**Draft BEAMA response to consultation on Reforms to the Energy Performance of Buildings Regime**

DESNZ has published a consultation on Reforms to the Energy Performance of Buildings regime. The consultation closes on 26 February. You can read our summary of the consultation [here](https://www.beama.org.uk/consultation/energy-performance-of-buildings-and-energy-performance-certificates.html) find the full consultation documents by [clicking here](https://www.gov.uk/government/consultations/reforms-to-the-energy-performance-of-buildings-regime/reforms-to-the-energy-performance-of-buildings-regime). We have included our draft response to the relevant questions below, and added space for you to add your comments on our responses. Please fill in your contact details and send any comments to simon.harpin@beama.org.uk.

|  |
| --- |
| **You Name:**  |
| **Company:**  |
| **Email:**  |

**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**

* Agree

**Non-domestic buildings**

* Agree

**If you wish, please explain your reasoning, and provide any evidence to support your view.**

Whilst we agree that energy cost is a very important metric for building tenants across all tenure types, we do not strongly agree with the approach.

Within the consultation there is no recognition of the importance of flexible tariff access to the presentation of actual energy costs. The ongoing development of the Home Energy Model has started to examine how to assimilate the benefits of ‘flexibility’ and we believe this MUST be reflected in the energy cost metric for Energy Performance Certificates. This can be modelled against a standardised flexibility profile already known to the Department for Energy Security and Net Zero, and it should apply across heat electrification technologies (which offer the greatest flexibility capability alongside battery energy storage and EV charge point presence) as well as home appliances.

*Please add your comments on our response here:*

**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**

* Agree

**Non-domestic buildings**

* Agree

**If you wish, please explain your reasoning and provide any evidence to support your view.**

We have become increasingly concerned by the growing discussion around a ‘fabric fifth’ approach. It remains the case that the most valuable energy metric is the energy not consumed, particularly with recent energy price volatility. A fabric approach to consumer advice allows consumers to understand the benefits of improving insulation in their property.

Notwithstanding our support for a fabric metric, we are both surprised and disappointed that the Government has NOT included any form if Indoor Air Quality metric in this consultation for consideration. The impact of poor indoor air quality either in the context of heating or ventilation is costing the NHS £1.4bn per year in England alone and the social cost is much wider. The impacts are covered later in our response.

We would remind Government that through not including IAQ as part of an EPC assessment, it is abandoning one of the more socially focused reforms of the Energy Performance of Buildings Directive i.e. ‘When setting minimum energy performance requirements, those requirements shall take account of **general indoor climate conditions, in order to avoid possible negative effects such as inadequate ventilation**…’… ‘indoor environmental quality means the result of an assessment inside a building based upon parameters such as relating to the **temperature, humidity, ventilation rate and presence of contaminants**, influencing the health and wellbeing of its occupants.’

It does not seem to be a sensible policy direction to impose minimum energy performance standards on the private rented sector (to take one housing segment in isolation because of its links to intended public policy) and not resolve this ongoing national crisis. Also, if EPCs underpin publicly funded programmes such as the Warm Homes Plan it would seem politically negligent not to address the issue in a meaningful way.

The preamble to the consultations talks about ‘aiding decision making’ and providing ‘meaningful’ information. We would strongly argue that the EPC can do both; informing consumers about the potential health effects of a non-decent home before renting or buying and stimulating action through target groups such as private landlords.

A metric for indoor air quality is simple to develop based on the heating metric outputs and the addition of a simple ventilation provision assessment. We have covered this in our paper ‘Reforming Energy Performance Certificates for Indoor Air Quality’ <https://www.beama.org.uk/resourceLibrary/beama-epc-reform-position-paper.html>

There is a growing coalition of organisations including trade bodies, campaigning groups and housing related professionals who have written separately to the Secretary of State on this matter.

*Please add your comments on our response here:*

**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**

* FEES

**Non-domestic buildings**

* FEES

**If you wish, please explain your reasoning and provide any evidence to support your view.**

The important factor to remember in the provision of information and advice is to keep it simple. Ideally a heat transfer coefficient would be used but we do not believe enough members of the public would be able to understand or interpret the metric. A simple FEES approach would be more digestible to stimulate action.

With regards our proposal to integrate IAQ into the EPC, refer to our paper ‘Reforming Energy Performance Certificates for Indoor Air Quality’ <https://www.beama.org.uk/resourceLibrary/beama-epc-reform-position-paper.html> for further assessment advice.

*Please add your comments on our response here:*

**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 agree

**Non-domestic buildings**

* Strongly agree

If you wish, please explain your reasoning and provide any evidence to support your view.

*Please add your comments on our response here:*

**Question 5**

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

(no BEAMA response)

*Please add your comments on our response here:*

**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 Agree

**Non-domestic buildings**

* Agree

*Please add your comments on our response here:*

**Question 7**

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

Smart readiness is a very important metric to enable consumers to understand to what extent their home can benefit from time of use tariffs and flexibility based services. Raising awareness of smart energy is a critical factor in the energy transition supporting the drive to Clean Power 2030. A study and the SMETER project has shown that smart readiness can allow a building to adapt to occupant needs and grid conditions, allow smart meter data to help measure thermal efficiency, enable access to flexible tariffs and demand side response, as well as correct billing and energy management.

As with the fabric question, we would urge a level of simplicity in the first round of using this metric.

The presence of a fully functional smart meter and in-home display is fundamental and necessary for any smart readiness. Therefore an assessment should first ascertain whether these are present. Without these a householder would not be able to access the benefits mentioned above. It is also important that smart meters are maintained, updated and integrated into responsive building systems to ensure they retain their functionality.

A simple assessment would take into account the presence of a smart meter and an in home display (or equivalent) to determine the smart readiness of a building. Smart metering is at the heart of the energy transition and without a functioning smart meter present in a building, it is unlikely a consumer will be able to fully benefit from existing and yet to be launched smart related energy services.

Once the baseline presence of the smart enabling metering and display equipment has been clarified, the assessment could give ‘bonus’ uplifts for the presence of:

* Smart enabled heating and hot water appliances with dynamic storage capacity (yet to be defined by the Energy Smart Appliance (ESA) framework but work is underway)
* A battery energy storage system (again, covered by the ESA framework)
* An Electric Vehicle (EV) chargepoint (within the ESA framework)

In the process of recognising the above with benefit to the consumer, the Government will be able to meaningfully align policies such as the smart meter roll out, Smart & Secure Electricity Systems, Clean Power 2030 and the Zero Emission Vehicle mandate. Such a development would also give context to policies such as the Boiler Upgrade Scheme and the Warm Homes Plan. Without some level of acknowledgement within the EPC regime, we would be losing an important transactional opportunity with building owners to raise their awareness of the important of smart systems.

Again, following the principle of ‘simplicity’, the EPC should make reference to the potential of smart readiness. As referenced earlier in our response, providing an ‘energy cost’ uplift in the EPC would be a hard metric benefit, however the soft metric could also be that potential opportunity.

*Please add your comments on our response here:*

**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

**If you wish, please explain your reasoning and provide any evidence to support your view.**

*Please add your comments on our response here:*

**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**

* Delivered energy

**Non-domestic buildings**

* Delivered energy

**If you wish, please explain your reasoning and provide any evidence to support your view.**

As with our previous responses, the EPC must be a meaningful tool for consumers and we do not believe any other metric than delivered energy will resonate with people trying to interpret results and take action. Primary energy is not a well known or understood metric with the general public so would not deliver much in the way of valuable actionable information.

The additional issue with primary energy is that it is a very movable metric in respect to flexibility. Whilst we believe we could perhaps harness flexibility in the context of energy costs and carbon (see later response), it may be neither feasible of useful to apply this to primary energy due to the range of energy sources across the grid (including the presence of building based generation).

*Please add your comments on our response here:*

**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**

* Neither agree nor disagree

**Non-domestic buildings**

* Neither agree nor disagree

**If you wish, please explain your reasoning and provide any evidence to support your view.**

Whilst we believe that carbon is an important metric in policy terms, it is not a proven driver for consumer behaviour which again leads to the question of meaningful and actionable information. *(Simon – maybe the Gov public opinion tracker can help here)*.

In non-domestic buildings this may be different with respect to organisations in commercial or industrial premises which may use EPC data to report on their carbon performance in line with various Net Zero related reporting mechanisms. Whilst we do not have a specific position on this building-based carbon reporting point, it would be worth keeping this in mind for Display Certificates.

*Please add your comments on our response here:*

**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

**If you wish, please explain your reasoning and provide any evidence to support your view.**

*Please add your comments on our response here:*

**Question 12**

Do you have any views on key transition issues?

(no BEAMA response)

*Please add your comments on our response here:*

**Question 13**

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

* 2 years

*Please add your comments on our response here:*

**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

**If you wish, please explain your reasoning and provide any evidence to support your view.**

The condition of large proportions of the UK housing stock that can be classed as not decent is significant. 10% of people across the UK are living in poor quality housing conditions, 14% of occupied dwellings fail to meet the decent homes standard and 23% of homes classed as not decent are in the private rented sector (reference: BRE 2023). This situation has to change. The policy cost in terms of health provision is around £1.4bn of NHS spend in England alone, and the social cost is well documented in recent years through high profile cases of deaths or ill health due to the poor indoor air quality of buildings.

With the Government providing funding support through Warm Homes Plan and the introduction of Minimum Energy Efficiency Standards for the private rented sector, there has never been a better time to use an occupier information tool to drive change in housing standards which is why we support a two year validity period. This argument also underpins our support for a retrospective application of the validity period, particularly for the private rented sector.

Around 500,000 EPCs are lodged per quarter and this transactional opportunity is a very powerful support tool as the UK tries to both improve housing stock and drive the energy transition forwards.

*Please add your comments on our response here:*

**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 agree

**If you wish, please explain your reasoning and provide any evidence to support your view.**

See response to question 14.

*Please add your comments on our response here:*

**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 agree

**If you wish, please explain your reasoning and provide any evidence to support your view.**

See response to question 14.

*Please add your comments on our response here:*

**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 agree

**If you wish, please explain your reasoning and provide any evidence to support your view.**

*Please add your comments on our response here:*

**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?

* Agree

**If you wish, please explain your reasoning and provide any evidence to support your view.**

Capacity constraints for obtaining EPCs. The new HEM which underpins the EPC will require substantial re-training of assessors and may reduce the number of assessors available which means an initial 24 month transition makes sense.

*Please add your comments on our response here:*

**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

**If you wish, please explain your reasoning and provide any evidence to support your view.**

(no BEAMA response)

*Please add your comments on our response here:*

**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

**If you wish, please explain your reasoning and provide any evidence to support your view.**

(no BEAMA response)

*Please add your comments on our response here:*

**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?

* Disagree

**If you wish, please explain your reasoning and provide any evidence to support your view.**

There are practical implications to consider here. For example, there are \*\* thousand homes listed across the UK and occupied on a residential basis. With planning, listed building and practical improvement option constraints on these properties and occupiers it is necessary to ask to what extent any EPC information or advice would stimulate meaningful action at a reasonable cost.

*Please add your comments on our response here:*

**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

(no BEAMA response)

*Please add your comments on our response here:*

**Question 23**

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

Please provide evidence where possible.

(no BEAMA response)

*Please add your comments on our response here:*

**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.

(no BEAMA response)

*Please add your comments on our response here:*

**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

(no BEAMA response)

*Please add your comments on our response here:*

**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

If you wish, please explain your reasoning and provide any evidence to support your view.

(no BEAMA response)

*Please add your comments on our response here:*

**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?

* Neither agree nor disagree

**If you wish, please explain your reasoning and provide any evidence to support your view.**

N/A

*Please add your comments on our response here:*

**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?

* Neither agree nor disagree

*Please add your comments on our response here:*

**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?

* Neither agree nor disagree

**If you wish, please explain your reasoning and provide any evidence to support your view.**

N/A

*Please add your comments on our response here:*

**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

If you wish, please explain your reasoning and provide any evidence to support your view.

(no BEAMA response)

*Please add your comments on our response here:*

**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

(no BEAMA response)

*Please add your comments on our response here:*

**Question 32**

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

(no BEAMA response)

*Please add your comments on our response here:*

**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?

* Neither agree nor disagree

If you wish, please explain your reasoning and provide any evidence to support your view.

N/A

*Please add your comments on our response here:*

**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?

N/A

*Please add your comments on our response here:*

**Question 35**

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

* Neither agree nor disagree

**If you wish, please explain your reasoning or other ways to improve compliance and provide any evidence to support your view.**

N/A

*Please add your comments on our response here:*

**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

**If you wish, please explain your reasoning and provide any evidence to support your view.**

(no BEAMA response)

*Please add your comments on our response here:*

**Question 37**

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

* Don’t know
* No increase
* Inflation adjusted increase
* Doubling
* Other

**If you wish, please explain your reasoning or other ways to improve compliance and provide any evidence to support your view.**

(no BEAMA response)

*Please add your comments on our response here:*

**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

**If you wish, please explain your reasoning and provide any evidence to support your view.**

(no BEAMA response)

*Please add your comments on our response here:*

**Question 39**

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

**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?

* Neither agree nor disagree

**If you wish, please explain your reasoning and provide any evidence to support your view.**

Out of BEAMA scope

(no BEAMA response)

*Please add your comments on our response here:*

**Question 41**

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

* Neither agree nor disagree

*Please add your comments on our response here:*

**Question 42**

What should be included in a redesigned report?

Out of BEAMA scope

*Please add your comments on our response here:*

**Question 43**

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

* Neither agree nor disagree

*Please add your comments on our response here:*

**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.

Out of BEAMA scope

*Please add your comments on our response here:*

**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.

Out of BEAMA scope

*Please add your comments on our response here:*

**Question 46**

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

N/A

*Please add your comments on our response here:*

**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?

N/A

*Please add your comments on our response here:*

**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.**

*Please add your comments on our response here:*