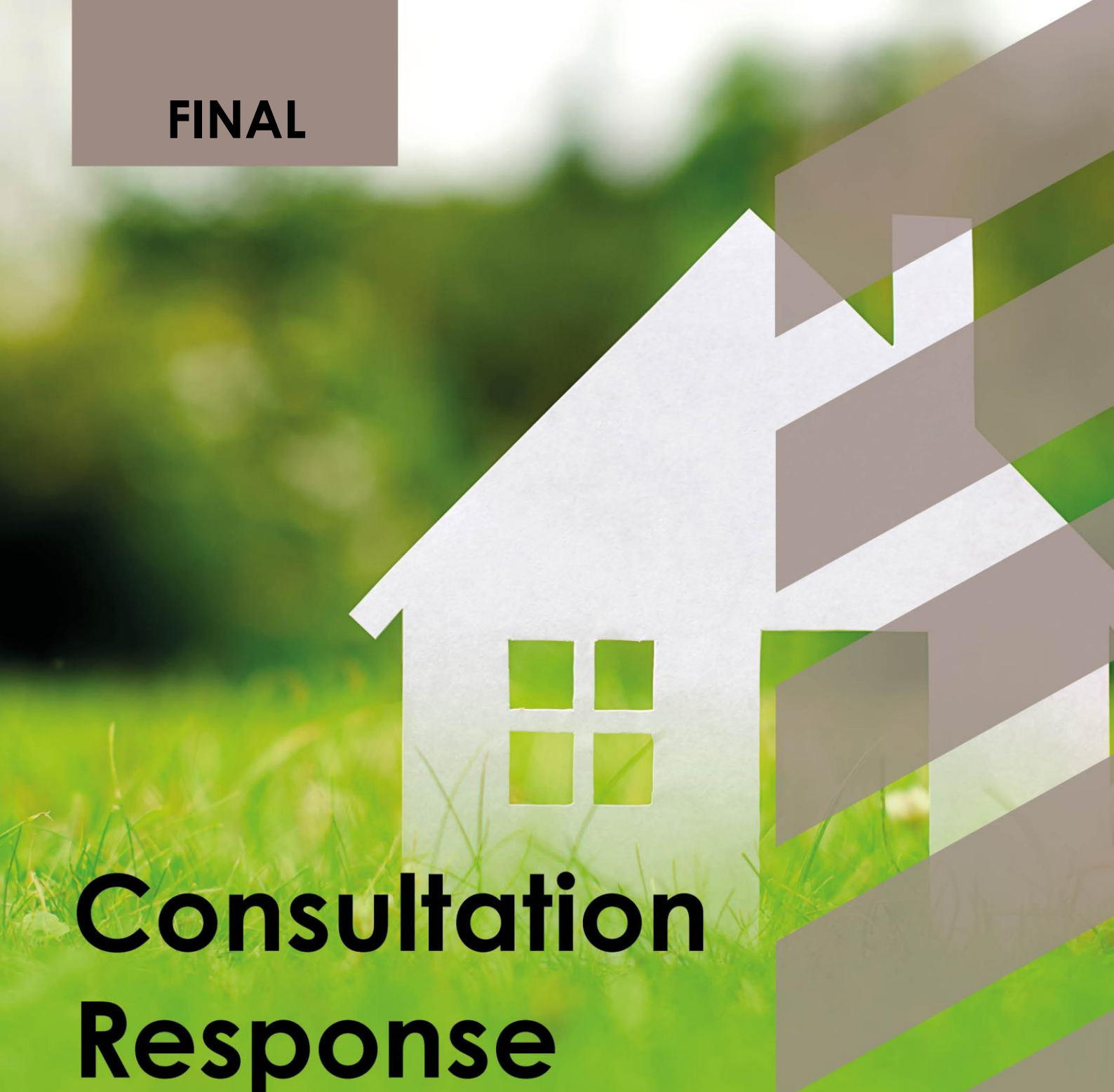
FINAL



Consultation Response

Reforms to the Energy Performance of Buildings regime

Prepared for: MHCLG & DESNZ

Date: 25/02/2025

Elmhurst Energy
16 St Johns Business Park,
Lutterworth, Leicestershire, LE17 4HB
01455 883 250

elmhurst energy

1. Introduction

Elmhurst Energy are pleased that MHCLG/DESNZ are seeking a Consultation on 'Reforms to the Energy Performance of Buildings regime' and as such we are delighted to respond to each question in turn.

The Call for Evidence / Consultation asked 48 questions, and we have answered them all below. We hope you find the responses considered and useful for taking 'Reforms to the Energy Performance of Buildings regime forward in a progressive manner.

2. Questions and Answers

Question 1

To what extent do you agree or disagree that information using an energy cost metric should be displayed on EPCs? Please select one option for each building type.

Domestic buildings

Strongly disagree
Disagree
Neither agree nor disagree
Agree
Strongly agree

Non-domestic buildings

Strongly disagree
Disagree
Neither agree nor disagree
Agree
Strongly agree

Elmhurst absolutely agreed that an energy cost metric should be displayed on both domestic and commercial EPCs. Ultimately, this metric helps a stakeholder appreciate how much a building costs to run. On domestic EPCs, it is a key metric for measuring fuel poverty risks. It is currently not used on commercial EPCs but would be very helpful for potential and current building owners and occupants to understand how the costs compare to the current lead metric of carbon.

There is currently there is widespread misunderstanding in regard to EPCs and the use of a solely cost based rating. The current rating simply shows how cheap or

expensive a home might be to run, but nothing more. Despite the current fuel price crisis public interest now goes far further than just cost. As the UK's largest EPC assessor accreditation scheme, we receive daily enquiries from assessors and consumers alike questioning why EPC ratings are low when measures such as low carbon heating systems have been installed (e.g. an Air Source Heat Pump). There is much criticism of the EPC due to solely being based on a cost-based metric which does not always reward consumers for what they believe is the right choice of heating for their home.

Furthermore, the Domestic EPC is now and will likely be further focused towards being used as a policy tool to reduce carbon emissions which in its current cost-based form simply does not work. Elmhurst would like to see a more comprehensive and informative EPC. We have long advocated for three headline metrics on all EPCs (both domestic and non-domestic); cost, carbon and consumption all of which are already calculated by the National Calculation Methodologies SAP and SBEM.

These metrics should be given equal prominence and displayed in a similar way to that of a food label so that policy makers can use appropriate metrics for any policies they wish to implement. The three metrics should be clearly explained so that all consumers understand their relevance and can make informed decisions for their homes. Whilst a cost-based metric may not align with low carbon heating, it is vital that the cost-based metric remains as one of the three headline metrics on EPCs. Adding carbon and consumption metrics to the reformatted EPC would help give a better understanding of a home's performance.

Question 2

To what extent do you agree or disagree that information derived from a fabric performance metric should be displayed on EPCs? Please select one option for each building type.

Domestic buildings

Strongly disagree
Disagree
Neither agree nor disagree
Agree
Strongly agree

Non-domestic buildings

Strongly disagree
Disagree
Neither agree nor disagree
Agree
Strongly agree

Elmhurst agrees that a fabric-based metric should be included on EPCs, but as a secondary metric. Elmhurst fully agrees with the importance of a fabric-based metric in terms of giving the occupant clear information over the fabric performance of the building. However, we do not believe a fabric metric should be a headline metric which we believe should only be based on cost, carbon and consumption for all certificates (Domestic and Non-Domestic). It should however be one of number of additional, complementary metrics that appear further down on the EPC.

Question 3

When evaluating the fabric performance of buildings, which methodology do you think should inform the basis of calculating a fabric metric? Please select one option for each building type.

Domestic buildings

No preference
Don't know
FEES
HLP/HTC
Other

Non-domestic buildings

No preference
Don't know
FEES
HLP/HTC
Other

The HTC/HLP value (metric) already exists in the SAP/HEM methodology so it would be good to spotlight it in conjunction with FEES calculated. FEES incorporates normalised occupancy and usage profile for its calculation. HTC/HLP is a value derived from the performance of the dwelling Fabric heat loss, Ventilation heat Loss (Infiltration & Designed Air change) and is related to the actual performance of the dwelling irrespective of how it used, or the type of heating system is employed.

This choice also allows for measured equivalents (HTC) to be incorporated at a later date. We already allow measured air test results to be used in SAP and in a few months, RdSAP. These and future methodologies should allow for measured values to be used in preference to a default, where sensible. In this case, measured energy performance results should only be submissible and acceptable when produced by a certified and accredited competent person.

Question 4

To what extent do you agree or disagree that information based on a heating system metric should be displayed on EPCs ? Please select one option for each building type.

Domestic buildings

Strongly disagree
Disagree
Neither agree nor disagree
Agree
Strongly agree

Non-domestic buildings

Strongly disagree
Disagree
Neither agree nor disagree
Agree
Strongly agree

Elmhurst agrees that a heating system based metric should be included on EPCs, but as a secondary, additional metric that appears further down the EPC. Elmhurst fully agrees with the importance of a heating system-based metric as long as it is clear to the stakeholder/public what the metric means, how it works and what it is used for. However we do not believe a heating system metric should be a headline metric which we believe should only be based on cost, carbon and consumption for all certificates (Domestic and Non-Domestic).

Question 5

What are your views on the design principles and the scope for a Heating System metric? Please provide evidence where possible.

We insist that the PCDF is expanded, updated and made as cost effective and as easy to apply to as is possible, to ensure the greatest number of heating systems are covered by this as it will impact most metrics (a default is nearly always a worse case result). Ensuring all manufacturers appreciate this is so important, and it's a key piece of information to communicate to the consumer or stakeholder as well. Elmhurst would also welcome further research in the default COP/Seasonal efficiency values

as some (i.e. ASHP) are very low and will almost always result in a reduction of EER and presumably this metric.

Question 6

To what extent do you agree or disagree that information based on a smart readiness metric should be displayed on EPCs? Please select one option for each building type.

Domestic buildings

Strongly disagree
Disagree
Neither agree nor disagree
Agree
Strongly agree

Non-domestic buildings

Strongly disagree
Disagree
Neither agree nor disagree
Agree
Strongly agree

Elmhurst agrees that a smart readiness-based metric should be included on EPCs, but as a secondary, additional metric that appears further down the EPC. Elmhurst fully agrees with the importance of a smart readiness-based metric in terms of giving the occupant clear information on how their home can utilise smart technologies. Like the heating system metric, it must be clear what the metric is used for and how it is calculated. However, we do not believe a smart readiness metric should be a headline metric which we believe should only be based on cost, carbon and consumption for all certificates (Domestic and Non-Domestic).

Question 7

What are your views on the definition, design principles and the scope for a smart readiness metric? Please provide evidence where possible.

The smart readiness metric should be based on technologies that can be easily identified by Domestic Energy Assessors. For example, smart meters, EV charging points, battery storage and renewable technologies. We do not believe basing this

on smart tariffs should be included as this may not always be possible for the occupant to demonstrate to an assessor and therefore may unfairly penalise the home. The EPC is an asset rating calculation and is not an occupancy assessment and therefore doesn't include current occupants use and tariff choices. These are likely to not be relevant to a future occupant.

Question 8

To what extent do you agree or disagree that information from an energy use metric should be displayed on EPCs? Please select one option for each building type.

Domestic buildings

Strongly disagree
Disagree
Neither agree nor disagree
Agree
Strongly agree

Non-domestic buildings

Strongly disagree
Disagree
Neither agree nor disagree
Agree
Strongly agree

Elmhurst agrees that an energy use-based metric should be present on the EPC. Elmhurst believes an energy use metric is vital as ultimately it is the one that consumers have control over. However, Elmhurst has long advocated for three headline metrics on domestic EPCs; cost, carbon and consumption for all certificates (Domestic and Non-Domestic). These metrics should be given equal prominence and displayed in a similar way to that of a food label so that policy makers can use appropriate metrics for any policies they wish to implement. The three metrics should be clearly explained so that all consumers understand their relevance and differences.

Question 9

If an energy use metric is to be displayed on Energy Performance Certificates (EPCs), which type of energy use measurement should be used to calculate this metric? Please select one option for each building type.

Domestic buildings

No preference
Don't know
Delivered energy
Primary energy
Other (please specify)

Non-domestic buildings

No preference
Don't know
Delivered energy
Primary energy
Other (please specify)

Elmhurst believes the 'Total Energy Use' as calculated by the National Calculation Methodologies, currently SAP/RdSAP and in future HEM, should be used. This is simple to understand for consumers compared to other energy metrics such as Primary Energy or Energy Use Intensity. By using 'Total Energy Use' this metric is not influenced by other factors such as primary energy factors that are outside of the occupants control and often out of date soon after being published. Additionally, we believe on site generation energy savings should be reflected in the energy use metric, so we do not support using delivered energy as the metric for this reason.

Question 10

To what extent do you agree or disagree that information from a carbon-based metric should be displayed on EPCs? Please select one option for each building type.

Domestic buildings

Strongly disagree
Disagree
Neither agree nor disagree
Agree
Strongly agree

Non-domestic buildings

Strongly disagree
Disagree
Neither agree nor disagree
Agree
Strongly agree

Elmhurst strongly agrees that a carbon-based metric should be present on the EPC. However, Elmhurst has long advocated for three headline metrics on domestic EPCs; cost, carbon and consumption for all certificates (Domestic and Non-Domestic). These metrics should be given equal prominence and displayed in a similar way to that of a food label so that policy makers can use appropriate metrics for any policies they wish to implement. The three metrics should be clearly explained so that all consumers understand their relevance and differences. The current appearance of the EPC with the sole headline metric being based on cost causes much confusion for stakeholders. Elmhurst and our members receive daily queries from stakeholders as to why their rating is lower than expected when using low carbon heating such as a heat pump. Consumer expectations are that a heat pump would result in a high rating, which is not always the case based on the current cost-based metric. The reformatting of the EPC to display cost, carbon and consumption metrics would solve this issue.

Question 11

To what extent do you agree or disagree with incorporating smart metering technologies, like SMETERS, into the energy performance assessment framework for buildings? Please select one option for each building type.

Domestic buildings

Strongly disagree
Disagree
Neither agree nor disagree
Agree
Strongly agree

Non-domestic buildings

Strongly disagree
Disagree
Neither agree nor disagree
Agree
Strongly agree

Domestic: SMETERs. Proven technologies exist to support this already and as long as these are deployed and used under the umbrella of competent users then we support this. To aid this adoption we have worked with industry key stakeholders from DESNZ to Technology providers to launch a competency scheme. https://www.elmhurstenergy.co.uk/blog/2024/07/02/elmhurst-energy-launches-new-measured-energy-performance-mep-scheme/

Non Domestic: Current SMETERs research has been focused on Domestic properties so although the SMETERs technology could transition to Non Domestic for certain property types (Domestic type), the relevant research data has not be collated yet.

Either way, measured energy performance results should only be submissible and acceptable when produced by a certified and accredited competent person.

Question 12

Do you have any views on key transition issues?

To mitigate any transition issues, the government will need to clearly communicate the changes, offer support during the adjustment period, and provide a clear roadmap for how the shift to new metrics will be implemented while protecting those who have already invested in energy improvements based on the existing standards. Elmhurst would like to see any amendment in validity period apply to all EPC's both new and old to avoid unintended consequences.

Question 13

What should be the validity period for Energy Performance Certificate (EPC) ratings?

Don't know
Less than 2 years
2 years
5 years
7 years
10 years

Since first publishing our Almanac in 2019, Elmhurst has firmly advocated that an EPC should only be valid for 3 years. As 3-years isn't an option and that there is no 'other' option on this question, we have opted for 2-years. This is driven by the fact that properties can and do change within this time period, particularly sale properties, when new owners (especially buy to let landlords) make improvements upon taking ownership. Validity is necessary to provide clarity and overarching direction, over and above this, no building should be marketed with an incorrect EPC. Irrelevant of

validity and EPC should be updated and made available when there is a significant change to the property that would impact on the rating or recommendations.

Currently, properties can transact using an (up to) 10-year EPC, containing potentially old and out of date information, such as property features, recommendations, carbon factors and running costs and savings. This almost entirely negates the value of the EPC for the buyer or renter. Additionally, the methodology used to produce the EPC will have changed in that time period. Indeed, we are about to see the launch of two new methodologies this year, in RdSAP 10 for existing dwellings and the Home Energy Model (HEM) for new dwellings. These will produce more accurate EPCs with different costs, recommendations with updated saving.

The validity period is also crucial to all stakeholders when considering the requirements in other legal contexts, such as property mis-descriptions. The longer the validity, the more out of date/inaccurate the descriptions on the EPC and the greater the risk of falling fowl of this legal provision.

As a side note, the Scottish government has recently responded to their EPC consultation and concluded that they are adopting a 5-year validity period. We may be entering a period in a few years time where England, Wales and Northern Ireland have a different validity period to Scotland and as far as Elmhurst are concerned, this is absolutely workable and reasonable.

Question 14

To what extent do you agree or disagree with the approach for any changes to validity periods to only apply to new EPCs?

Strongly disagree
Disagree
Neither agree nor disagree
Agree
Strongly agree

We need to avoid unintended consequences of a register which has two types of EPC. It could be feasible that an EPC is lodged this year that is valid until 2035 but then the same address could have a futher EPC lodged in 2026 that could be only valid until 2028. Legally, what does happen here? Which EPC is more valid? It would be far simpler and cleaner to have one validity period for all EPCs: new and old.

Elmhurst are also mindful of creating a scenario where incentivises stakeholders to get their EPCs done before the validity period changes. A slew of EPCs being lodged before the change so that they beat the system and get a 10-year validity would have a range of unintended consequences aside including the one described above.

Validity periods have changed in the time that EPCs have been in place. Its not an easy process and requires good communication, awareness, enforcement and the right actions to take place.

There is an argument to suggest that the EPC contains a 'valid until' date and if stakeholders used this date in a meaningful way, any change could be impactful to process. This may be relevant to social housing providers and landlords who may hold asset data and have improvement plans in place which line up with their EPC validity period. There is no way of Elmhurst to understand this, but it is a consideration, nonetheless.

Having said that, the only point of truth with regards to EPCs is the EPC register itself. There should be no PDF copies of EPCs stored elsewhere there days. Therefore, should you need to check the validity period of any EPC, then a visit to the register or via the open data would be the best option. If all EPCs has the same validity, it could be easily controlled via the register. This would add further necessity to and value for the use of the central register.

Question 15

To what extent do you agree or disagree that a new EPC should be required when an existing one expires for private rented buildings?

Strongly disagree

Disagree

Neither agree nor disagree

Agree

Strongly agree

Elmhurst absolutely agrees that once a rental property has an EPC, when the first EPC expires, it should be replaced by a new certificate, which contains up to date fuel costs, on the latest methodology and incorporates any changes to the property.

It is likely that that many responsible and risk averse landlords are already doing this. It ensures they always have a valid EPC and rating which means they are aware of how the building performs and are not in an unknown position should something change, be it a change in tenancy (requiring a new EPC quickly to comply with MEES) or via a regulator change in itself (i.e. an new version of MEES).

Inversely, it is good for the tenant who has access to valid data and information about the property they live in.

Another benefit is that the government register, and open data would be constantly kept up to date which helps with reporting, strategic planning, academic research purposes etc.

Question 16

To what extent do you agree or disagree that the regulations should be amended so that a property must have a valid EPC before it is marketed for sale or rent?

Strongly disagree
Disagree
Neither agree nor disagree
Agree
Strongly agree

Elmhurst has called for a reduction to the marketing timescales (currently 28-days) since EPCs were first launched. In the digital age, all properties should have key upfront information available at the point of marketing them. A pragmatic solution would be to reduce this timescale to something that works for all stakeholders, be it the owner, agent and energy assessor.

By changing the regulations, ideally, it should be illegal to market a property without the EPC being available to an interested party.

This principle also means that the EPC itself can be included in the marketing, and not just the headline rating (A-G) or the rating graph. As the format of the EPC is being reviewed within this consultation, it would a huge opportunity to make the full EPC available to anyone interested in purchasing the property from the earliest stage to have upfront, unless and engaging information available. This should contribute to a reduction transaction failing to complete due to lack of timely information.

Question 17

To what extent do you agree or disagree that houses in multiple occupation (HMOs) which don't already fall under the (Minimum Energy Efficiency Standards) MEES should do so when a room is rented out?

Strongly disagree
Disagree
Neither agree nor disagree
Agree

Strongly agree

It would be a lot clearer and easier to understand if all HMO's required an EPC at the point at which I is first registered as a rental property (we assume all rooms are made available at this point). The EPC produced should be for the entire dwelling. A domestic EPC uses standard occupancy, so it is irrelevant if one person or five people are living in the dwelling.

Question 18

To what extent do you agree or disagree that there should be a transitional period of 24 months to allow HMO landlords to obtain a valid EPC and comply with MEES regulations?

Strongly disagree
Disagree
Neither agree nor disagree
Agree
Strongly agree

We agree that landlords should have a reasonable time frame to obtain an EPC and subsequently meet the requirements of MEES. Exemptions should still maintain the cost cap to make any improvements viable for a landlord.

Question 19

To what extent do you agree or disagree with requiring short-term rental properties to have a valid EPC at the point of being let?

Strongly disagree
Disagree
Neither agree nor disagree
Agree
Strongly agree

Elmhurst believe that without commissioning an EPC we have no way to measure how energy efficient a property is. As such, we believe all properties that meet the criteria should have a valid EPC irrespective of how long they are rented for. We do believe clear criteria is needed about what constitutes a short term rental.

Question 20

To what extent do you agree or disagree with requiring short-term rental properties to have a valid EPC irrespective of who is responsible for meeting the energy costs?

Strongly disagree
Disagree
Neither agree nor disagree
Agree
Strongly agree

We agree that it should not matter who is responsible for meeting the energy costs for the dwelling.

Question 21

To what extent do you agree or disagree that we should remove the exemption for landlords from obtaining an EPC for buildings officially protected as part of a designated environment or because of their architectural or historical merit?

Strongly disagree
Disagree
Neither agree nor disagree
Agree
Strongly agree

Elmhurst believe that listed buildings should not be exempt from the requirements of having an EPC and therefore should also not be exempt from any other government policy that utilises the EPC as part of it's framework. Listed Buildings are some of the worst performing properties in the UK, and to ignore the opportunities to make energy efficient improvements to these properties is a mistake - particularly when it is the Landlord that stands to gain financially from not making these improvements while the tenant potentially suffers in a difficult and expensive to heat property.

There may be certain energy efficiency improvements that cannot be implemented in some buildings, but equally there are likely to be some that can, such as loft insulation, cylinder insulation, heating controls, low energy lighting, and these will benefit the building, the occupant whist reducing energy, costs and carbon.

EPCs are about giving the owners the information to base line their building and highlight potential improvements. The potential improvements are not mandatory, and as we know listed buildings may need to be carefully managed with potentially

specialist knowledge; which is why it is still vital to measure these buildings and help them become warmer, cheaper to run and better for the environment in a safe way that protects the listed characteristics.

Question 22

How useful do you find Display Energy Certificates (DECs) for understanding and improving a building's energy performance?

Not at all useful
Somewhat not useful
Neither not useful or useful
Somewhat useful
Very useful

To maximise the impact of Display Energy Certificates (DEC), their application should extend beyond public buildings to encompass all commercial buildings. This expansion would provide building owners and tenants with valuable insights into their energy consumption, helping them identify areas for improvement and achieve meaningful energy savings in practice.

To ensure DECs remain effective and relevant in the evolving energy landscape, both the methodology and the visual format of the certificates should be updated.

These improvements will enhance the accuracy of energy performance assessments and improve the communication of key energy metrics to a wider audience, promoting greater energy efficiency across the commercial sector

Question 23

Are there any limitations or challenges with the current DEC approach that reduce its effectiveness?

Please provide evidence where possible.

One of the key limitations of the current Display Energy Certificate (DEC) approach is the lack of enforcement. While regulations require certain buildings to display DECs, many buildings that should comply are not currently doing so. This reduces the overall impact of the scheme and limits its ability to drive energy efficiency improvements across the sector.

Furthermore, government buildings, which should serve as a benchmark for best practices in energy management, are often failing to lead by example. Stronger enforcement measures are needed to ensure compliance, particularly within the public sector. By doing so, the government can demonstrate leadership in energy efficiency and encourage wider adoption of DECs in both public and commercial buildings.

If we are to improve **all** commercial buildings, DECs are a vital component.

Question 24

What alternative approaches, if any, could drive energy performance improvements more effectively than DECs for public sector buildings?

Please provide evidence where possible.

An alternative approach that could drive energy performance improvements more effectively than solely DEC's for public sector buildings is the use of EPC's in parallel.

EPCs provide a more detailed assessment of a building's energy efficiency by focusing on the fabric of the building, heating systems, insulation levels, and renewable energy potential. Unlike DECs, which are based on actual energy consumption, EPCs offer recommendations for structural improvements and upgrades that can significantly reduce energy demand over the long term.

By implementing EPCs alongside DECs, public sector buildings would receive clear action plans for improving their energy efficiency. These improvements would address inefficiencies at their root cause rather than focusing solely on operational behaviours. Additionally, EPCs can help identify long-term retrofit opportunities, ensuring that public buildings meet net-zero carbon goals and perform optimally over time.

Crucially, the industry and capability to facilitate this assessment work already exists; Non-Domestic Energy Assessors. We do not need another alternative methodology which would necessitate the training and continuous development of a new workforce, to essentially do what we can already achieve today.

Question 25

To what extent do you agree or disagree with the proposed changes to the validity periods for DECs and DEC recommendation reports?

Strongly disagree
Disagree
Neither agree nor disagree
Agree
Strongly agree

We agree that the validity period for DEC's and DEC RR's should be reduced, Elmhurst's view is that consistency is important and there shouldn't be difference due to size of building. A DEC should only be valid for a year irrespective of building size.

Additionally, the RR should be valid for 3 years because this would provide consistency with other certificates that require a site visit to establish whether changes have occurred at the property. 1 year DEC renewables would be

reasonable to not require site visit each year providing an RR is done every 3 years with a site visit.

Question 26

What would be an appropriate validity period in years for these DEC and DEC recommendation reports? Please select a validity period for each option.

DEC 1000m² and under

1 year
2 years
3 years
4 years
5 years
6 years
7 years
More than 7 years
Don't know

DEC recommendation report 1000m² and under

1 year
2 years
3 years
4 years
5 years
6 years
7 years
More than 7 years
Don't know

DEC recommendation report over 1000m²

1 year
2 years
3 years
4 years
5 years
6 years
7 years
More than 7 years
Don't know

See justification in question 25.

Question 27

There is a proposal to provide an exception in the regulations for certificates that have been marked as cancelled or not for issue to be removed from the Energy Performance of Buildings (EPB) Register after 2 years.

To what extent do you agree or disagree with the proposal?

Strongly disagree
Disagree
Neither agree nor disagree
Agree
Strongly agree

Elmhurst question the need to retain data for even this length of time.

Only government approved schemes can remove EPCs from the register. Typically, this is done with the EPC is incorrect, either following audit or complaint or at the request of the assessor. In all circumstances, a replacement, correct EPC must already be present on the register in order for the scheme to do this. The scheme will check this is the case and also the validity of the EPC that 'replaces' the erroneous certificate.

It is therefore logical to suggest that for any EPC marked as 'Cancelled or Not for Issue' that the data shouldn't be available via the open data as this would allow known errors to be present in the dataset, which would conflict with correct data present to replace it.

Question 28

To what extent do you agree or disagree with the approach to remove the option to opt-out EPCs from the EPB Register public address search?

Strongly disagree
Disagree
Neither agree nor disagree
Agree
Strongly agree

Elmhurst believes that the original allowance for EPCs to be 'opted out' in the regulations was misguided. If the EPC contained personal data or a way to directly identify an individual person or people within the certificate, data set or the open data (aside from the energy assessor that produced the report), then the option to 'opt out' would have been correct. However, the EPC and all data does not contain personal data for anyone occupying or owning the property, so there is no reason for the option to remain in future regulations.

Additionally, the rationale for making this change would be to allow and other stakeholders to have access to the EPC and/or the data; such a new owner or occupant. This would ensure that these stakeholders would not incur additional costs to access an EPC and reduce the number of unnecessary EPCs on the register.

Question 29

To what extent do you agree or disagree with retaining the option to opt-out EPC address level content from the Open Data?

Strongly disagree
Disagree
Neither agree nor disagree
Agree
Strongly agree

See explanation/rationale for Q28.

Question 30

There is a proposal to remove the general prohibition on sharing data gathered under the EPB Regulations and replace it with a Secretary of State discretion about when, how and with whom to share the data.

To what extent do you agree or disagree with the proposal?

Strongly disagree
Disagree
Neither agree nor disagree
Agree
Strongly agree

Elmhurst agree that current restrictions on accessing data for energy certificates should be made clearer. There are many stakeholders that could and would use this

data to analyse building stock for example a private landlord with a large property portfolio. Elmhurst also agree that the current open source date, whilst useful, may be out of date by the time it is being used. We would advocate for the ability to access real time data. This would allow for up to date decisions to be made on a homes and buildings energy efficient improvements. However caution should be sought to ensure that by removing restrictions on sharing data and it becoming at the discretion of the secretary of state, there are no unintended consequences that would make it more difficult for stakeholders to access their own housing/building stock data.

Question 31

To what extent do you agree or disagree that data gathered in previous EPC assessments should be available for use in future EPC calculations for a dwelling?

Strongly disagree
Disagree
Neither agree nor disagree
Agree
Strongly agree

Having access to the data from previous EPCs would assist an energy assessor in gaining an understanding of the building. However, the data should not be used solely in the re-calculation of a new EPC. A building will change over time making older data potentially less accurate. Assesssors still need to visit the site and we agree that it would be helpful for an assessor if evidence gathered against a property could be stored centrally and then accessed i.e. Architect's plans, MCS certificates, installation certificates etc. This encourages repeatability and accuracy of assessment – see below. This is especially true in new build home and new extensions/refurbs etc. where valuable evidence and data, if made available, should make future EPCs more accurate and repeatable.

Question 32

What are your views on the approach to using existing data, while balancing accuracy and practicality?

Elmhurst supportive of the endeavour to use existing data but it should be used with caution. With the right evidence, it could enhance the overall accuracy of the EPC. This approach is more manageable for newer properties, where data from the Full SAP/SBEM assessment may be considered. The use of U value competency schemes that use validated, quality assured data should be considered. A key thing to

consider is how long that data is then valid for. Something else to consider is the lack of a centralised data bank (e.g., a property passport) to draw from. Ultimately an assessor needs to be satisfied that any data used is accurate and validated.

Question 33

To what extent do you agree or disagree that Accreditation Schemes should be given more responsibility for overseeing the training of energy assessors?

Strongly disagree
Disagree
Neither agree nor disagree
Agree
Strongly agree

Elmhurst are an accreditation body and with over 10,000 energy assessor members. We are uniquely placed to understand the impact of poor-quality training. Indeed, there is a risk to our business, and within the trust of the industry where poor training occurs, and poorly trained assessors enter the industry.

This is why we use our unique position to create feedback loops from our quality assurance processes to improve our training course and materials base upon what we see during audit. We tailor our CPD in similar ways.

Training centres that only provide training, do not have onward skin in the game; once a learner is qualified, they have no future responsibility. The reality is that learners, once certified, are not competent, qualifications make you qualified, competence comes from doing the role in the real world. Elmhurst accept that the first year of any professional's career is mostly about learning and learning from mistakes. However, some newly qualified assesses are missing basis knowledge when tested.

Ultimately, we do feel that there is an issue with the quality of the training of some energy assessors and some training centres.

First and foremost, The National Occupational Standard (NOS) needs to be reviewed to ensure that the qualification meets the current and future needs of the industry, accounting for changes in practice and technology. Accreditation schemes and other key stakeholders must be involved in the process, utilising our industry expertise with methodology, conventions, software, and quality assurance at the forefront.

Ofqual, Awarding Bodies, Accreditation Schemes, and Training Providers must work together to ensure the quality of training. We are currently undergoing major

changes with RdSAP 10, Simplified Building Energy Model (SBEM), and Home Energy Model (HEM), which bring more accurate assessments and increased data collection requirements, resulting in changes to how training is delivered. The awarding bodies must reflect these regular changes in the NOS and their qualification handbooks. As an Accreditation Scheme, we are at the forefront of the industry, supporting and influencing these changes. We maintain an open-door policy with the awarding bodies to assist with any changes they wish to make in line with this.

All training centres are only quality assured on the outcomes of training, i.e. can the learners produce evidence that they have the minimum level of knowledge, skill and understanding? If this is the case, then the centre is deemed to be doing a good job.

The quality of the training isn't checked by awarding bodies, there is no mystery shopper, or oversight of the quality of the material, including who is delivering it, how it is being delivered and if this is appropriate for the learners. Centres that guarantee passing within specific timeframes should be scrutinised and potentially disallowed from practicing.

Implementing an independent mystery shopper process could help identify and address quality issues in training.

We must also develop a better governance scheme for reviewing training providers' quality.

Elmhurst believe that Accreditation Schemes should oversee training centres, not only from an outcome's perspective but also in terms of the quality of the training material presented. This oversight could include regular audits and reporting on the performance of each centre and awarding body. We need to consider that there are multiple accreditation schemes, and we do need to be mindful of unintended consequences or a risk all centres are assessed without fear or favour.

Another consideration is that training providers need access to the approved software to deliver effective training. We recommend that the use of approved software is a key part of the quality assurance process.

It may also be beneficial to require core Maths, IT, and English qualifications to ensure all learners have a solid foundation for the technical aspects of the role. Currently there are no pre-requisites. We would recommend that stricter prerequisites are put onto the delivery type. For example, fully online learning requires some prior understanding of buildings whilst classroom based practical learning can be used for the new entrant route.

Trainers and Vocational Assessors must be occupationally competent to provide high-quality training and assessment that is relevant, up-to-date, and provides learning opportunities. Trainers must not assess their own learners. We should promote separation between trainers delivering the content and the assessors marking the evidence submissions.

A final consideration is that schemes could implement a process to provide a competency test approach prior to joining the accreditation scheme. This would be something developed as a standard approach by all schemes and incorporated in the Scheme Operating Requirements so that it can be audited by government for consistency across schemes. Tracking failure rate by training centre or awarding body will shine a light on areas that are lacking and that need improvement.

The sentiment in this section is about the quality of EPCs and seems to suggest the training is at fault. It is one part of the puzzle of quality assurance that we need to continually update and work on to ensure quality and improvement in outcomes. Quality assurance as a whole is required to maintain quality in EPCs. This is why we believe accreditation schemes should have involvement in what is being delivered by training providers.

Question 34

Do you have suggestions for other actions which could be taken to improve the accuracy and quality of energy assessments, or to help identify fraud in EPC assessments?

Now is the time we need to consider a more radical approach to what is included in the EPC and the data associated with it at lodgement. Elmhurst feel that we should consider the evidence as an important part of the process and the **VALUE** of an EPC. The process should be digital, and within that process, the assessor should produce a site assessment pack which includes digital imagery and a digital floorplan. If these could be produced in a standardised way, these assets could be lodged along with the EPC and data. This evidence pack could be supplied to the building owner. Elmhurst suggests that this would help the owner and new incumbent appreciate and understand their EPC and the assessment, allow more informed questions and queries and reduce complaints. Indeed, it could help highlight and resolve mistakes more quickly – sunlight is the best disinfectant. Ultimately this could add necessary **value** to the assessment and certificate and result in better fees for assessors.

We also support the proposal to improve guidance around the responsibilities of Local Weights and Measures Authorities (LWMAs) and other stakeholders. Improving access to EPB data would ensure that enforcement around policies such as MEES are monitored. Whilst there is an exemptions register, there is a suggestion that

LWMAs aren't clear on their responsibilities to review any exemptions and impose penalties on landlords. We also welcome the idea of working with estate and letting agents to improve compliance. In circumstances where fraud can be identified schemes are required to report the issues to the authorities but our remit is only around the EPC and energy assessors, any sanctions would be imposed against the assessor, and not necessarily against an organisation that may be benefiting from the fraudulent activity. Whilst we support the proposals that have been made to improve compliance the over reliance on accreditation schemes should be addressed as it is crucial schemes remain independent.

Question 35

To what extent do you agree or disagree with these proposals to improve compliance?

Strongly disagree
Disagree
Neither agree nor disagree
Agree
Strongly agree

Elmhurst agree with the need to review this and the general assertion that there must be a greater focus on enforcement. However, the proposals in the consultation are not clearly different from what is currently in place. To date, very sporadic local enforcement activity has happened since EPCs were launched in 2007. This is simply not good enough. It is therefore hard to imagine how the industry will see improved compliance rates via the proposals in the consultation.

We do mostly agree with the estimates on compliance rates noted in the consultation, however Elmhurst should reiterate that in the PRS, even with MEES pushing extra focus on the EPC, the low compliance rates are hugely concerning. EPCs have been in place for PRS properties since 2008 and in the following 17 years, less than 50% of properties have an EPC. Given that typical domestic tenancies are around 4-5 years, it would be logical to assume that the vast majority of domestic PRS properties should have had an EPC in that period. Given that MEES then set a backstop date of 2020 to achieve EPC 'E', then logically, the majority of PRS properties should be in scope of MEES and have a valid EPC. This is clearly not the case.

To emphasise, we believe that compliance on Air Conditioning Inspection Reports is as low as 20%. There are some really easy wins to bring datasets together to make it clear and obvious non-compliance is happening. Indeed, a focus on organisations with significant ESG commitments due to their size and profile would most certainly be a good place to start. In a later answer we point to work done by our Trade

Association, PEPA, and they report that the organisations they have contacted are simply unaware of the regulations or the specific within. An education/awareness captain to businesses of the regulations, the benefits and how assessment can lead to positive action along with regulatory compliance would be extremely effective.

From our discussions with Local Weights and Measures Authorities (LWMAs) via our trade association (PEPA), it is clear that they have insufficient funding, resource and knowledge to enforce the regulations. This is slowly changing but needs absolute focus and support from government to Trading Standards colleagues.

Elmhurst once again request that a good percentage of the EPC lodgement fee - the fee paid by energy assessors to the government to lodge every certificate on the register - is ring fenced to ensure that enforcement activity happens within each local authority. There is little point in ONLY increasing the level of fines if these fines are never invoked. Equally the fines themselves, if increased, could create a self-perpetuating pot of funding to ensure good levels of enforcement, or targeted actions could take place where needed.

Elmhurst have long advocated for regulation to be enforced as above, but it is also essential that legal enforcement via 'stealth' is happening. A good example is covered in the answer to Q.36 around the conveyancing process. Ultimately, the more legal oversight and the more professional bodies are involved in the process of validity and quality assurance, the better the outcomes will be.

Question 36

To what extent do you agree or disagree that penalties should be increased?

Strongly disagree
Disagree
Neither agree nor disagree
Agree
Strongly agree

The current fines are not much more than the cost of a domestic EPC and are less than having a commercial EPC produced. This does not offer a deterrent to anyone unwilling to comply with the law.

There is a degree of enforcement by 'stealth that is afforded by the conveyancing/legal process which does ensure that the vast majority of sale transactions do involve an EPC. What we are not certain of is that the EPC is produced in time to ensure that interested parties have had time to review the certificate prior to making an offer on a property. This not only devalues the EPC and its usefulness but also reduces awareness in it in the first place. It also increases the risk of a buyer pulling out later on in the process as a result of not having up front

information, such as the property not making the minimum energy efficiency standard. This also presents a risk to lenders.

Inversely, unless the agent is active in requesting an EPC, then there is less oversite on rental property transactions, and it is highly likely that many private rental transactions go ahead without an EPC. Indeed, the MEES regulations make it so that if a property does not have an EPC, it does not fall into the scope of MEES, and therefore a local authority cannot act on the enforcement commanded by this regulation.

Indeed, a report by The Negotiator quoted recent Homeowner's Alliance research that suggested that 25% of all buy to let listings do not have a valid EPC - https://thenegotiator.co.uk/news/regulation-law-news/too-many-property-listings-break-rules-claim/

Question 37

If penalties were to increase, how much should current penalties increase by?

Don't know
No increase
Inflation adjusted increase
Doubling
Other

Given that the fines haven't increased in line with inflation, it would be sensible to increase them by this margin and then double the total.

There is little point in having enforcement unless the fines themselves can then be ring fenced to go directly to further enforcement activities. Elmhurst would like to see this happen.

Question 38

When should penalties be imposed for non-compliance with Energy Performance of Buildings Regulations (EPBR) requirements?

Don't know
At 6 months (no increase)
At 12 months
At 18 months
Following more than 18 months

Elmhurst welcomes these questions. There needs to be clarity here and frankly, 6-months is too little time for effective enforcement to take place – investigation, detection, awareness, follow up and then issuing of a penalty notice would need to be highly efficient and organised to ever happen within the 6-month period currently allowed for. It is good that the government has recognised this and are exploring a change.

The precedent noted in the consultation seems fair and just and so Elmhurst agree that 18-months is a fit and proper cut off and would align with MEES which requires the EPC for domestic and non-domestic PRS properties.

It would be worth considering a sliding penalty system, similar to MEES, with a fine for the initial breach (as noted, at least double the current fine), increasing in amount for continued non-compliance post initial notice. This would support the need to produce an EPC rather than take the fine and move on. This would also be a proactive step in ensuring that PRS properties correctly fall into scope of the MEES regulations and prevent wilful, calculated avoidance.

Question 39

What are your views on changing the current allocation of responsibilities for enforcing Energy Performance of Buildings Regulations (EPBR)?

Elmhurst have been concerned about the disjointed approach to enforcement currently in place and refer to previous answers on this.

With regards to easing the task of undertaking enforcement activity, there are two key areas not covered in our previous responses;

1. Making datasets interoperable, meaningful and timely. This has to be led by government; predominantly as key datasets such as the EPC register data, MEES exemptions register, and Land Registry are government owned. In order to make the data interoperable and meaningful, a single UPRN (or unique identifier) must be used. Confidence that data relates to a property is essential for comparing datasets and workflow creation.

   The data should also be made available to the enforcement service in real time. The current EPC register open data takes around a months to update. In some cases, it can take longer, depending on when the EPC is lodged and when the data is published.

2. Allowing local authorities to pool resources to better enforce, or even just start to /be seen to enforce the regulations does make sense, as long the net result isn't resource being spread over a larger geographical area.

Our trade association, PEPA, has been operating a whistleblowing service for energy assessors to flag where non-compliance is discovered. Upon receipt PEPA will write a letter and/or a call to the building owner or responsible person to make them aware of the regulations. Once alerted, the vast majority of building owners then obtain the necessary certificate or report, without the necessity to contact LWMA. This process highlights how a simple process, backed with low level activity/resource and cost can achieve results.

In terms of alternative proposals, the HSE has a very strong remit around building safety and may be able to command weight behind the concept of insufficient heat results in health issues. Equally the Environment Agency has a suitable remit and works to enforce ESOS.

Question 40

There is a proposal for a new penalty charge fine amount of £800 for non-compliance with the requirement to have an ACIR for systems with an effective rated output over 12kW.

To what extent do you agree or disagree with the proposal?

Strongly disagree
Disagree
Neither agree nor disagree
Agree
Strongly agree

While we agree with the proposed penalty charge fine of £800 for non-compliance with the requirement to have an Air Conditioning Inspection Report (ACIR) for systems with an effective rated output over 12kW, we believe that simply increasing the fine will not be sufficient to address the underlying issue of low compliance.

One of the primary reasons Elmhurst believes compliance remains low is that system owners are not being fined frequently enough, or in many cases, not at all, rather than the fines being too low. Increasing the fine amount will only have a meaningful impact if accompanied by more rigorous enforcement measures to ensure that fines are issued consistently when non-compliance is identified.

As a Scheme, it would be beneficial and encouraging to see data on the number of fines issued for ACIR non-compliance, as well as for other energy certificates. Greater transparency on enforcement activities would provide valuable insights into the effectiveness of current compliance measures and help identify areas where enforcement could be improved. Without this data, there is a risk that increasing fines alone may fail to achieve the desired outcome of improving compliance rates.

We need to see some logically joined up thinking applied to this area. Non-Domestic EPCs already collect data on whether a building has an AC system installed that exceeds 12kW. This data should be available with the EPC register database and also in the open data – cross referencing this should be relatively simple, or be made as simple as possible, for enforcement agencies to identify non-compliance with the regulations and then act accordingly. Equally, the EPC register, could flag on an EPC if the property is non-compliant with the regulations to have an ACIR – this would help highlight and educate key stakeholders, including building owners and solicitors when retracing the EPC with a transaction process.

Question 41

To what extent do you agree or disagree with the proposal to redesign the structure of ACIRs?

Strongly disagree
Disagree
Neither agree nor disagree
Agree
Strongly agree

We strongly agree with the proposal to redesign the structure of Air Conditioning Inspection Reports (ACIRs). Current ACIRs can be overly long, complex, and occasionally repetitive, which can discourage system operators from fully engaging with the recommendations provided. Simplifying the format and making the reports more user-friendly is likely to encourage system operators to take meaningful actions to improve the energy performance of their systems.

We also support the proposed redesign information outlined in the consultation. In particular, Elmhurst agrees that including a cost metric within the ACIR would be highly beneficial. Providing an estimate of the likely overall cost of improvements alongside the potential savings from implementing those recommendations would increase the relevance of the report to system operators. This approach would make the ACIR more actionable and help drive greater engagement with energy performance improvements.

Question 42

What should be included in a redesigned report?

Elmhurst support the proposed redesign information outlined in the consultation:

- the likely efficiency of the system and any suggestions for improvement of any faults identified during the inspection and suggested actions
- the adequacy of equipment maintenance and any suggestions for improvement
- the adequacy of the installed controls and control settings and any suggestions for improvement
- the current size of the installed system in relation to the cooling load and any suggestions for improvement
- consideration of the capabilities of the system to optimise its performance under typical operating conditions
- a summary of the findings and key recommendations

Elmhurst also agrees that including a cost metric within the ACIR would be highly beneficial.

Question 43

To what extent do you agree or disagree with the proposal to add a cost metric in the assessment methodology for ACIRs?

Strongly disagree
Disagree
Neither agree nor disagree
Agree
Strongly agree

Elmhurst strongly agrees that including a cost metric within the ACIR would be highly beneficial. Providing an estimate of the likely overall cost of improvements alongside the potential savings from implementing those recommendations would increase the relevance of the report to system operators. This approach would make the ACIR more actionable and help drive greater engagement with energy performance improvements.

Question 44

If you agree to including a cost metric, what would be the most suitable data on air conditioning system output to use in the calculation and how could it be obtained? Please comment both on data quality, suitability and likely availability.

The most suitable data for calculating potential cost savings from air conditioning system improvements would involve combining the total rated output of the air

conditioning system with current electricity prices. This approach would allow for more accurate estimates of both energy consumption and the financial impact of recommended improvements.

Data on system output could be obtained through various means, including:

- Information provided by the current building owner or manager, who should have records of the system's specifications.
- Data collected during the production of commercial Energy Performance Certificates (EPCs), which often include details on the building's mechanical systems.
- Benchmarking against similar buildings, particularly for cases where direct data is unavailable.

Data quality and availability are likely to vary depending on the building and the records kept by its management. Therefore, providing a flexible approach that accommodates both direct system data and benchmark estimates would ensure the widest applicability of the cost-saving calculations. Ensuring that data sources are reliable and clearly referenced within the ACIR would further enhance the quality and credibility of the report.

Question 45

If you agree to including a cost metric, what would be the most suitable data on electricity prices to use in the calculation? Please comment both on data quality, suitability and likely availability.

Data on fuel prices could be incorporated into the ACIR by either:

- Allowing current prices to be input directly by the system operator, ensuring the calculations reflect real-time market conditions.
- Using standardised prices, similar to the approach used in domestic RdSAP assessments, which would provide consistency across reports but may be less reflective of local variations in energy costs.

Elmhurst's view is that a default model should be able to be created using standard prices but there should also be an option for Actual known electricity prices to be entered. (providing this could be suitably evidenced)

Finally, to enhance the quality and credibility of the ACIR, it is essential that all data sources are clearly referenced within the report. This transparency would ensure that building owners and operators have confidence in the cost metric provided and can make informed decisions about implementing energy and cost saving measures.

Question 46

Please let us know if you have any evidence on the rate of voluntary implementation of recommendations made in EPCs.

We don't have evidence of voluntary implementation of recommendations made by EPCs. Instead, we would like to take this opportunity to point out that there are scenarios where full SAP is used to produce EPCs for existing homes. This is usually done for deep retrofits or where there is a feature in the dwelling that cannot be accurately modelled in RdSAP for example airtightness test results. However, where full SAP EPCs are produced they will always contain the recommendations for a new build home; low energy lighting, solar PV, solar HW and Wind Turbines. There should be a separate set of recommendations available for EPCs for existing homes modelled in SAP so the occupant can still make good decisions about how to improve the energy efficiency of their home. This needs to be considered in any EPC wrapper produced for the Home Energy Model in future.

Question 47

Please let us know if you have any comments on the regulatory or equalities impact assessments presented alongside this consultation, in particular, are there any impacts on groups with protected characteristics that we have not identified in the equalities impact assessment?

Elmhurst offer no comment on this section

Question 48

Please let us know if you have any comments on the impact assessment in general, including any evidence you have on the impact of these proposed reforms.

Elmhurst offer no comment on this section

Contact Details

Should you require any further clarification, please contact us at:

Elmhurst Energy
16 St Johns Business Park,
Lutterworth,
Leicestershire,
LE17 4HB

01455 883 250

enquiries@elmhurstenergy.co.uk

www.elmhurstenergy.co.uk

elmhurst energy