

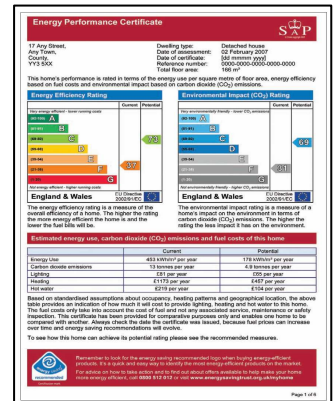
EPCs mandatory from 1 October 2008

From 1 October 2008, all properties - homes, commercial and public buildings - when bought, sold, built or rented out, are legally required to have an EPC.

On 9 September 2008, Communities and Local Government (CLG) announced an update to the Energy Performance of Buildings Directive (EPBD) concerning the Regulations for Energy Performance Certificates (EPCs)¹. From 1 October 2008, EPCs will be extended to rented homes, commercial properties under 2,500m² and all remaining homes for sale including those on the market before the phased introduction of EPCs in 2007. From 1 October, larger public buildings will also need a Display Energy Certificate (DEC).

The measuresⁱⁱ which come into force from 1 October 2008 include:

- extending the validity of the EPC to three years (currently 12 months) when included in a Home Information Pack (HIP)
- clarifying the arrangements for commercial buildings already on the market. This means that any non-domestic building put on the market before October and remaining for sale will need an EPC by 1 January 2009. If it is sold or rented out in the meantime, an EPC must be commissioned and handed over as soon as is practicable. This is intended to make it easier for owners and landlords to comply with the legislation, avoid market fluctuations and is in response to industry expectations.



Sample EPC

October marks the completion of the phased EPC introduction. The full timetable is below:

Residential properties:

- Since 1 August 2007 all homes with 4+ bedrooms going on the market for sale have needed an EPC as a 'required' component of a Home Information Pack (HIP)
- Since 10 September 2007 all homes with 3 bedrooms going on the market have needed an EPC as part of the HIP
- Since 14 December 2007 all remaining homes going on the market have required an EPC as part of the HIP
- Since 6 April 2008 all new homes have required a Predicted Energy Assessment (PEA) where marketed off plan or still under construction. Once the home is physically complete, the PEA in the HIP must be replaced with an EPC.
- From 1 October 2008 all remaining homes for sale, including those which have been on the market from before the above dates, will require an EPC. It is estimated that this will affect around 250,000 homes currently for sale without a HIP.
- From 1 October 2008 all homes for rent will also require an EPC when newly rented.

Commercial properties:

- Since 6 April 2008 an EPC has been required for commercial buildings over 10,000m² when built, sold or rented; since 1st July 2008 this has also applied to buildings over 2,500m².
- From 1 October 2008, this requirement will apply to all remaining commercial buildings.

Enforcement

Trading Standards will be responsible for enforcing the Regulations. Failure to comply could result in a penalty charge of £200 per residential property and 12.5% of the rateable value per commercial property (min. £500, max. £5,000) in addition to the requirement to provide the EPC.

Where can I get further information?

For more information, contact the EPBD helpline on 0845 365 2468, email help@epbduk.info or visit www.communities.gov.uk/epbd. CLG has also published technical guidance to support the roll-out, which includes:

- Guidance for landlords, helping them to understand their responsibilities for making EPCs available: **Energy performance certificates for dwellings in the social and private rented sectors: A guide for landlords**ⁱⁱⁱ
- Guidance for landlords with a portfolio of properties: **A guide to generating Energy Performance Certificates for similar dwellings owned by the same landlord**^{iv}
- An updated guide on EPCs for non-domestic properties, describing the scope and requirements of the Regulations and providing guidance on how these are applied in practice: **A guide to energy performance certificates for the construction, sale and let of non-dwellings (2nd edition July 2008)**^v

How do I get an EPC?

EPCs can only be issued by a qualified and accredited Energy Assessor who may be employed or commissioned by a company (such as a solicitor, estate agent, energy company or search provider) or be an independent trader.

How much does an EPC cost?

Costs vary significantly across the property sector, according to factors such as the size, location and age of the building, availability of drawings and whether the EPC is for private residential, rental or commercial purposes.

To make it easier for our customers, at STL we offer a quality-assured residential EPC for a fixed price nationwide, regardless of property size, the number of bedrooms or whether it is for residential or rental purpose. We are also available to offer volume discounts where, for example, your client has a portfolio of properties in the near vicinity.

As a rough guide, a commercial EPC for a basic lock-up industrial unit – about as simple as it gets – is likely to cost around £300 plus VAT if CAD drawings are available. At the other end of the spectrum, a large and complex leisure centre, complete with drawings, is likely to cost a minimum of £2500 plus VAT. If drawings are not available, your client may need to factor in the cost of a measured survey and production of drawings. Generally, industrial units are simpler and cost less than shops or offices, subject to the size of the heating and cooling system.

Next steps

To order an EPC through STL, or to request a price for a commercial EPC or to find out about our nationwide fixed price for a residential EPC (available on its own or as part of a cost-effective pack of searches for a HIP), **call 0800 318611 or email info@stlgroup.co.uk**

ⁱ A copy of the regulations is available on the Office of Public Sector Information website – http://www.opsi.gov.uk/si/si2008/pdf/uksi_20082363_en.pdf

ⁱⁱ More information on EPCs and the other measures being introduced to improve energy efficiency of buildings is available on the CLG website – www.communities.gov.uk/epbd

ⁱⁱⁱ A copy of the guide is available on the CLG website – www.communities.gov.uk/publications/planningandbuilding/epcandlordguide

^{iv} A copy of the guide is available on the CLG website – www.communities.gov.uk/publications/planningandbuilding/epcsforlandlords

^v A copy of the guide is available on the CLG website – www.communities.gov.uk/publications/planningandbuilding/nondwelling