



## ESOS Newsletter

Issue 33 February 2025

Welcome to the Energy Savings Opportunity Scheme (ESOS) newsletter, keeping you updated with key information relating to the scheme. In this issue we will be providing an update from the Department of Energy Security and Net Zero on Phase 4 requirements:

### **Important update – mandatory ESOS net zero requirements delayed to Phase 5**

In the [Government Response](#) to the ESOS consultation of July 2021, the previous government announced the intention that for Phase 4 of ESOS (2023-2027) participants would be required to include net zero considerations in their ESOS audit.

Following delays to the introduction of Phase 3 legislation and guidance, and in order to give sufficient time for such a major change to ESOS, the new government has decided to postpone the introduction of net zero requirements until Phase 5 of ESOS (2027-2031). This will also provide DESNZ with time to understand the impact of the Phase 3 changes.

Proposed changes to qualification thresholds for ESOS to align with Streamlined Energy and Carbon Reporting (SECR) requirements will also not be taken forward in Phase 4. Any changes to qualification thresholds will be addressed as part of ongoing work to consider ESOS's role within the wider business energy and emissions reporting landscape. The Phase 4 qualification criteria and the qualification date (31 December 2026) will therefore remain unchanged.

### **Smaller Phase 4 changes**

Some changes proposed for Phase 4 are still intended to go ahead, subject to parliamentary time and scrutiny. These are:

- Removal of Display Energy Certificates (DECs) and Green Deal Assessments (GDAs) as compliance routes
- Progress against action plan commitments to be included in the ESOS assessment



- Where action plan commitments have not been met, participants must provide an explanation

DESNZ will provide further details of these changes in due course. Legislative changes and full guidance, as well as the necessary changes to the Manage your Energy Savings Opportunity Scheme (MESOS) IT system, are planned to be in place by early 2027 in advance of the notification of compliance deadline for Phase 4, which is 5 December 2027.

### **Voluntary net zero reporting option in Phase 4**

DESNZ recognise that ESOS participants and lead assessors may already be carrying out work that covers some of the elements of a net zero assessment. DESNZ has worked with the British Standards Institution (BSI) to finalise the PAS standards referred to in the Government Response to the ESOS consultation, which can be used on a voluntary basis for ESOS compliance in Phase 4. The following two standards will be published on 7 February:

#### **PAS 51215-1:2025 Energy and decarbonization assessment – Part 1: Process – Specification**

This standard describes the process for carrying out a combined energy and decarbonization assessment in a single process to produce an implementation plan for achieving net zero across the scope and boundaries of the assessment; and

#### **PAS 51215-2:2025 Energy and decarbonization assessment – Part 2: Competencies of lead assessors and assessment teams – Specification**

This standard updates the previous PAS 51215:2014 by strengthening the existing energy competencies that assessors need and incorporating new ones for GHG and net zero.

Participants that want to show their commitment to net zero can follow the process set out in PAS 51215-1:2025 to carry out an assessment which:

- includes GHG emissions related to the energy currently covered by ESOS;
- assesses governance and risks related to achieving net zero across those emissions; and



- proposes an implementation to achieve net zero by 2050 across those emissions.

DESNZ will provide guidance that participants can use alongside PAS 51215-1:2025 to ensure that they are compliant with the requirements for an ESOS audit under ESOS regulations. We will confirm shortly when this guidance is expected to be available.

Updates to the MESOS digital system for Phase 4 will include provision to allow participants to disclose that they have used PAS 51215-1:2025 as part of their commitment to achieving net zero.

Organisations that follow the PAS 51215-1:2025-1 process on a voluntary basis in Phase 4 can familiarise themselves with the standards and provide feedback to DESNZ to inform decisions on Phase 5. DESNZ expects to be able to communicate further in relation to Phase 5 plans and opportunities for feedback on implementation of the PAS standards later in the year.

If you have any queries in relation to this policy decision, please email [DESNZ](#).

## Contact us

For any IT specific queries relating to the MESOS Reporting System, please contact our [ESOS IT helpdesk](#).

If you have any queries relating to ESOS or if there is anything specific you would like to see in future ESOS newsletters, please consult the ESOS Guidance in the first instance or email our [ESOS Technical Helpdesk](#).