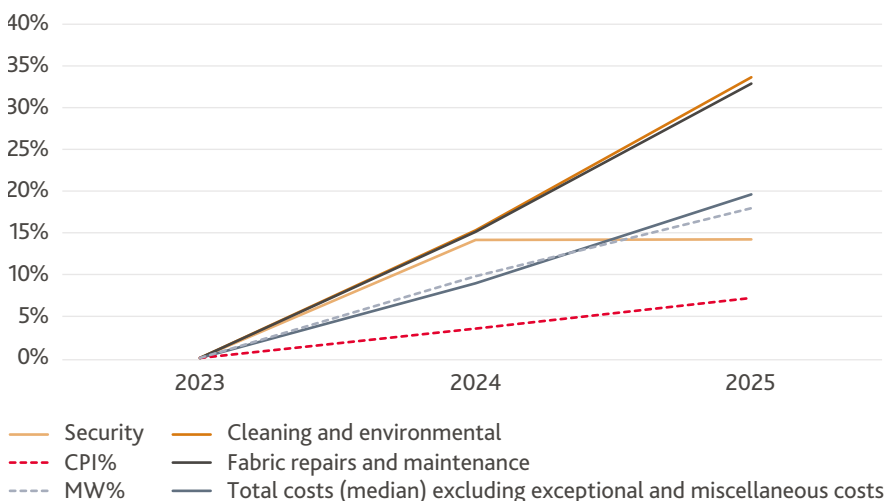
Three Year Tracked Against CPI

Median costs tracked against CPI

The movement of median costs has been plotted below, against CPI and National Minimum Wage (NMW) increases across the three years reviewed. The inflation line represented below is taken from the CPI figure at 31 December for each year of the datasets (noting that not all accounting year ends will be aligned to this, but will fall within the preceding twelve months). NMW increases occur in April, but have been plotted on the subsequent December to allow for easier comparison. Not all workers will be on the NMW rate, but this gives an idea of wage inflation in the period, in addition, Employer's NI contributions increased during 2025. The comparative dataset has been used.

Median costs tracked against CPI and NMW

Index tracking CPI and NMW compared to median total cost per sq. ft.



As a result of employer's National Insurance cost increases in April 2025, there was a 3.2% increase in employer costs for workers on the minimum wage, and 2.5% increase for median paid employees. (Source: Institute for Fiscal Studies).



Observations

- ▶ Total costs increased between 2023 and 2025, significantly exceeding CPI growth over the same period. This is not surprising given Cleaning and Environmental and Fabric Repair and Maintenance recording an increase of around 33% for the three year period
- ▶ Whilst all costs have increased ahead of CPI across the period, Security costs did not increase between 2024 and 2025.



Trend analysis

- ▶ The overall increase reflects continued pressure on labour, maintenance and service delivery costs across different service types
- ▶ The flatlining of security cost in the most recent period, suggests that some of the challenges requiring additional security measures at retail parks were brought under control.





Number of retail parks

Comparative data

139

Total Cost Review

Three Year Analysis of Variance to Budget



Observations

- ▶ Median costs remained below budget across all three years
- ▶ The upper quartile reduced from 8.2% above budget in 2023 to 3.6% in 2025, indicating fewer higher-cost outliers
- ▶ The lower quartile remained consistently around 12-13% below budget, demonstrating sustained underspend across a significant proportion of properties.



Trend analysis

- ▶ Costs were generally delivered below budget expectations, which could suggest effective cost control or alternatively works deferred into subsequent periods
- ▶ It has been a difficult period to predict inflationary increases, and these may have been over-estimated in the population that makes up the lower quartile.

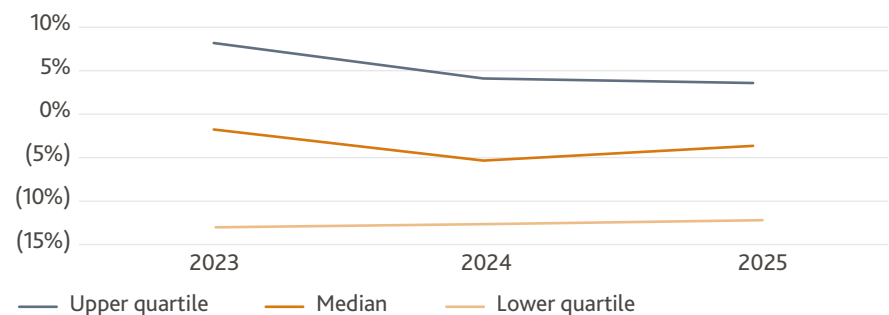
Budget variance

As represented below, the median variance is the middle value if all variances were lined up in order when comparing actual total spend with budget for each of the three years. We would expect this to track at around 0% if service charge costs are generally incurred in line with budgeted costs. The upper and lower quartile represent the mid-point between the median and the outermost values, therefore showing the degree of spread of values within the normal distribution curve.

The graph below demonstrates the trend for variances between actual service charge spend and budget across the three periods.

Percentage variance to budget

Median variance to budget across three years, quartiles below show the relative spread of variances identified.



	2023	2024	2025
Upper quartile	8%	4%	4%
Median	(2%)	(5%)	(4%)
Lower quartile	(13%)	(13%)	(12%)





Retail Parks – Benchmark Cost Table

Analysis by Size

Median values analysed by size

Median cost value for each cost category and class across the three periods cut by building size.

Size of building	Small			Medium			Large		
	2023	2024	2025	2023	2024	2025	2023	2024	2025
	£/sq. ft.			£/sq. ft.			£/sq. ft.		
Management									
Management fees	0.13	0.15	0.17	0.11	0.11	0.13	0.09	0.10	0.11
Accounting fees	0.03	0.04	0.04	0.02	0.02	0.02	0.01	0.01	0.01
Site-management resources	0.20	0.20	0.21	0.10	0.11	0.11	0.10	0.10	0.11
Professional fees	0.08	0.08	0.08	0.04	0.03	0.03	0.01	0.02	0.02
Management total	0.44	0.47	0.50	0.27	0.27	0.29	0.21	0.23	0.25
Utilities									
Electricity	0.09	0.10	0.09	0.07	0.07	0.06	0.11	0.10	0.09
Gas	0.00	0.00	0.00	0.00	0.00	0.00	0.01	0.02	0.03
Water	0.00	0.01	0.02	0.01	0.01	0.01	0.01	0.00	0.00
Utility consultancy	0.02	0.03	0.02	0.01	0.01	0.01	0.01	0.01	0.01
Utilities total	0.11	0.14	0.13	0.09	0.09	0.08	0.14	0.13	0.13
Soft services									
Security	0.09	0.14	0.17	0.14	0.17	0.16	0.17	0.19	0.17
Cleaning and environmental	0.16	0.17	0.18	0.22	0.19	0.25	0.28	0.32	0.35
Landscaping	0.29	0.30	0.35	0.17	0.18	0.20	0.11	0.12	0.13
Marketing and promotions	0.03	0.01	0.00	0.02	0.02	0.02	0.03	0.02	0.03
Soft services total	0.57	0.62	0.70	0.55	0.56	0.63	0.59	0.65	0.68
Hard services									
Mechanical and electrical services (M&E)	0.13	0.16	0.20	0.14	0.19	0.13	0.15	0.13	0.16
Lifts and escalators	0.00	0.00	0.00	0.04	0.05	0.07	0.01	0.03	0.03
Suspended-access equipment	0.00	0.00	0.00	0.00	0.00	0.00	0.01	0.00	0.00
Fabric repairs and maintenance	0.37	0.47	0.50	0.20	0.21	0.26	0.15	0.14	0.17
Hard services total	0.50	0.63	0.70	0.38	0.45	0.46	0.32	0.30	0.36
Insurance									
Engineering insurance	0.00	0.00	0.00	0.01	0.01	0.01	0.00	0.00	0.00
All-risks insurance cover	0.01	0.01	0.01	0.01	0.01	0.01	0.00	0.01	0.01
Insurance total	0.01	0.01	0.01	0.02	0.02	0.02	0.00	0.01	0.01
Grand total	1.63	1.87	2.04	1.31	1.39	1.48	1.26	1.32	1.43





Number of retail parks

Comparative data

139

Retail Parks – Benchmark Cost Table

Analysis by Size

Percentage of median values analysed by size

Percentage value for each cost category and class as a proportion of overall costs.

Size of building	Small			Medium			Large		
	2023	2024	2025	2023	2024	2025	2023	2024	2025
	%			%			%		
Management									
Management fees	7.98%	8.02%	8.33%	8.40%	7.91%	8.78%	7.14%	7.58%	7.69%
Accounting fees	1.84%	2.14%	1.96%	1.53%	1.44%	1.35%	0.79%	0.76%	0.70%
Site-management resources	12.27%	10.70%	10.29%	7.63%	7.91%	7.43%	7.94%	7.58%	7.69%
Professional fees	4.91%	4.28%	3.92%	3.05%	2.16%	2.03%	0.79%	1.52%	1.40%
Management total	26.99%	25.13%	24.51%	20.61%	19.42%	19.59%	16.67%	17.42%	17.48%
Utilities									
Electricity	5.52%	5.35%	4.41%	5.34%	5.04%	4.05%	8.73%	7.58%	6.29%
Gas	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.79%	1.52%	2.10%
Water	0.00%	0.53%	0.98%	0.76%	0.72%	0.68%	0.79%	0.00%	0.00%
Utility consultancy	1.23%	1.60%	0.98%	0.76%	0.72%	0.68%	0.79%	0.76%	0.70%
Utilities total	6.75%	7.49%	6.37%	6.87%	6.47%	5.41%	11.11%	9.85%	9.09%
Soft services									
Security	5.52%	7.49%	8.33%	10.69%	12.23%	10.81%	13.49%	14.39%	11.89%
Cleaning and environmental	9.82%	9.09%	8.82%	16.79%	13.67%	16.89%	22.22%	24.24%	24.48%
Landscaping	17.79%	16.04%	17.16%	12.98%	12.95%	13.51%	8.73%	9.09%	9.09%
Marketing and promotions	1.84%	0.53%	0.00%	1.53%	1.44%	1.35%	2.38%	1.52%	2.10%
Soft services total	34.97%	33.16%	34.31%	41.98%	40.29%	42.57%	46.83%	49.24%	47.55%
Hard services									
Mechanical and electrical services (M&E)	7.98%	8.56%	9.80%	10.69%	13.67%	8.78%	11.90%	9.85%	11.19%
Lifts and escalators	0.00%	0.00%	0.00%	3.05%	3.60%	4.73%	0.79%	2.27%	2.10%
Suspended-access equipment	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.79%	0.00%	0.00%
Fabric repairs and maintenance	22.70%	25.13%	24.51%	15.27%	15.11%	17.57%	11.90%	10.61%	11.89%
Hard services total	30.67%	33.69%	34.31%	29.01%	32.37%	31.08%	25.40%	22.73%	25.17%
Insurance									
Engineering insurance	0.00%	0.00%	0.00%	0.76%	0.72%	0.68%	0.00%	0.00%	0.00%
All-risks insurance cover	0.61%	0.53%	0.49%	0.76%	0.72%	0.68%	0.00%	0.76%	0.70%
Insurance total	0.61%	0.53%	0.49%	1.53%	1.44%	1.35%	0.00%	0.76%	0.70%
Grand total	100%	100%	100%	100%	100%	100%	100%	100%	100%



Shopping Centres





Number of shopping centres



Comparative data	49
All data	66

Approach and Dataset – Shopping Centres

This is the smallest dataset within our report, reflective of the relative smaller number of shopping centres in the UK overall compared to other asset types. The sample size and the unique nature of many shopping centres, with so many variable features, means that it is much harder to draw meaningful conclusions from the data. There is also more likely to be a variation in results from year to year where the data pool shifts.

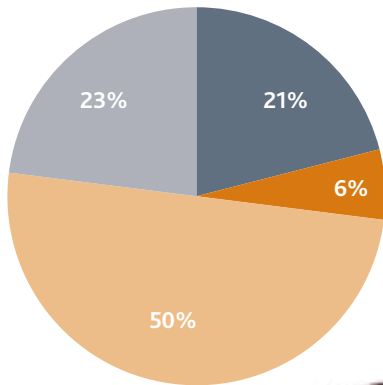
The soft services cost class makes up a significant part of the typical service charge for this asset type and is therefore a key driver for many of the trends we have identified.

The legend below applies to all graphs on this page.

Management Utilities Soft services Hard services Insurance Total

Total average service charge split

Overall split of costs based on median data (excluding exceptional and miscellaneous costs).

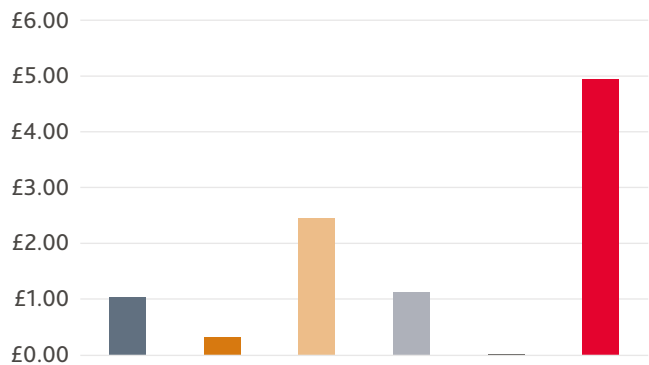


Total service charge reviewed

£77m

Total average service charge costs

Total costs based on median data (excluding exceptional and miscellaneous costs).





Number of shopping centres

All data

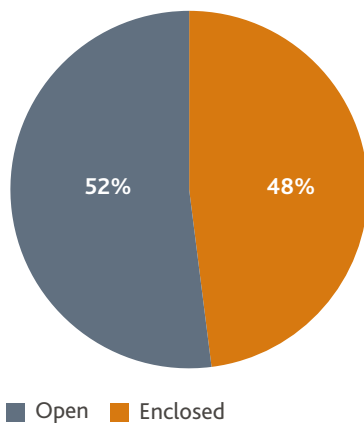
66

Open vs Enclosed Shopping Centres

Shopping centres have been categorised according to whether they are enclosed, with doors and a roof covering; or open with no roof covering between units. Due to the relative sample sizes we have compared the service charge costs at total level only. There are 32 enclosed and 34 open assets in our dataset.

Analysis of properties by open or enclosed

Number of shopping centres by type.



Total costs analysed by shopping centre type

Median cost per sq. ft.



Observations

- ▶ The overall costs for enclosed shopping centres are significantly higher than for the open type. The overall split of spend is very similar with a higher spend on utilities and mechanical and electrical (M&E) costs in the enclosed shopping centres.

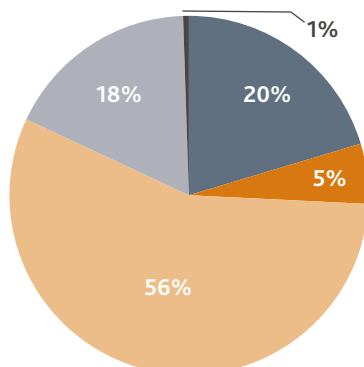


Trend analysis

- ▶ The level of amenities provided at an enclosed shopping centre would tend to be higher than an open site, therefore bringing a higher cost to run
- ▶ Soft Services remain the largest cost category for both centre types, indicating that customer-facing services are a key cost driver regardless of asset configuration
- ▶ A higher spend on utilities is to be expected due to the greater potential for lighting and heated areas in an enclosed space. It is also likely that the enclosed sites will have more lifts or escalators increasing the spend on hard services.

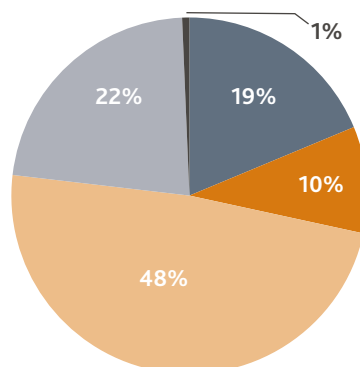
Total average service charge split – open

Split of costs based on median data (excluding exceptional and miscellaneous costs).



Total average service charge split – enclosed

Split of costs based on median data (excluding exceptional and miscellaneous costs).



The legend below applies to all graphs on this page.

■ Management ■ Utilities ■ Soft services ■ Hard services ■ Insurance





Efficiency Analysis

Considerations

Energy efficiency considerations for shopping centres can be broken down into the following areas:

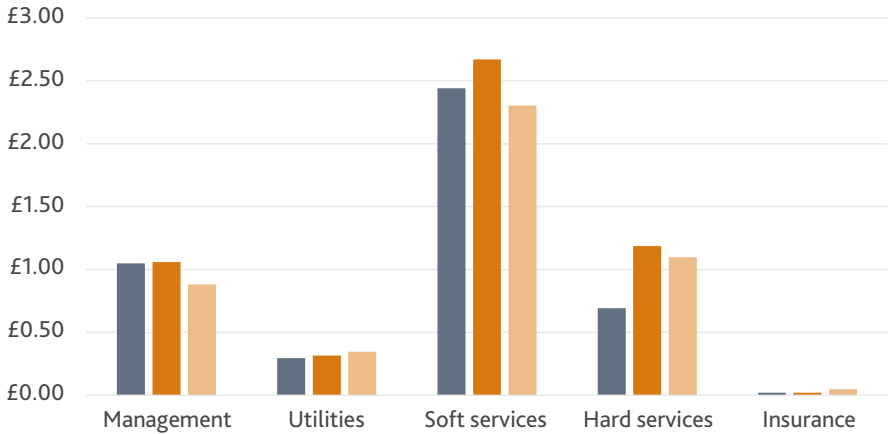
- ▶ A key strategy for improving energy efficiency in shopping centres is the investment in **renewable energy technologies**. One prominent example is the installation of rooftop photovoltaic (PV) panel systems. In addition, energy-efficient lighting solutions such as LED installations can significantly reduce electricity consumption across retail spaces. The implementation of a Building Management System (BMS) enables real-time monitoring and control of energy usage, supporting more informed decision-making and operational optimisation
- ▶ **Biophilic design** principles may also contribute positively to energy efficiency within shopping centres. Through the integration of natural elements and environmental focused strategies these design approaches may help to reduce the dependence on artificial systems. Examples include:
 - Maximising the use of natural light, thereby reducing the need for artificial lighting
 - Using natural ventilation to reduce the reliance on mechanical HVAC systems
 - Installing green walls or vegetated roof spaces to lower heat absorption and improve thermal performance.

The legend below applies to all graphs on this page.

EPC rating: ■ A and B ■ C ■ D to G

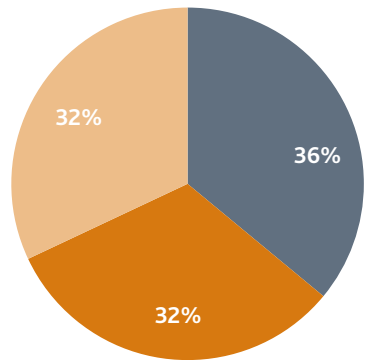
Cost class analysed by EPC rating

Median cost per sq. ft. analysed by cost class and EPC rating.



Analysis of properties by EPC rating

Percentage of properties by EPC rating.



Total costs analysed by EPC rating

Median cost per sq. ft. analysed by EPC rating.





Observations

- The dataset is broadly evenly distributed across EPC ratings, with those that have an EPC rating of C having slightly higher costs
- At cost class level, there is a tendency for the most efficient assets to have the higher costs, with the exception of Soft Services and Management fees.



Trend analysis

- The reason for the higher soft services costs for category 'C' is due to relatively higher average cleaning and marketing costs. This reflects the different cost requirements across individual shopping centres, depending on their specific characteristics and operational requirements.





Size Analysis

Size analysis

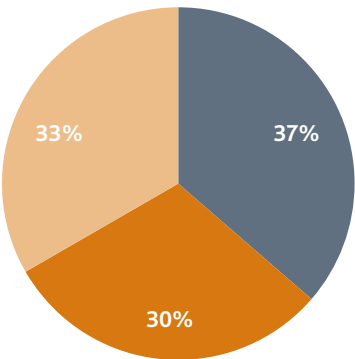
We have analysed our dataset based on total floor area of the shopping centres as reported in the budgets. The population has been split into three size categories – Small, Medium and Large – which gives an even spread of assets.

The legend below applies to all graphs on this page.

■ Small ■ Medium ■ Large

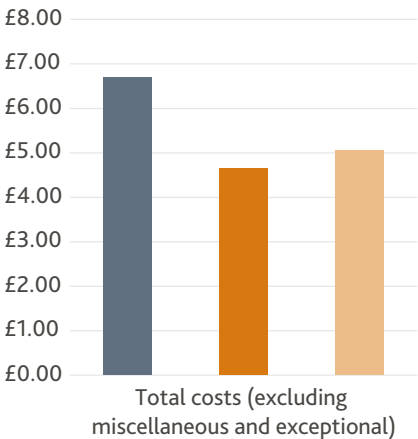
Analysis of properties by size

Percentage of properties by size.



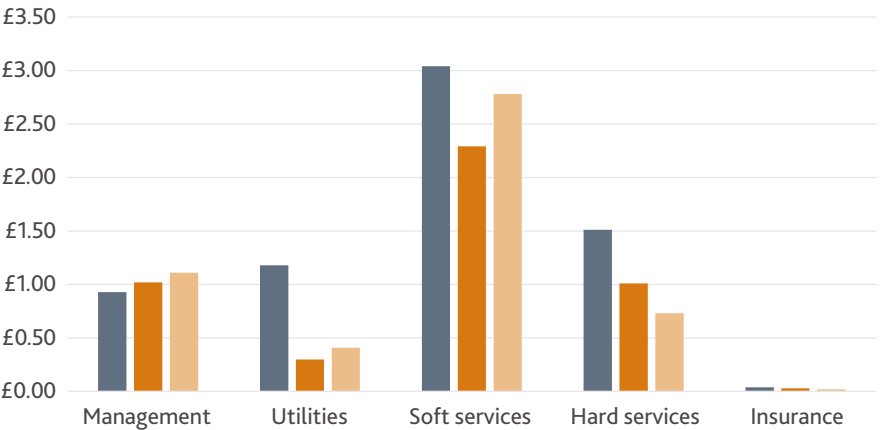
Total costs analysed by size

Median cost per sq. ft. analysed by size.



Cost class analysed by size

Median fee per sq. ft. analysed by cost class and building size.



Observations

- ▶ The costs for those sites in the 'Small' category are much higher than those with a category of 'Medium' or 'Large'
- ▶ At cost class level, utilities and hard services costs are driving this overall trend.



Trend analysis

- ▶ It is possible there are economies of scale in the 'Medium' category compared to the 'Small'
- ▶ When looking at larger sites, it is likely that the requirements for the standard of services is higher, based on the type of occupier, therefore leading to higher overall costs.

Building size	Floor area (sq. ft.)
Small	0 – 99,999
Medium	100,000 to 249,999
Large	250,000 and above



Number of shopping centres

All data

53

Regional Analysis



Observations

- ▶ Shopping centres in London have the highest total average cost per sq. ft., with this reflected at almost every cost class level
- ▶ Costs in the South East are higher than the Midlands and North, with costs for Management and Utilities being comparable to London, and costs for Hard Services being much higher than the other regions.



Trend analysis

- ▶ The results follow the expected regional variations with the highest median costs found in London, driven by higher operational and wages costs
- ▶ Cleaning costs seem to be particularly affected by this regional trend, due to higher employment costs in the London area.

Regional analysis

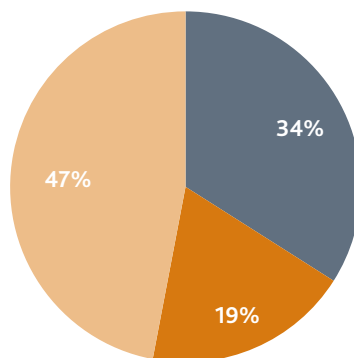
Properties have been mapped to regions as set out on page 15.

The legend below applies to all graphs on this page.

■ London ■ South East ■ Midlands and North

Analysis of properties by region

Percentage of properties by region.



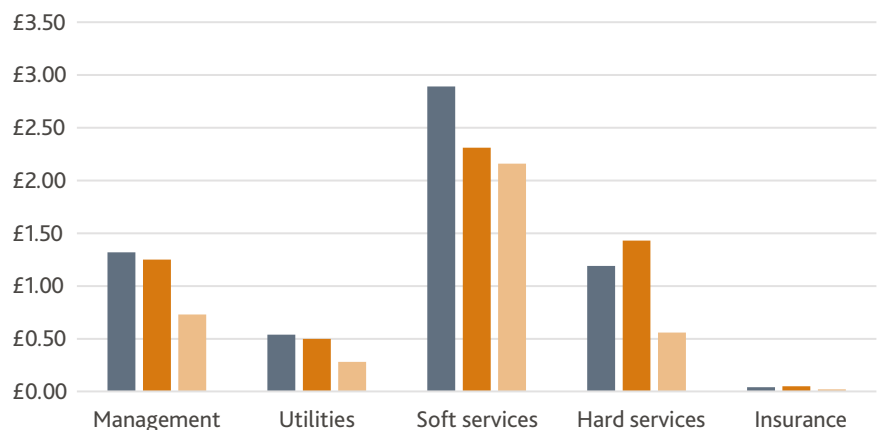
Total costs analysed by region

Median cost per sq. ft. analysed by region.



Cost class analysed by region

Median cost per sq. ft. analysed by cost class and region.





Total Cost Review

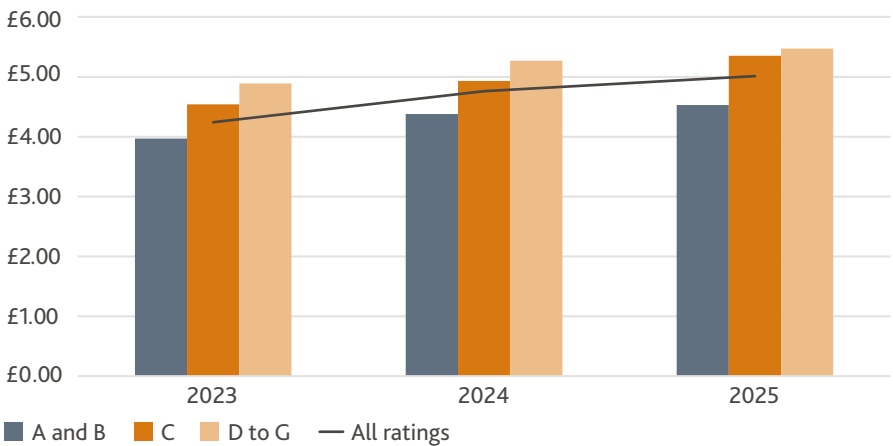
Three Year Analysis by EPC Rating

Cost classes

EPC rating group category	A and B			C			D to G		
	2023	2024	2025	2023	2024	2025	2023	2024	2025
	£/sq. ft.			£/sq. ft.			£/sq. ft.		
Management	0.94	0.98	0.95	0.96	1.01	1.06	1.20	1.28	1.34
Utilities	0.31	0.34	0.29	0.37	0.45	0.39	0.47	0.40	0.48
Soft services	2.15	2.31	2.59	2.21	2.44	2.70	2.39	2.53	2.51
Hard services	0.55	0.73	0.68	0.96	1.00	1.14	0.80	1.00	1.09
Insurance	0.02	0.02	0.02	0.04	0.03	0.06	0.03	0.06	0.05

Median total cost per sq. ft. analysed by EPC and Year (with AC)

Median taken from totals for property within each EPC category excluding exceptional and miscellaneous expenditure (shopping centres with air conditioning).



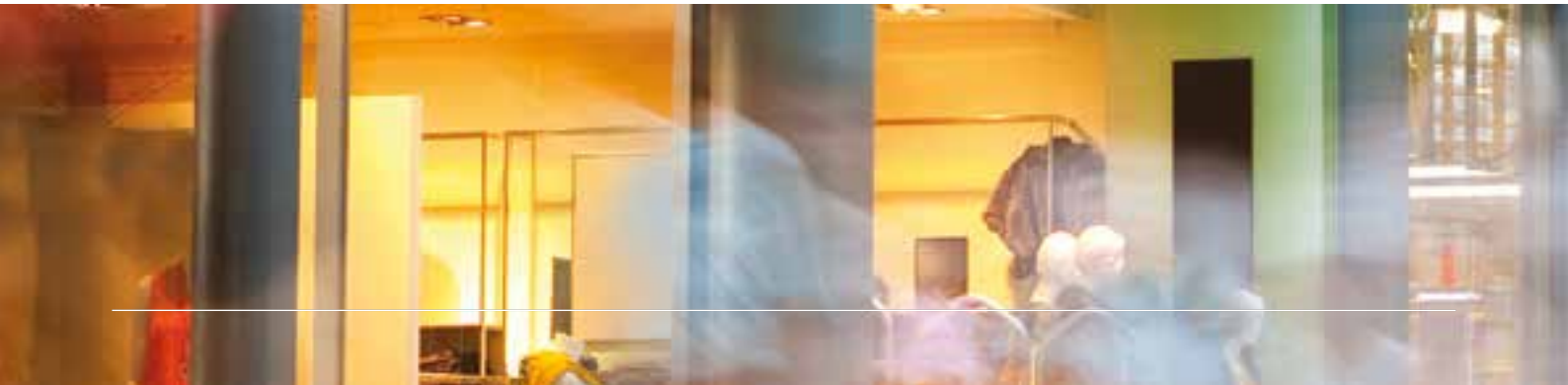
Observations

- The overall trend across three years is an increase in total average costs, which is seen across each of the categories
- In this dataset the most efficient buildings tend to have the lower costs across the period.



Trend analysis

- To allow for comparison, the dataset for this analysis is much lower than that in our 'all data' efficiency review, which explains a different pattern in results between the two
- The average cost across all classes has increased, with minimal exceptions, suggesting the impact of inflation has been consistent across each of the rating types.





Number of shopping centres

Comparative data with AC

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Total Cost Review

Three Year Analysis by Size



Observations

- Cost growth was evident across all size categories, with the greatest increase in Medium properties up 19% between 2023 and 2025.



Trend analysis

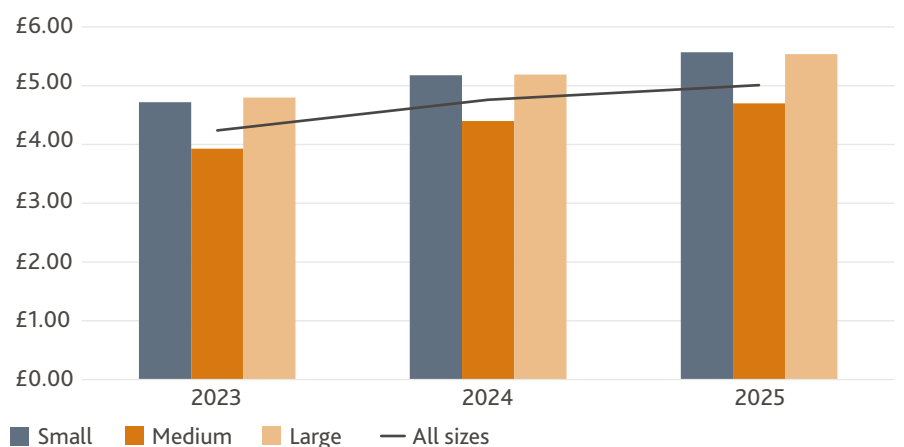
- Soft Services remained the largest cost category and were the main driver of cost increases across all size bands, with increases in cleaning costs reflective of inflationary and wage costs pressures.

Cost classes

Size group category	Small			Medium			Large		
	2023	2024	2025	2023	2024	2025	2023	2024	2025
	£/sq. ft.			£/sq. ft.			£/sq. ft.		
Management	0.63	0.56	0.69	1.00	1.18	1.03	1.03	1.13	1.20
Utilities	0.34	0.44	0.40	0.28	0.30	0.30	0.47	0.46	0.52
Soft services	2.25	2.54	2.88	1.99	2.16	2.34	2.57	2.80	3.02
Hard services	1.43	1.58	1.51	0.63	0.73	1.01	0.71	0.77	0.78
Insurance	0.07	0.06	0.09	0.03	0.03	0.02	0.02	0.03	0.02

Median total cost per sq. ft. analysed by Size and Year (with AC)

Median taken from totals for property within each size category excluding exceptional and miscellaneous expenditure (shopping centres with air conditioning).





Total Cost Review

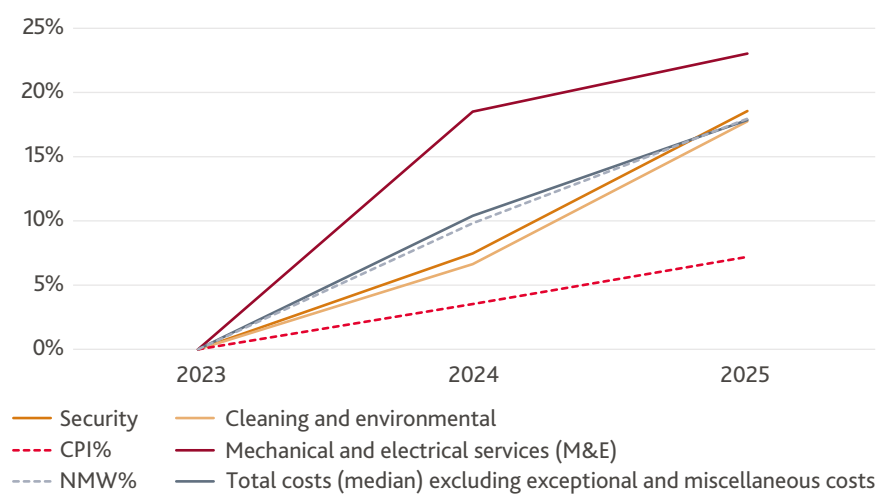
Three Year Tracked Against CPI

Median costs tracked against CPI

The movement of median costs has been plotted below, against CPI and National Minimum Wage (NMW) increases across the three years reviewed. The inflation line represented below is taken from the CPI figure at 31 December for each year of the datasets (noting that not all accounting year ends will be aligned to this, but will fall within the preceding twelve months). NMW increases occur in April, but have been plotted on the subsequent December to allow for easier comparison. Not all workers will be on the NMW rate, but this gives an idea of wage inflation in the period, in addition, Employer's NI contributions increased during 2025. The comparative dataset has been used.

Median costs tracked against CPI and NMW

Index tracking CPI and NMW compared to median total costs per sq. ft.



As a result of employer's National Insurance cost increases in April 2025, there was a 3.2% increase in employer costs for workers on the minimum wage, and 2.5% increase for median paid employees. (Source: Institute for Fiscal Studies).



Observations

- ▶ Total average costs have increased above the rate of inflation, mechanical and electrical (M&E) costs saw the largest increase, rising by 23%, followed by Cleaning and Environmental at 18%
- ▶ When compared to increases in the NMW, the trend for the average cleaning and security costs follow a similar trajectory.



Trend analysis

- ▶ Mechanical and electrical costs are reflecting an increase in the cost of maintaining the quality of infrastructure which is key to the running of a centre and remaining an attractive destination for customers
- ▶ Labour-intensive services, particularly Cleaning and Security, have followed a similar trajectory to NMW growth (18%), suggesting wage inflation has been a key driver.





Number of shopping centres

Comparative data

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Total Cost Review

Three Year Analysis of Variance to Budget



Observations

- The spread of variance of total costs compared to budget, has returned towards a normal distribution around 0, with the upper and lower quartiles at around 6% in 2025. This means almost half of centres have final expenditure within 6% of the budget in the latest data.



Trend analysis

- The narrowing range of results in 2024 indicates more consistent budgeting and cost control across the portfolio. However, as with all sectors, the significant increases in costs seen mean that it remains challenging for property managers to set and manage budgets.

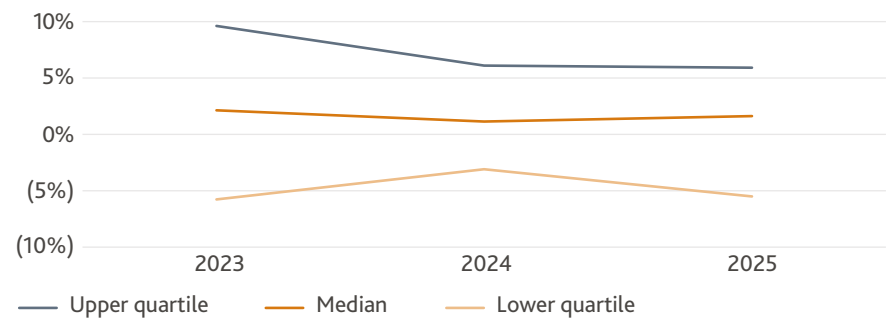
Budget variance

As represented below, the median variance is the middle value if all variances were lined up in order when comparing actual total spend with budget for each of the three years. We would expect this to track at around 0% if service charge costs are generally incurred in line with budgeted costs. The upper and lower quartile represent the mid-point between the median and the outermost values, therefore showing the degree of spread of values within the normal distribution curve.

The graph below demonstrates the trend for variances between actual service charge spend and budget across the three periods.

Percentage variance to budget

Median variance to budget across three years, quartiles below show the relative spread of variances identified.



	2023	2024	2025
Upper quartile	9%	6%	6%
Median	2%	1%	2%
Lower quartile	(6%)	(3%)	(6%)





Shopping Centres – Benchmark Cost Table

Analysis by Size

Median values analysed by size

Median cost value for each cost category and class across the three periods cut by building size.

Size of building	Small			Medium			Large		
	2023	2024	2025	2023	2024	2025	2023	2024	2025
	£/sq. ft.			£/sq. ft.			£/sq. ft.		
Management									
Management fees	0.18	0.22	0.26	0.28	0.28	0.31	0.33	0.36	0.43
Accounting fees	0.04	0.04	0.04	0.02	0.02	0.02	0.01	0.01	0.01
Site-management resources	0.25	0.19	0.19	0.62	0.81	0.62	0.67	0.73	0.72
Professional fees	0.16	0.11	0.20	0.08	0.07	0.08	0.02	0.03	0.04
Management total	0.63	0.56	0.69	1.00	1.18	1.03	1.03	1.13	1.20
Utilities									
Electricity	0.19	0.37	0.20	0.23	0.23	0.23	0.42	0.39	0.44
Gas	0.00	0.00	0.00	0.02	0.03	0.03	0.02	0.03	0.03
Fuel oil	0.00	0.00	0.00	0.00	0.01	0.01	0.00	0.00	0.01
Water	0.13	0.05	0.17	0.02	0.01	0.01	0.03	0.04	0.04
Utility consultancy	0.02	0.02	0.03	0.01	0.02	0.02	0.00	0.00	0.00
Utilities total	0.34	0.44	0.40	0.28	0.30	0.30	0.47	0.46	0.52
Soft services									
Security	1.40	1.61	1.75	0.97	1.09	1.23	1.13	1.19	1.31
Cleaning and environmental	0.52	0.63	0.74	0.83	0.86	0.89	1.15	1.24	1.35
Landscaping	0.19	0.18	0.25	0.10	0.11	0.11	0.18	0.16	0.16
Marketing and promotions	0.14	0.12	0.14	0.09	0.10	0.11	0.11	0.21	0.20
Soft services total	2.25	2.54	2.88	1.99	2.16	2.34	2.57	2.80	3.02
Hard services									
Mechanical and electrical services (M&E)	0.65	0.75	0.70	0.35	0.42	0.44	0.42	0.52	0.56
Lifts and escalators	0.32	0.49	0.37	0.06	0.07	0.07	0.09	0.07	0.05
Suspended-access equipment	0.00	0.00	0.00	0.01	0.04	0.28	0.00	0.00	0.00
Fabric repairs and maintenance	0.46	0.34	0.44	0.21	0.20	0.22	0.20	0.18	0.17
Hard services total	1.43	1.58	1.51	0.63	0.73	1.01	0.71	0.77	0.78
Insurance									
Engineering insurance	0.02	0.04	0.03	0.02	0.02	0.01	0.00	0.01	0.01
All-risks insurance cover	0.05	0.02	0.06	0.01	0.01	0.01	0.02	0.02	0.01
Insurance total	0.07	0.06	0.09	0.03	0.03	0.02	0.02	0.03	0.02
Grand total	4.72	5.18	5.57	3.93	4.40	4.70	4.80	5.19	5.54





Number of shopping centres

Comparative data with AC

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Shopping Centres – Benchmark Cost Table

Analysis by Size

Percentage of median values analysed by size

Percentage value for each cost category and class as a proportion of overall costs.

Size of building	Small			Medium			Large		
	2023	2024	2025	2023	2024	2025	2023	2024	2025
	%			%			%		
Management									
Management fees	3.81%	4.25%	4.67%	7.12%	6.36%	6.60%	6.88%	6.94%	7.76%
Accounting fees	0.85%	0.77%	0.72%	0.51%	0.45%	0.43%	0.21%	0.19%	0.18%
Site-management resources	5.30%	3.67%	3.41%	15.78%	18.41%	13.19%	13.96%	14.07%	13.00%
Professional fees	3.39%	2.12%	3.59%	2.04%	1.59%	1.70%	0.42%	0.58%	0.72%
Management total	13.35%	10.81%	12.39%	25.45%	26.82%	21.91%	21.46%	21.77%	21.66%
Utilities									
Electricity	4.03%	7.14%	3.59%	5.85%	5.23%	4.89%	8.75%	7.51%	7.94%
Gas	0.00%	0.00%	0.00%	0.51%	0.68%	0.64%	0.42%	0.58%	0.54%
Fuel oil	0.00%	0.00%	0.00%	0.00%	0.23%	0.21%	0.00%	0.00%	0.18%
Water	2.75%	0.97%	3.05%	0.51%	0.23%	0.21%	0.63%	0.77%	0.72%
Utility consultancy	0.42%	0.39%	0.54%	0.25%	0.45%	0.43%	0.00%	0.00%	0.00%
Utilities total	7.20%	8.49%	7.18%	7.12%	6.82%	6.38%	9.79%	8.86%	9.39%
Soft services									
Security	29.66%	31.08%	31.42%	24.68%	24.77%	26.17%	23.54%	22.93%	23.65%
Cleaning and environmental	11.02%	12.16%	13.29%	21.12%	19.55%	18.94%	23.96%	23.89%	24.37%
Landscaping	4.03%	3.47%	4.49%	2.54%	2.50%	2.34%	3.75%	3.08%	2.89%
Marketing and promotions	2.97%	2.32%	2.51%	2.29%	2.27%	2.34%	2.29%	4.05%	3.61%
Soft services total	47.67%	49.03%	51.71%	50.64%	49.09%	49.79%	53.54%	53.95%	54.51%
Hard services									
Mechanical and electrical services (M&E)	13.77%	14.48%	12.57%	8.91%	9.55%	9.36%	8.75%	10.02%	10.11%
Lifts and escalators	6.78%	9.46%	6.64%	1.53%	1.59%	1.49%	1.88%	1.35%	0.90%
Suspended-access equipment	0.00%	0.00%	0.00%	0.25%	0.91%	5.96%	0.00%	0.00%	0.00%
Fabric repairs and maintenance	9.75%	6.56%	7.90%	5.34%	4.55%	4.68%	4.17%	3.47%	3.07%
Hard services total	30.30%	30.50%	27.11%	16.03%	16.59%	21.49%	14.79%	14.84%	14.08%
Insurance									
Engineering insurance	0.42%	0.77%	0.54%	0.51%	0.45%	0.21%	0.00%	0.19%	0.18%
All-risks insurance cover	1.06%	0.39%	1.08%	0.25%	0.23%	0.21%	0.42%	0.39%	0.18%
Insurance total	1.48%	1.16%	1.62%	0.76%	0.68%	0.43%	0.42%	0.58%	0.36%
Grand total	100%	100%	100%	100%	100%	100%	100%	100%	100%



Sources



Sources

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- ¹¹ [Standard | WELL V2](#)
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- ¹ [Energy Efficiency in Shopping Centres | Longevity Partners Limited](#)
- ² [Reducing energy consumption in older retail facilities | PL | Cushman & Wakefield](#)
- ³ [Renewable Energy Solutions | Shopping Centres | InspireGreen](#)
- ⁴ [Energy Efficiency through Biophilic Design | Numbers Analytics](#)

Further Information and Contacts

This is the fourth edition of PropCost, which has evolved each year as we listen to what our contributors are using the information for. The foundation for our data analysis is our platform eMOS (electronic management of service charges) which captures service charge data as and when we review the year-end accounts. We will continue to adapt the analysis we bring, and work with our collaborators to identify analysis that is meaningful to the sector.

Due to the amount of information available, our methodology and data tables can now be downloaded as separate documents on our webpage from [here](#).



As we grow the PropCost project, it has been insightful listening to how the data is being used both with our clients and at our property forum events. In response, this year we have more regions reflected in the report and I truly look forward to engaging with our readers again this year as we continue to evolve.

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