

## SOCIAL HOUSING BRIEFING NOTE

# 6



### The Energy Performance of Buildings Directive (EPBD)

#### Background

In 2001 there were about 178 million buildings within the 25 member states of the European Union (EU) accounting for around 41 per cent of all energy consumed within the EU. Of this, around two thirds was consumed within homes and one-third within commercial buildings.

The Directive was introduced because of these drivers and was required to be translated into member states' law by January 2006. However as many countries (including the UK) do not have enough sufficiently trained inspectors, there has been a derogation (extension) until 2009.

The aim of the Directive is to promote the improvement of the energy performance of new and existing buildings. The most relevant of the Directive's actions are:

1. The development of a single national methodology for calculating the energy performance of buildings.
2. The introduction of requirements for producing building energy certificates whenever buildings are built, leased or sold.
3. The development of energy performance standards for new and existing buildings.
4. The development of an inspection system for boilers rated at more than 20kW.
5. The development of a routine inspection system for air conditioning systems of more than 12kW rated output.

#### EPBD in the United Kingdom

The Housing Act, which received Royal Assent in November 2004, translates some of the Directive requirements into a national context and Home Information Packs (HIP) are a means of implementing the Directive.

A HIP will include various information on the property like building certificates, planning permissions and a Home Condition Report (HCR) for existing buildings.

Under the Directive all buildings, when constructed, sold or rented, will be required to have an Energy Performance Certificate (EPC). New buildings will have a HIP but will not need a HCR, however there will be an energy performance certificate.

In June 2006, the Government stated that delays in the training of home inspectors to carry out the surveys for the HCRs and the need for more testing has meant that they will instead phase in HCRs on a voluntary basis. However, the Government has indicated that it still intends to make HCRs mandatory at a later stage.

In the meantime, the Government will focus on the introduction of Energy Performance Certificates, which will provide buyers and sellers with an A to G rating for homes, together with details of measures that would cut their fuel bills and carbon emissions. Two ratings are shown; the current rating and potential rating if measures listed are implemented.

EPC will be introduced in June 2007 following a six-month 'dry-run'.

## **Implications for Social Housing Providers**

**Housing providers only need to have an energy certificate, not a full HCR, for Right-to-buy properties sold with sitting tenants and non-marketed sales and lettings,**

This will most likely be introduced in Spring 2008. The stand-alone cost of a certificate has been estimated at £150 and the 'landlord' of the property is expected to pay for this. For the social sector, the responsibility therefore lies with local authorities and housing associations. However, the Department of Communities and Local Government (DCLG) is encouraging social housing landlords to take a different approach, for example by incorporating the certificate into stock surveys. DCLG is also looking into the possibility of allowing scope for representative certification (ie an energy certificate for one type of property instead of for every single property of that type).

The DCLG is also looking at the training and accreditation schemes for energy performance inspectors, and there is a possibility that gas inspectors could do the energy inspection at the same time, which would decrease the cost of the certificates.

## **The Energy Performance Certificate (EPC)**

The Directive requires that the certificate should be the same for all dwellings, including new buildings. The certificate format will be standardised throughout the UK. The design is based on the energy labelling for household appliances. EEPH is an independent group of over 250 UK organisations working together on different aspects of domestic energy efficiency.

The certificate will:-

- be clear and simple to understand, based upon labelling already familiar to the consumer market, making use of the A-G labels for appliances. This system already has high levels of consumer experience and acceptance.
- be accompanied by related guidance, incentives and signposting to other sources of information, including a practical guide to action, identifying suppliers, costs of energy efficiency measures and how disruptive each measure is to implement.
- show the band (A-G) as well as the SAP rating. It will indicate not only the current band and rating of the house but the projected post-improvement band and rating, including details and the impact of each energy efficient option.

The certificate will have a maximum validity of 10 years. If the dwelling is changed during the period of the certificate and the SAP rating is affected, for example, a new boiler or cavity wall insulation is installed, a new energy performance certificate will be required if the dwelling is to be sold or rented out.

*This briefing note was compiled by*

**Dinyar Baria**  
**Project Manager**  
**Severn Wye Energy Agency**  
**01594 544186**  
**dinyar@swea.co.uk**