

**ENERGY PERFORMANCE CERTIFICATES GENERAL RESUME – WITH  
SPECIFIC EXTRACTS FOR LANDLORDS AND THE CERTIFICATION  
REQUIRED ON 1 OCT 2008 ONWARDS. 26 March 2008  
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## **Guide to the measures**

### **Home sellers and buyers**

If the sale of your home needs a Home Information Pack, you will need an Energy Performance Certificate as part of the pack.

If you are buying an existing home that has a Home Information Pack, you should expect to find an Energy Performance Certificate as part of the pack provided to you by the seller. This will give you information about the energy efficiency of the home you are interested in purchasing. For more information on the introduction of Home Information Packs, see [www.homeinformationpacks.gov.uk](http://www.homeinformationpacks.gov.uk) [External link].

EPCs will also be needed from October 2008 when homes are sold without requiring a Home Information Pack (for example, a non-marketed private sale between individuals, a portfolio sale of homes, or a Right to Buy sale to a social housing tenant).

From 1 October 2008, Energy Performance Certificates will also be required when homes are rented out. See section on Landlords below for further information.

### **Estate agents**

If you providing written particulars for a property being marketed for sale, you will need to include the graphics showing the energy efficiency rating and the environmental impact rating for the property, or attach the Energy Performance Certificate (but not the Recommendation Report) to the particulars. Details of how the graphics in written particulars should be displayed are set out in the Secretary of State's approval of the National Calculation Methodology.

### **Landlords and tenants**

From 1 October 2008, if you are renting out your property, you will need to provide a certificate to any prospective tenant. There is no need to obtain a Energy Performance Certificate for an existing tenancy. Once obtained, a certificate remains valid for up to 10 years. If a valid Energy Performance Certificate still exists when changing tenants no new certificate is required. This applies to both private and social sector landlords and tenants.

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## **Builders/Developers**

It is likely that the more energy efficient properties will be more attractive to potential tenants and purchasers. It is clearly most cost-effective to design for energy efficiency rather than have to upgrade a property once it is constructed. Architects and other designers should therefore be encouraged to specify designs that are energy efficient. As a builder or property developer you should be aware of the energy-efficiency measures being introduced. In particular, you are required to obtain a valid Energy Performance Certificate before the building control inspector issues a completion certificate. The completion certificate will not be issued if an Energy Performance Certificate has not been produced.

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## Energy Performance Certificates (EPCs)

These certificates are for all buildings and will be required whenever a building is constructed, rented or sold.

The Energy Performance Certificate (EPC) is broadly similar to the labels now provided with domestic appliances such as refrigerators and washing machines.

Its purpose is to record how energy efficient a property is as a building. The certificate will provide a rating of the energy efficiency and carbon emissions of a building from A to G, where A is very efficient and G is very inefficient.

EPCs are produced using standard methods with standard assumptions about energy usage so that the energy efficiency of one building can easily be compared with another building of the same type. This allows prospective buyers, tenants, owners, occupiers and purchasers to see information on the energy efficiency and carbon emissions from their building so they can consider energy efficiency and fuel costs as part of their investment. An EPC is always accompanied by a recommendation report that lists cost effective and other measures (such as low and zero carbon generating systems) to improve the energy rating of the building. The certificate is also accompanied by information about the rating that could be achieved if all the recommendations were implemented.

### When are assessments required?

An Energy Performance Certificate is only required when a building is constructed, sold or rented out. An EPC is valid for 10 years, except for sales of homes which are subject to the Home Information Pack Regulations 2007, where a Home Information Pack (HIP) is required. In these cases an EPC must be no more than 12 months old when the property is first marketed.

#### **On Construction**

When the construction of a new building is completed, the builder or person responsible for the construction is responsible for obtaining the certificate and providing it to the owner. This is a duty under Building Regulations. This will also apply if a building is converted into fewer or more units and there are changes to the heating, hot water provision or air conditioning/ ventilation services.

Homes will require an EPC on construction or such conversion from 6 April 2008. Some commercial buildings will require an EPC on construction or such conversion from this date. See 'When the measures being introduced' for more details.

More information on Energy Performance Certificates for the construction of a home

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**On Sale**

For existing buildings that are to be sold, the building's owner is responsible for ensuring a certificate is made available to all prospective purchasers at the earliest opportunity. For guidance on property particulars and when certificates need to be made available, see Property particulars and making EPCs available to prospective buyers and tenants

For the marketed sales of homes, including homes marketed before they are physically complete (i.e. off plan), Home Information Pack (HIP) regulations apply. Where a HIP is required an Energy Performance Certificate must be produced as part of the pack (for off plan homes this will be an indicative energy assessment). On this website, references to marketed sales of homes mean marketed sales of homes which are physically complete when marketed. For further details of the Home Information Pack please visit:

[www.homeinformationpacks.gov.uk/](http://www.homeinformationpacks.gov.uk/) [External link]

Homes sold without marketing for sale e.g. by private treaty between family members or Local Authority housing will require an EPC on sale from 1 October 2008.

More information on Energy Performance Certificates for the marketing and sale of a Home

**On Rent**

When buildings are to be rented out, the landlord is responsible for ensuring a valid certificate is made available to all prospective tenants. For guidance on property particulars and when certificates need to be made available, see Property particulars and making EPCs available to prospective buyers and tenants below.

Homes will require an EPC on rent from 1 October 2008. See 'When the measures being introduced' for more details.

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## Property particulars and making EPCs available to prospective buyers and tenants

The EPC and recommendation report must be made available free of charge by the seller or a landlord to a prospective buyer or tenant at the earliest opportunity and no later than:

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- when any written information about the building is provided in response to a request for information received from the prospective buyer; or
  - when a viewing is conducted; or
  - if neither of those occur, before entering into a contract to sell or let.

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An energy performance certificate does not have to be made available if:

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- the seller believes that the prospective buyer or tenant is unlikely to have sufficient funds to purchase or rent the property or is not genuinely interested in buying or renting that type of property; or
  - the seller or landlord is unlikely to be prepared to sell or rent out the property to the prospective buyer or tenant (although this does not authorize unlawful discrimination)

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Where a Home Information Pack is required, any written property particulars prepared for prospective home purchasers must either be accompanied by the whole EPC (but not the recommendation report) or include the graphs which show the energy rating of the building. Written particulars mean any description of the property that includes two of the following: photographs of the property, floor plans or rooms sizes. This includes information on a website.

**Note** that these requirements are currently subject to the phased introduction of Home Information Packs. This means that the requirements to provide EPCs to prospective buyers and include energy information with written particulars only apply once the EPC for the home is available. For more information on the introduction of Home Information Packs see [www.homeinformationpacks.gov.uk](http://www.homeinformationpacks.gov.uk) (external link).

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## When the measures are being introduced

The legislation for EPBD was laid in Parliament in March 2007, and will come into force in a phased manner as outlined in the table below.

The first key milestone will be when EPCs are introduced for the marketed sale of domestic homes, as part of the Home Information Pack. For more information on the timing of the introduction of HIPs, please see [www.homeinformationpacks.gov.uk](http://www.homeinformationpacks.gov.uk) (External link).

The phasing of the measures is provided in the table below:

6 April 2008	EPCs required on construction for all dwellings. EPCs required for the construction, sale or rent of buildings other than dwellings with a floor area over 10,000 m <sup>2</sup> .
1 July 2008	EPCs required for the construction, sale or rent of buildings other than dwellings with a floor area over 2,500 m <sup>2</sup> .
1 October 2008	EPCs required on the sale or rent of all remaining dwellings EPCs required on the construction, sale or rent of all remaining buildings other than dwellings. Display certificates required for all public buildings >1,000 m <sup>2</sup> .
4 January 2009	First inspection of all existing air-conditioning systems over 250 kW must have occurred by this date*.
4 January 2011	First inspection of all remaining air-conditioning systems over 12 kW must have occurred by this date*.

**\*Note** - a system first put into service on or after 1 January 2008 must have a first inspection within 5 years of it first being put into service.

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## **Air Conditioning Systems**

Many commercial buildings and an increasing number of homes have air conditioning systems. These systems should be carefully maintained and managed in order that they do not consume too much energy. We are therefore introducing measures to ensure that larger air conditioning systems are regularly inspected.

### **Inspection of large air conditioning systems**

The features of the inspections are:

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- Air conditioning systems where the total system cooling capacity is greater than 12kW<sub>r</sub> (whether in dwellings or non-dwellings) will be inspected at intervals not exceeding 5 years.
  - The inspection will include an assessment of efficiency, a review of their sizing and advice on improvements or replacements and alternative solutions.
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## **Boilers**

The efficiency of a boiler has a significant impact on the overall energy efficiency of a building. Over 50 per cent of the total energy consumption and CO<sub>2</sub> emissions for buildings come from heating and hot water use. Providing advice to home owners and businesses about the current efficiency of their heating and hot water systems is a vital step in increasing awareness of how the energy costs and CO<sub>2</sub> emissions from heating and hot water costs can be reduced.

Communities and Local Government, in conjunction with the heating and hot water industry, are launching a new energy efficiency advice programme for heating and hot water systems, covering homes and businesses. Communities and Local Government, together with industry, are encouraging heating and boiler installers to provide basic energy advice to users of heating and hot water systems about the energy efficiency of their systems. The advice given is in the form of a simple checklist and recommendations that can be included in a service visit and now forms part of industry recommended good practice guidelines.

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Communities and Local Government would like to acknowledge the contribution from the following members of the heating and hot water industry to develop the advice and checklists. Thanks and acknowledgement to the following parties:

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- ICOM Energy Association ([external link](#)) working on behalf of heating and hot water appliance manufacturing companies.
  - The Heating and Ventilating Contractors Association ([external link](#)) works on behalf of firms involved in the design, installation, and maintenance of heating and ventilating products and equipment.
  - OFTEC ([external link](#)) the Oil Firing Technical Association and is a competent persons scheme for oil heating in England and Wales. It represents the oil heating and cooking industry throughout the UK and Republic of Ireland.
  - Chartered Institution of Building Services Engineers (CIBSE) ([external link](#)) - UK institution for building services engineers, including heating, ventilation and air conditioning.
  - The Carbon Trust ([external link](#)) an independent company funded by Government helping the UK cut their energy costs and combat climate change.
  - British Gas ([external link](#)) a leading supplier of gas, electricity and home repair services to customers in Scotland, Wales and England.
  - CORGI ([external link](#)) the national watchdog for gas safety in the United Kingdom.
  - The Institute of Domestic Heating and Environmental Engineers (IDHEE) ([external link](#)) is an independent non-profit making professional for domestic heating engineers, promoting energy efficient domestic central heating components and the installation of safe and efficient systems.
  - Energy Saving Trust (EST) ([external link](#)) the Energy Saving Trust is a non-profit organisation, funded both by government and the private sector, set up to address the damaging effects of climate change.
  - Heating and Hotwater Industry Council (HHIC) ([external link](#)) is an independent organisation dedicated to providing installers, consumers, merchants, manufacturers, industry organisations and government with accurate and unbiased information on all heating and hot water matters.
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## Certificates

Energy certificates rate the energy performance of a building. The idea is similar to the well-established energy labels for the sale of white goods such as fridges and washing machines. Two types of energy certificate are required in different circumstances: Energy Performance Certificates (EPCs) for all buildings when they are constructed, sold or rented out; and Display Energy Certificates (DECs) for large, public buildings occupied by public authorities or institutions providing a public service to a large number of persons which need to be displayed at all times.

### Types of Certificate

There are 2 different types of Certificate:

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### In this section

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- Energy Performance Certificates (EPCs)
  - Display Energy Certificates
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## Energy Assessment Process

All energy certificates should be produced using the relevant calculation tool specified in the National Calculation Methodology. This applies for all Energy Certificates whether on construction, sale or rent, or for public display.

This section provides an overview of the assessment methodologies and where they should be applied

### Assessment methodologies

A number of different methodologies have been developed (or are in the process of being developed) for different types of building and building condition. A summary is provided below:

<b>Condition requiring a Energy Performance Certificate</b>	<b>Assessment Methodology</b>
A dwelling on completion of construction	SAP
Building not intended as a dwelling on completion of construction	SBEM or DSM
A dwelling being sold or rented out	RDSAP (unless the unusual nature of the building indicates that a more accurate assessment could be obtained using the SBEM or DSM methodology)
A building catering for mixed use (i.e. combining dwelling and non-dwelling) is constructed, sold or rented out	It should be treated as a single dwelling as described above if the commercial part can be converted back to residential use and there is common access i.e. each part does not have a separate access (for example, where within a house a portion has been separated out as a workshop, office, or surgery); For other scenarios, treat the dwelling and non-dwelling parts separately using the most appropriate methodology for each element. For example, where a building contains both flats and offices use SAP or RDSAP for the flat and SBEM or DSM for the offices.
For all other buildings being constructed, sold or rented out	SBEM or DSM
When a Display Certificate is required for public display	Operational Rating Methodology

## The methodologies explained

### **SAP - Standard Assessment Procedure**

SAP is the Government's Standard Assessment Procedure for energy assessments of dwellings. The current version of SAP, SAP 2005, has been adopted by Government as part of the England and Wales national methodology for calculation of the energy performance of buildings. It is used to demonstrate compliance for dwellings with Part L of the Building Regulations 2000 (in England and Wales). For further information visit: [www.projects.bre.co.uk/sap2005/](http://www.projects.bre.co.uk/sap2005/) [External link].

### **SBEM - Simplified Building Energy Model**

SBEM is a computer program developed by BRE that provides an analysis of a building's energy consumption. The SBEM tool is designed to cover buildings that are not dwellings. It has been adopted by government as part of the UK national methodology for calculation of the energy performance of buildings. It is used to demonstrate compliance for dwellings with Part L of the Building Regulations 2000 (in England and Wales) For more information visit: [www.ncm.bre.co.uk/](http://www.ncm.bre.co.uk/) [External link].

### **Operational Rating Methodology**

The methodology for the calculation of the operational ratings for display energy certificates is currently being finalised.

### **RdSAP - Reduced Data Standard Assessment Procedure**

RdSAP is the new Government-approved standardised assessment procedure for energy assessments of existing dwelling. A full SAP assessment requires many data items that cannot be seen in a survey (or take too long to collect). RdSAP is an industry-agreed standard set of data items and a standard way of inferring the missing data. For more information visit: [www.nher.co.uk/pages/insight/rdsap.php](http://www.nher.co.uk/pages/insight/rdsap.php) [External link] or [www.rdsap.info](http://www.rdsap.info) [External link].

### **DSM - Dynamic Simulation Model**

A Dynamic Simulation Model is a software tool that models energy inputs and outputs for different types of building over time. In certain situations, SBEM, will not be sophisticated enough to provide an accurate assessment of a building's energy efficiency. In these cases Government-approved proprietary dynamic simulation models may be used. Communities and Local Government will provide such an approval.

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## Frequently Asked Questions

### **1. What is the timetable for implementing the measures?**

The legislation for EPBD will be laid in Parliament in March 2007 and will come into force in a phased manner between 6 April 2007 and 4 January 2009.

The roll-out will be phased by building sector. It will be designed to ensure the availability of sufficient qualified inspectors before placing a requirement on a particular sector to undertake certification.

Please see When the measures are being introduced for further information.

### **2. What are the benefits to me as a landlord?**

The energy rating can help rent out your property. They indicate to a prospective buyer or tenant how energy efficient your home is. It should also provide information that may help to reduce the running cost of the property.

### **3. Who is responsible for obtaining an Energy Performance Certificate?**

For buildings that are to be sold, the building's owner will be responsible for ensuring a certificate is available; this should be shown, on request, to any prospective purchaser, and should in any case be provided by the owner to the ultimate purchaser before a contract for sale is made.

### **4. What buildings will be exempt from providing Energy Performance Certificates?**

The following buildings are exempt from requiring an EPC:

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- Places of worship,
  - Stand-alone buildings of less than 50 square metres (except for dwellings),
  - Temporary buildings with a planned time of use of 2 years or less,
  - Particular buildings with low energy demand (e.g. barns).
  - In certain limited circumstances buildings to be demolished are exempt from requiring a certificate.
  - An Energy Performance Certificate is not required for any (off-plan) sales or lettings before the construction of the building has been completed.
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### **5. Will the implementation of EPBD be different between homes and commercial buildings?**

The Directive itself makes no distinction between the two. There will need to be some practical differences - for example the methodology for certification will need to be different to reflect differences in the way in which homes and commercial property are built and

used, but wherever possible we are seeking to minimise the differences. We have already developed a detailed approach for the Energy Performance Certificate that forms part of the HIP for the marketed sales of dwellings. Wherever relevant this will form the model that will be applied in other sectors, such as private rented dwellings, social housing and commercial buildings.

**6. How much will Energy Performance Certificates cost?**

The price of an energy performance certificate will be set by the market and not by Government. We expect these costs to vary according to the size, type and location of the property.

The current predicted cost of a standalone Energy Performance Certificate for an 'average' home is approximately £100. However, market forces will determine the actual price.

For other buildings, the cost will clearly depend on the size and complexity of the building.

**7. Will Energy Performance Certificates be required for rented accommodation?**

Yes. The EU requires that Energy Performance Certificates will need to be provided for all buildings when they are constructed, sold or rented.

**8. How long will it take to perform an energy assessment?**

The time taken to perform an energy assessment will vary according to the size and nature of the property. It is predicted that it will take about the same time as performing a housing valuation report. Because of the wide variation of commercial buildings, any form of 'average time' would not be meaningful.

**9. Is an Energy Performance Certificate required for the private sale of a home between two individuals?**

Yes. The EU Directive requires that Energy Performance Certificates will need to be provided for all buildings when they are constructed, sold or rented out. A new Energy Performance Certificate will be required for the Home Information Pack. Where the Energy Performance Certificate is provided separately from a Home Information Pack an existing Energy Performance Certificate may be used as long as it is still valid.

**10. What happens if my home gets a low rating?**

This simply indicates your home could be more energy efficient. During the inspection a number of recommendations to improve the energy efficiency will be identified. Implementation of these could not only increase your rating and reduce carbon emissions but also save money on energy bills. It is up to you whether you implement the recommendations or not.

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*Communities and Local Government Circular 02/2007*  
**THE ENERGY PERFORMANCE OF BUILDINGS  
(CERTIFICATES AND INSPECTIONS) (ENGLAND  
AND WALES) REGULATIONS 2007**

**Part 7 – Enforcement**

39. Regulation 38 imposes a duty on local weights and measures authorities to enforce the duties relating to EPCs and recommendations reports on sale and rent, DEC's and advisory reports, and air-conditioning inspections.

40. Regulation 39 gives authorised officers of an enforcement authority the power to require the production of the relevant documents for inspection and to take copies of any documents produced for inspection. Regulation 40 empowers enforcement authorities to issue penalty charge notices for any breach. Regulation 41 prevents penalty charges being imposed under these Regulations and the HIPs Regulations for the same offence in relation to a particular building. Regulation 42 makes provision for extenuating circumstances, for example where a certificate was ordered in good time but did not turn up or where tenants have to be relocated urgently.

41. Regulation 43 specifies the level of penalties for each type of breach. The penalty for breaches of duties relating to the sale or renting out of a dwelling is £200. The penalty for breaches of duties relating to the sale or renting out of a commercial building is variable depending upon the rateable value of the property, subject to minimum and maximum penalties of £500 and £5,000. The penalty for failing to display a DEC is £500, and for failing to obtain an advisory report is £1,000. The penalty for failing to have an air-conditioning system inspected has been fixed at £300.