



Embracing Uncertainty to Unlock Viability

Shaping success as well as the skyline

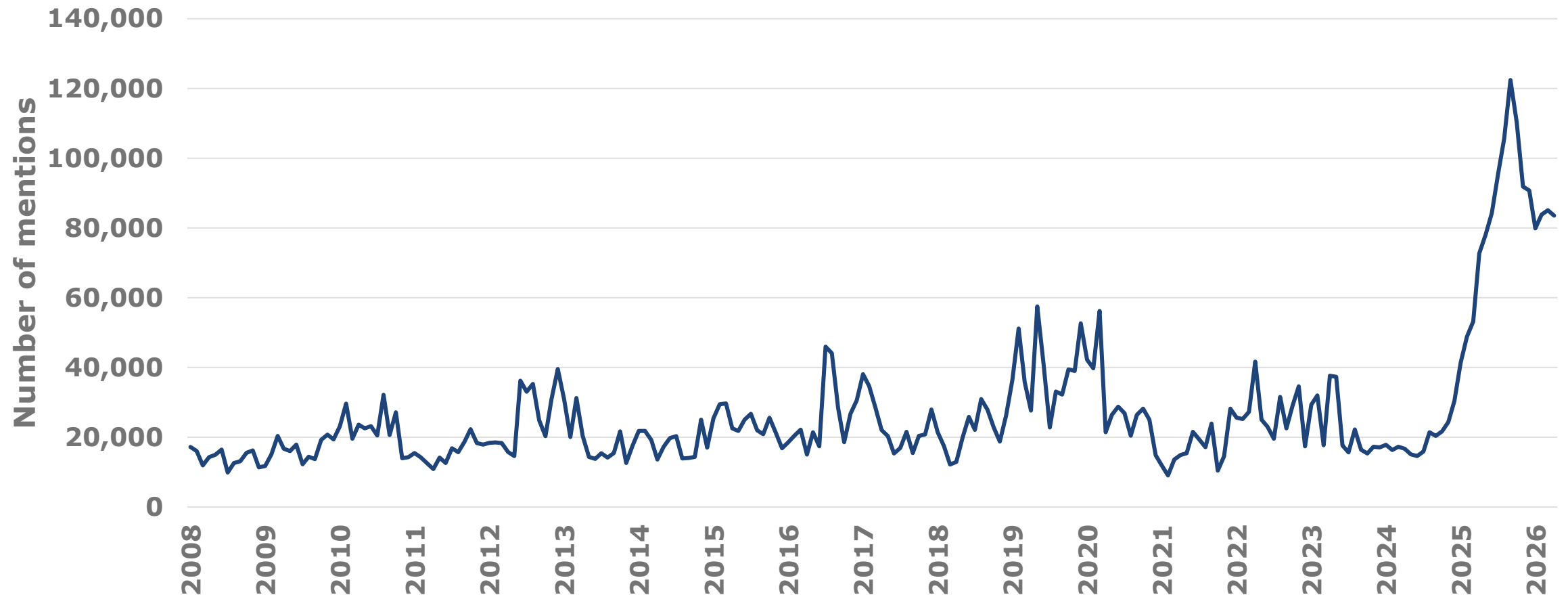
We transform together.

Uncertainty
shapes our
skyline

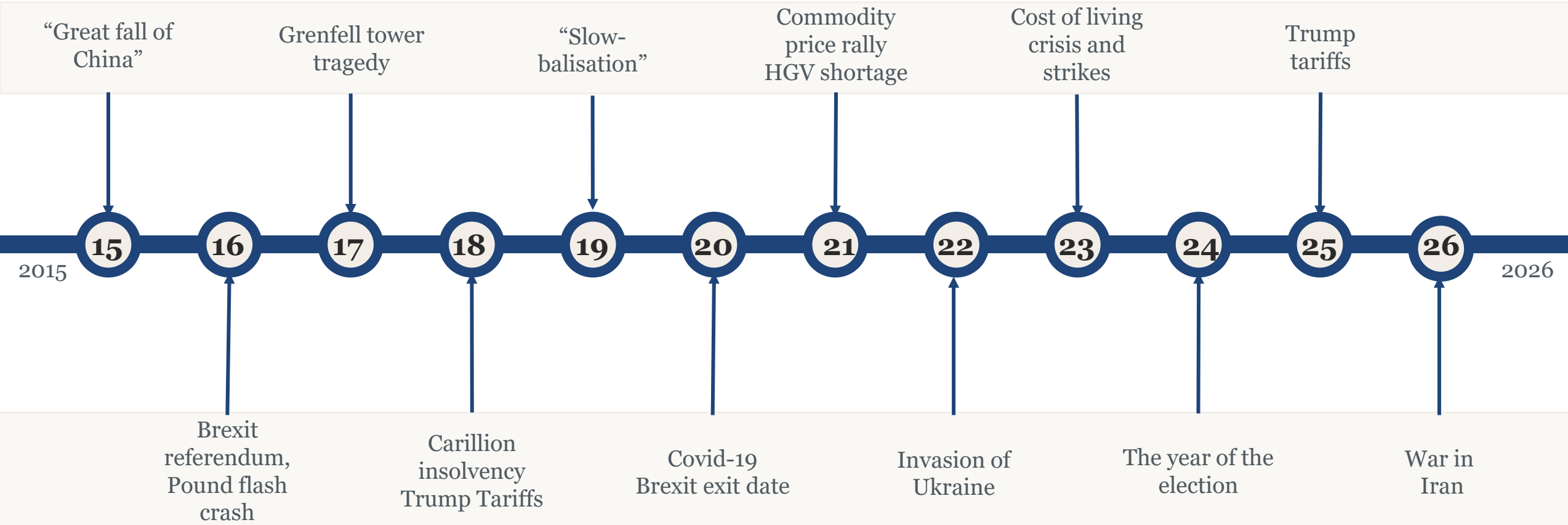


We're certainly talking about uncertainty more

**World Uncertainty Index (WUI): Global
Index. GDP weighted average. January 2008 to April 2026**



Is it more uncertain?



The impact: a market defined by pressure

Not lack of demand

The great central London office crisis

Far from being killed off by the pandemic, the office is back — so much so that the City is running out of space...



JONATHAN PRYNN, BUSINESS
9 MARCH 2026

Lettings above the £100
per sq ft level — once
unheard of — are
becoming commonplace

James Nicholson, head of occupier transactions for London at CBRE: “realistically with the current development pipeline you’ve only got supply for about one and a half years of demand”.

Typically, the development pipeline has been enough to soak up three years’ worth of demand.

Why tall buildings are more exposed

Commercial factors at height

Without strategic planning, tall buildings can take longer and cost more to build because of a range of factors:



Height tends to bring **slenderness** which means a greater wall:floor ratio



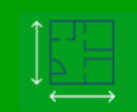
Increased **wind and gravity loads** require larger cores and heavier structural frames



Efficiently serving occupiers over more floors requires **more lifts** with larger capacities and higher speeds



Plant capacities increase, with **more MEP** distribution systems coping with greater hydraulic pressures



These structural and MEP demands reduce **net:gross** efficiency, leaving less lettable or saleable space overall.



The scale and complexity narrow the contractor pool, and the supply chain **prices in the added risk.**



Longer programs carry higher risk from **time-related** costs, inflation, and economic shocks.



Expectations of **public amenities** – such as viewing galleries, community uses, and generous ground floors



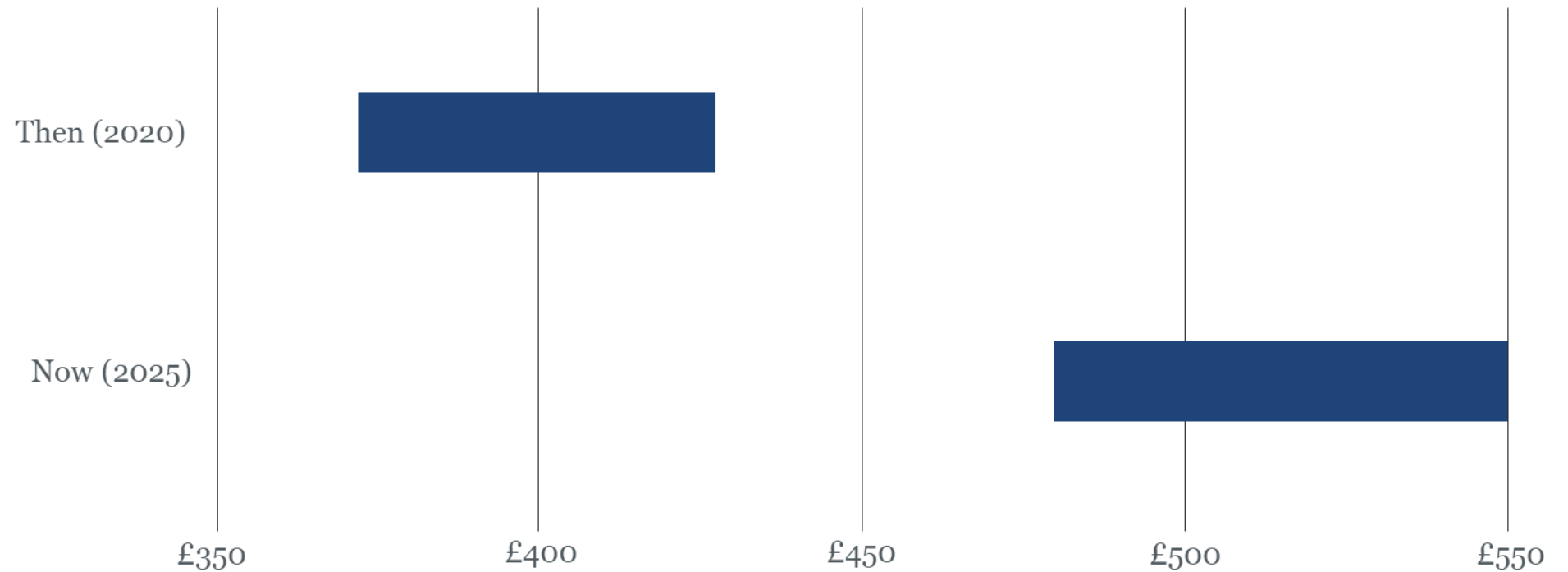
Enhanced **quality of design** and materials to match the scrutiny placed on high-profile projects



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And the shift is stark

London office towers – Shell and core cost (£/ft² GIA)

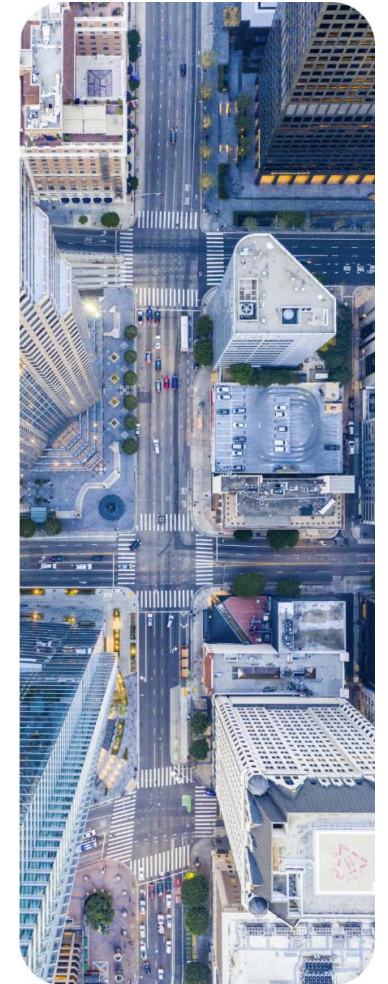


Changing pricing dynamics

It's not just London

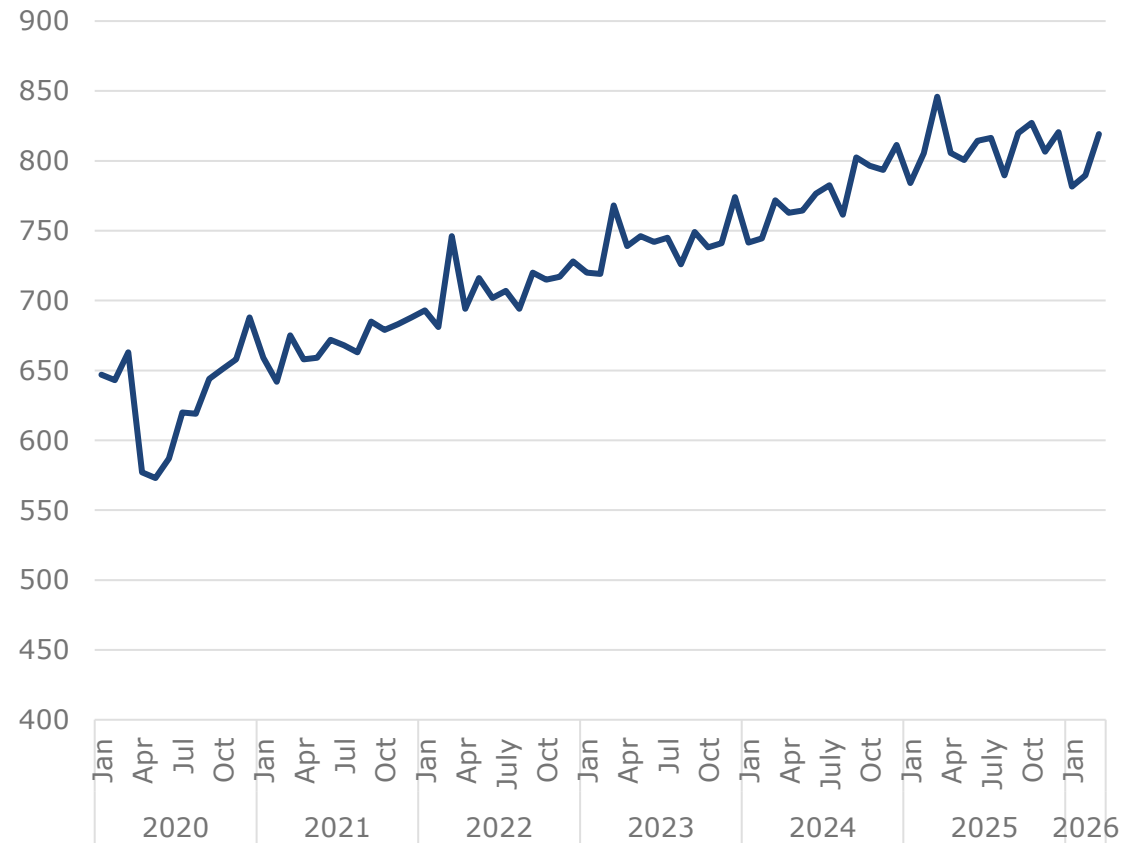
Costs have risen sharply over the past five years in all the spotlight cities tracked in our Tall building construction guide.

Office Shell and Core (US\$/m2 GIA)	London	Seoul	Tokyo	Mumbai	New York	Dubai
2020	\$5,000 - \$5,700	\$1,700 - \$2,100	\$4,615 - \$5,500	\$630 - \$685	\$5,400 - \$7,500	\$1,100 - \$1,300
2025	\$6,900 - \$8,700	\$2,100 - \$2,500	\$7,300 - \$8,400	\$705 - \$850	\$7,000 - \$9,700	\$1,500 - \$1,800
Average price move	45%	20%	55%	20%	30%	40%



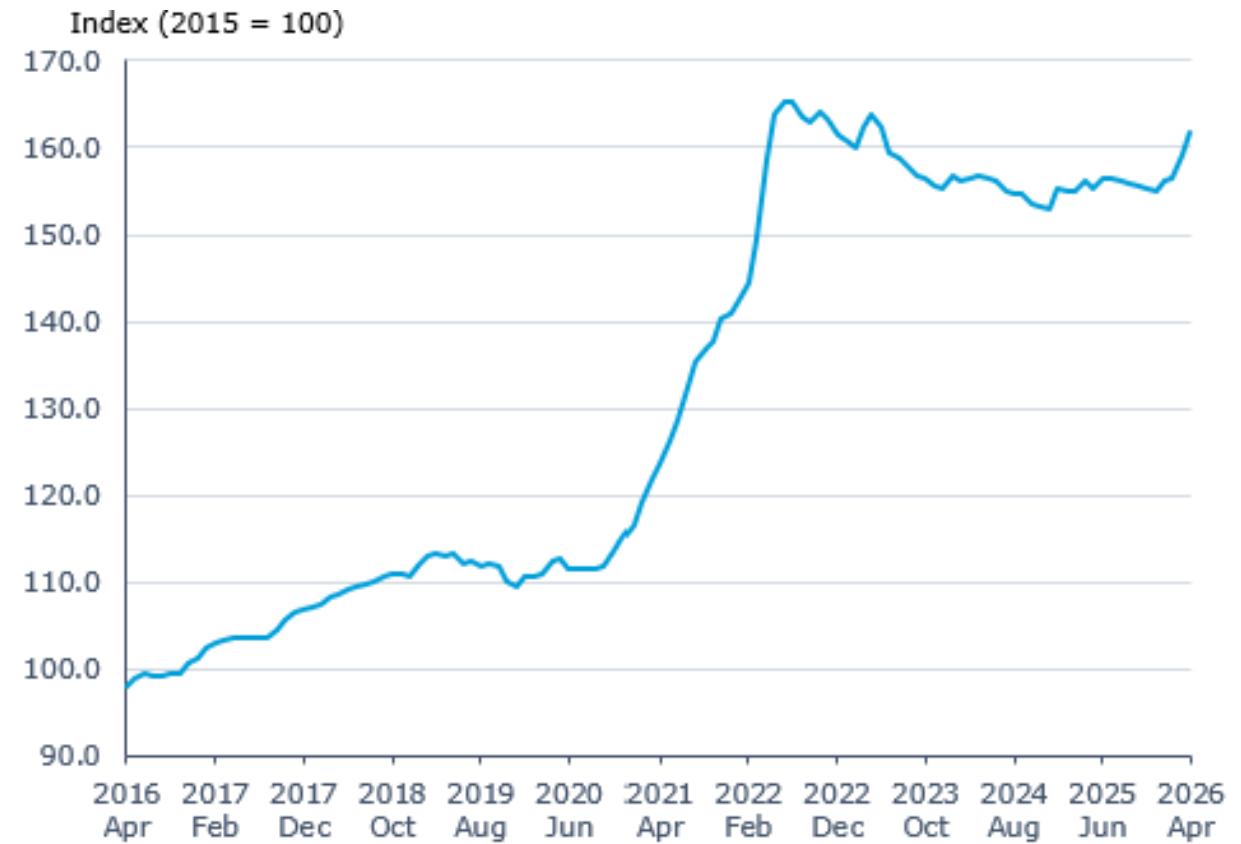
Key drivers of inflation

Weekly construction wages (£)



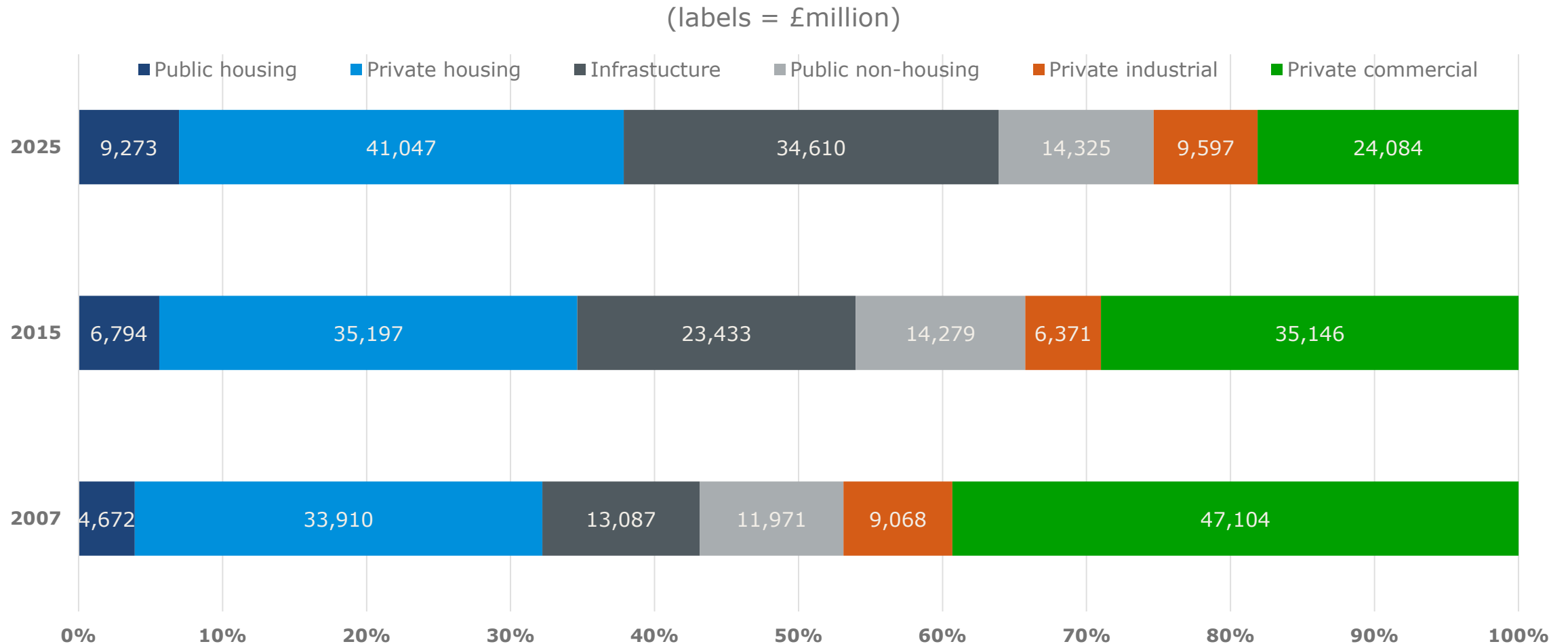
Source: ONS

Material price index



Source: Department for Business and Trade

A more diversified market for construction is driving appetite

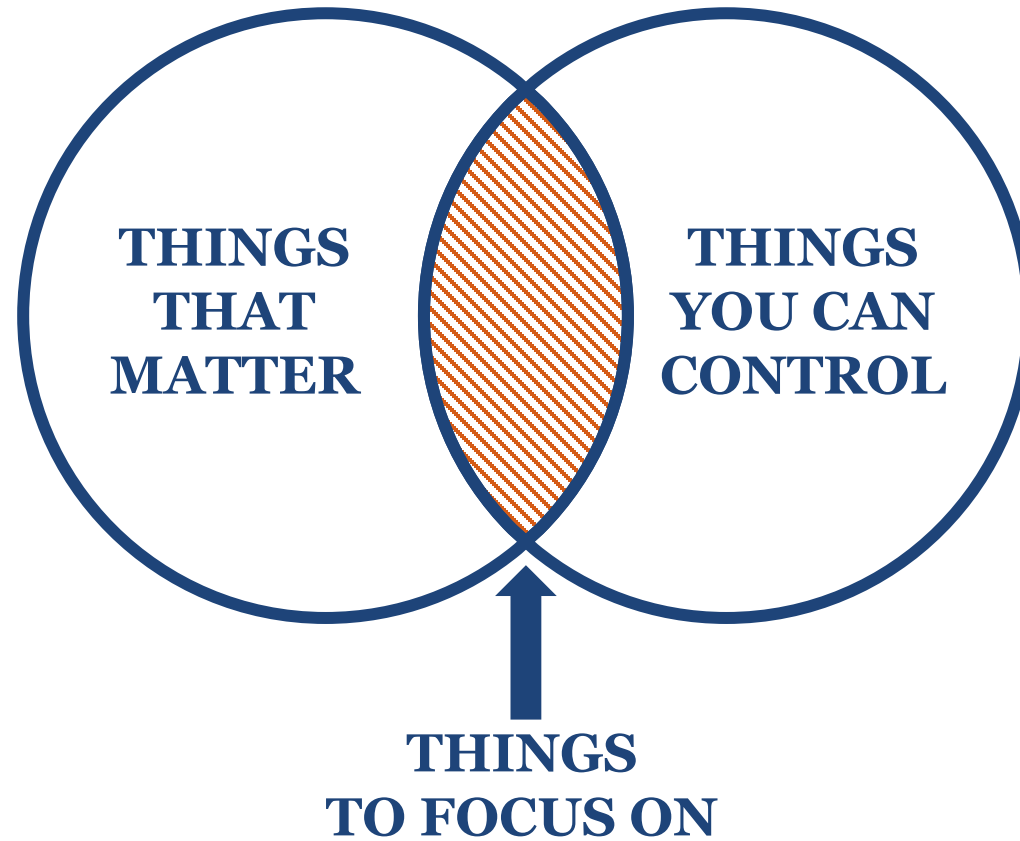


E.g. Cost of Offices – last 5-year focus (Q1/20 to Q3/25)

(assuming £400ft² base)

Category	%
Inflation – material price spikes, labour shortages, risk attitude	20%
Specification change	10-16%
Regulatory change – fire, sustainability, building control (WCs)	2-4%
Low carbon design measures – concrete, steel, insulation (excl. efficient structure span)	1-4%
Certification (Nabers, Wired-Score, Smart)	2-3%
Inflation total	20%
Other costs	20%
Total increase	40%

A mindset shift from volatility to control



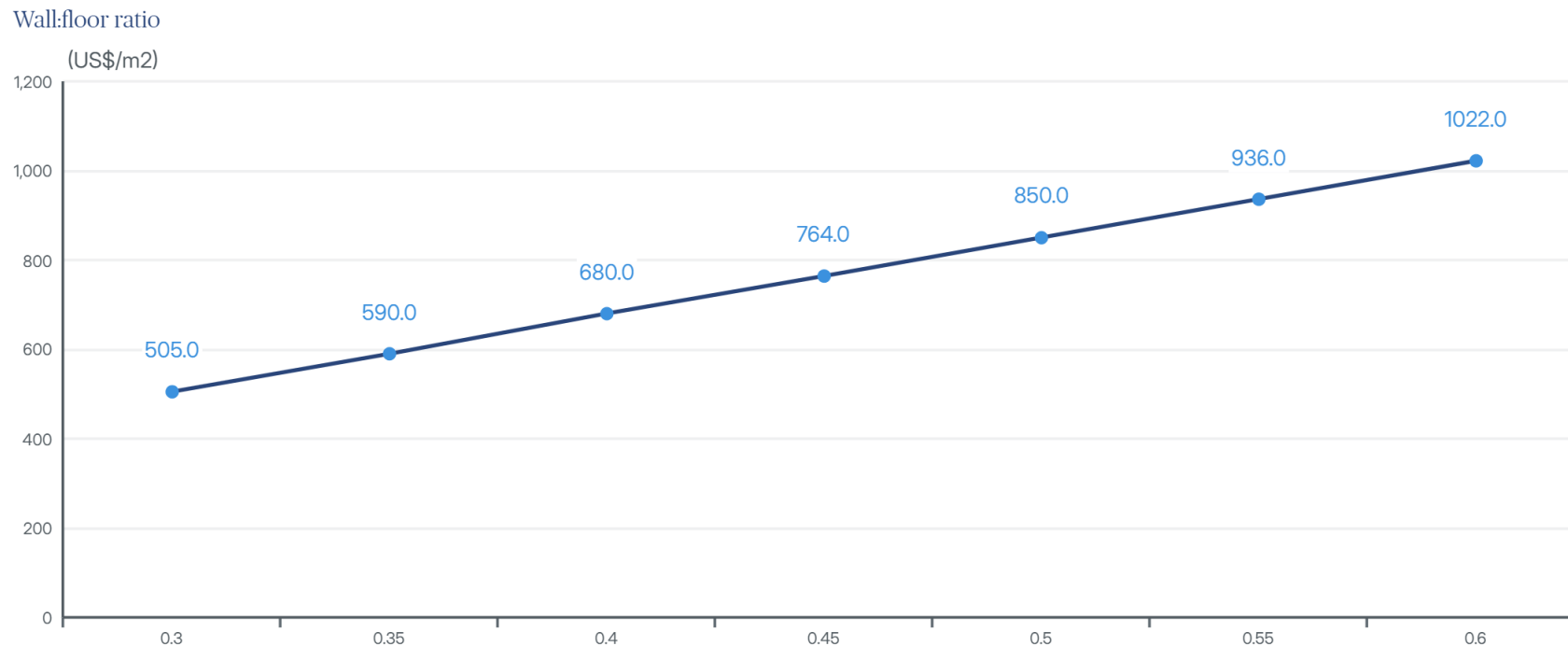
The design lever: where viability is won or lost

Shape and height have a profound effect upon the structural solution and the cost of the facades.

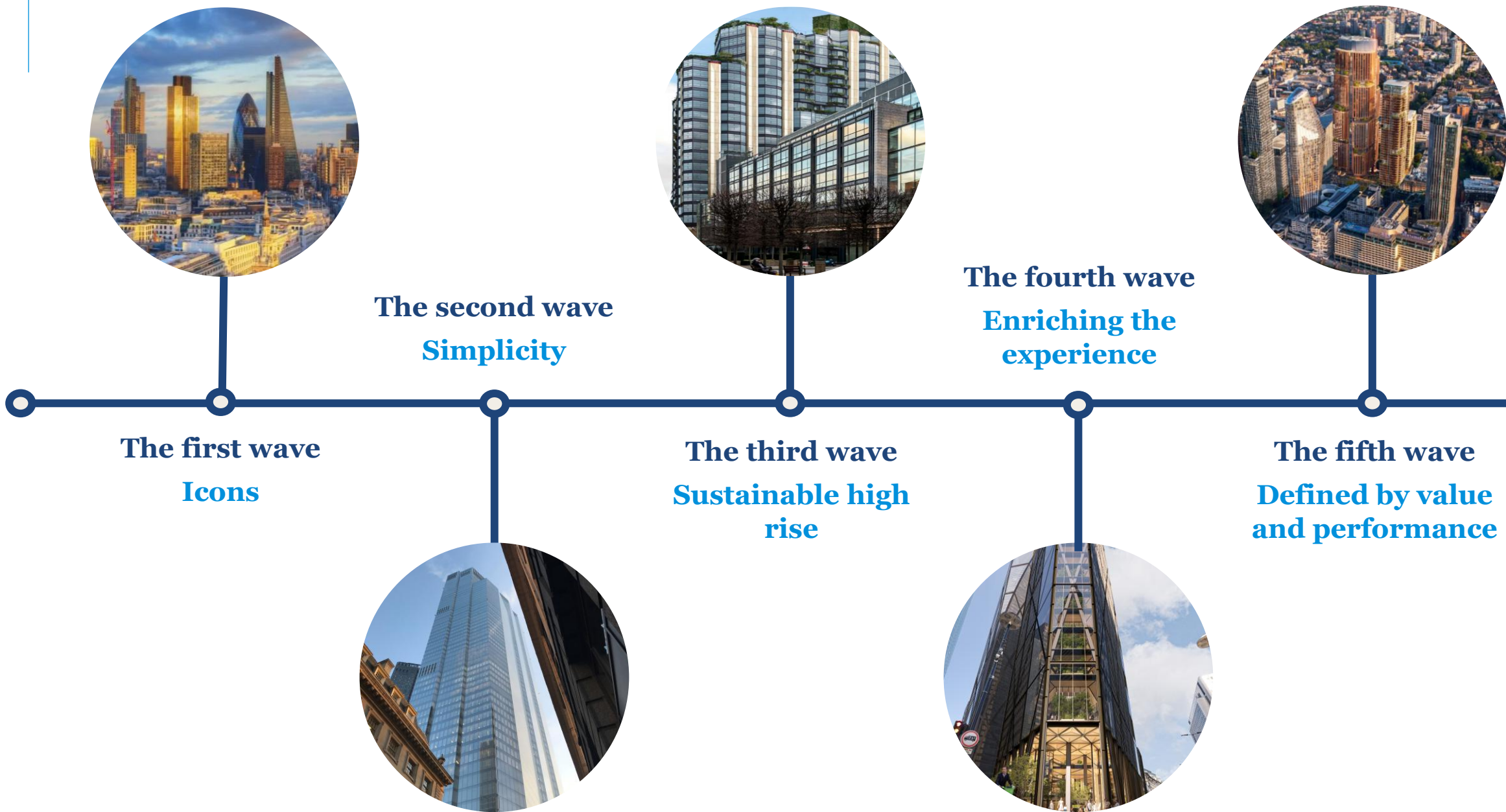
They will also have an important bearing on the ease and speed with which the scheme can be constructed and will determine the pool of contractors/specialists that possess the experience and capabilities to undertake the project.

The impact of shape can be seen clearly by looking at the wall:floor ratio, which represents the amount of wall area that has to be constructed for every unit of floor area.

From a cost perspective, lower is better. This chart plots the effect of different ratios on the cost of the facades.



"Height alone does not drive cost. When shape, structure and systems are optimised, tall buildings can deliver exceptional efficiency."



So, how do we unlock viability?

The keys to project success are universal

The fundamental question for developers in this complex environment is how to reconcile inherent and intensified tensions between cost, time, carbon and quality.

Follow these established steps to ensure a successful outcome:

Test the brief pre-execution



Plan properly; design for construction; optimise the concept and minimise unnecessary materials.

Strengthen upfront planning



Tall projects demand rigorous early alignment because of zoning, transit adjacency, and logistical constraints.

Benchmark from experience



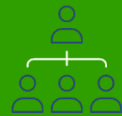
Proactively look back on previous projects both within and outside of market.

Focus on viability



Anchoring a strong concept early helps ensure long term value and builds an aligned project team.

Build high performing teams



Success is enabled by coordinated leadership and collaborative execution.

Embrace digital tools



Collaborate more effectively, track progress, flag potential issues early, and make data-led decisions

Balance key criteria



Make design decisions by balancing capital vs operational costs and embodied vs operational carbon.

Procure strategically



Proactive market warming and clear procurement strategy will help navigate capacity constraints.

Complex projects can be simplified

Confront uncertainty
directly

Make better decisions
earlier using clear data

And collaborate more
deeply

- Start with the WHY
- Get the team to optimise the concept
- Agree the plan before executing it
- Material efficiencies save cost and carbon
- Hone the details
- Make it buildable (time is expensive)
- Procure clearly and 'sell' the project
- Controls and people are equally important
- Collaboration is critical

Uncertainty as a filter

It removes:

- Inefficient designs
- Misaligned teams
- Weak business cases
- Waste

For tall buildings the question is no longer:

“Can we make this scheme work?”

It is:

“Can we design, align, and deliver it in a way that works from the very beginning?”

