

Time to get excited: EPCs

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**“Can I see your EPC” said the Actress to the Bishop.
“Only if I can see yours first” came the reply**

Excitement or energy performance levels might have a place in their relationship but they may have to content themselves with exchanging certificates regarding their buildings. An Energy Performance Certificate (EPC) is a measure of the energy efficiency of a building or part of it, often a dwelling or commercial space.

An EPC is intended to influence the decision made by a prospective tenant or buyer. The performance rating is from a green ‘A’ to a red ‘G’. The better the rating, the less the electricity and gas bills for heating the relevant building. More importantly, a good rating means the building is less likely to pollute the air we breathe.

This second factor is hugely important. London and our other major cities are polluted. Our buildings are a major contributor to that pollution, coming second only to vehicles. However, vehicles are raising their game as a result of the increasing move to electric powered cars, taxis and buses. Everybody who lives or works in the city should be energised to look at a building’s EPC more critically and to consider what can be done to improve it.

Energy Performance Certificates are seen as a box-ticking item. The law (courtesy of European Union Directives) requires one to be obtained before a building is marketed for sale or letting. They are passed along from one professional adviser to another and are dutifully supplied to buyers and tenants but I have not come across a case in which an EPC has influenced a letting or buying decision.

The law is being used to raise the ante. Property owners are now under more legislative pressure to make their buildings energy efficient.

Under the [Minimum Energy Efficiency Standards Regulations \(‘MEES Regulations’\)](#)¹, it will in many cases be unlawful to grant a new tenancy, which does not have minimum energy efficiency standards. At the moment this equates to an EPC rating better than an ‘F’ or ‘G’ rating. So, if the EPC rating for the relevant building is F or G it may be unlawful to let it.

Currently, the MEES Regulations are targeted at private sector landlords and do not impact on sellers. Enforcement is to be in the hands of local authorities and trading standards officers.

There are many exceptions and if you have a building which is inherently energy inefficient you may be exempt or able to seek an exemption.

The letting landscape for energy inefficient space is getting increasingly complicated. Indifference to an ‘F’ or ‘G’ rating is no longer an option. We should all be motivated to make our cities less polluted and healthier places in which to live and work. EPCs are a good thing. Let’s take note and get excited by them.

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Note: This is not legal advice; it is intended to provide information of general interest about current legal issues.

¹ [Energy Efficiency \(private rented property\) \(England & Wales\) regulations 2015 \(SI 2015/962\)](#)