



TYASERS

CLIENT BRIEFING

ENERGY PERFORMANCE CERTIFICATES IN THE COMMERCIAL SPHERE

Introduction

A key target for the Government and the EU is to improve the energy efficiency of buildings. In March 2007 the Energy Performance of Buildings Regulations (the EPB Regulations) were introduced, to implement the Energy Performance of Buildings Directive (EPBD). The regulations require Energy Performance Certificates (EPC's) both in the commercial and residential spheres.

It is hoped that the measures will encourage building owners and tenants to improve the energy performance of buildings which they already occupy and, where they are seeking new accommodation, encourage them to choose energy efficient buildings.

THE EPB REGULATIONS

The EPB Regulations introduce the following requirements:

- The production of EPC's and recommendations for improving the energy performance of a building whenever a building is constructed, sold or rented;
- The production and display of Display Energy Certificates (DEC's) in public buildings and the production of advisory reports containing recommendations for improvement of the energy performance of such buildings;
- Air-conditioning systems with an output of more than 12kW must be inspected at regular intervals by an energy assessor who will produce a report and assessment on the energy efficiency of the system and advice on possible improvements to it.

A building is defined by the EPB Regulations as "a roofed construction having walls, for which energy is used to condition the indoor climate" and includes buildings that have fixed heating, mechanical ventilation or air conditioning.

However, buildings that only have hot water or electric lighting do not fall within the EPB Regulations. In addition, EPC's are not required for certain types of buildings, including as places of worship and temporary buildings with a planned time of use of two years or less.

Where a building comprises flats or units designed for separate use, an EPC can be produced for each flat or unit based on an energy assessment of a representative unit in the same block. Furthermore, where a building is made up of separate commercial units, but has a common heating system, one EPC can be issued for the whole building.

An EPC is, in most circumstances, valid for ten years from the date from which it was issued. However, a valid EPC will be revoked if a new EPC is issued for the building. Checks should be made by the assessor prior to undertaking the inspection to confirm that an EPC has not already been carried out.

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WHAT IS AN EPC?

An EPC is a certificate which contains information about the energy efficiency of a building. EPC's must include:

- The asset rating of the building (which indicates the energy performance of the building's fabric and its services). This is expressed on a scale from A to G, similar to the energy efficiency labels on domestic appliances, and allows prospective buyers or tenants to compare the energy performance of buildings. An A rating indicates that the building is very energy efficient, with G being the lowest rating.
- Recommendations report: A separate recommendations report is also produced alongside the EPC. This provides advice on how to improve the energy efficiency of the building and is broken down into short, medium and long term paybacks.

An EPC must be produced by an energy assessor who is accredited to produce EPC's for that category of building.

TIMESCALE FOR IMPLEMENTATION

From 1 October 2008 all non-domestic buildings to be sold or let (either as a whole or in part) or if a new building is to be constructed, will require an Energy Performance Certificate (EPC) in accordance with the Energy Performance of Buildings Directive. This requirement has been phased in throughout 2008.

Any non-domestic building that was on the market before 1 October and remaining on the market will need an EPC by 4 January at the latest. If it is sold or rented out in the meantime, an EPC must be commissioned and then handed over as soon as is practicable. This measure is intended to make it easier for owners and landlords to comply with the legislation, avoid market fluctuations and is in response to expectations from the industry.

WHAT WILL THE IMPACT BE?

It is difficult to predict whether the introduction of EPC's will realise the government's goal of encouraging owners and tenants to improve the energy performance of buildings and to choose energy efficient buildings. Energy costs represent a tiny proportion of outgoings when compared to expenses such as rent and business rates, so energy efficiency may never become an important consideration when choosing accommodation. However, for larger companies, social responsibility is becoming increasingly important, and in an age where climate change is a serious concern we may find that asset ratings of buildings will be of increasing significance.

How can we help?

Tysers have teamed up with recognised experts, Wilbourn Associates to offer a service for their clients' commercial energy survey needs.

Wilbourn Associates are one of the top environmental consultancies working in this field and can provide experienced Energy Performance Certificate assessors and Energy Performance Certificate consultants to survey your building.

October 2008

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