

Lancaster Landlords: Are you EPC compliant?



Pre-existing Tenancies v.s. New Tenancies

"If a property does not meet the minimum standard of an E rating, it must not be let to a new tenant after 1 April 2018 until it is reassessed with an E or higher rating. If the tenancy period has already begun but it started before 1 April 2018, the landlord must improve the property rating to E or higher by 1 April 2020"

Just a Few Months To Go!

Are you compliant?

Only months to go now before your rental properties have to meet the Minimum Energy Efficiency Standard (MEES). If you have rental properties in England and Wales, read on and find out whether or not you're compliant with the requirements.

About the MEES

The Domestic Minimum Energy Efficiency Standard (MEES) Regulations came into effect in April 2018. It set a minimum energy efficiency level for private rented properties in England and Wales.

Properties in England and Wales must be rated "E" or higher to be privately let and those with ratings "F" and "G" must be brought up to standard before the deadline. This rating is found on a valid Energy Performance Certificate (EPC).



What is an EPC?



An Energy Performance Certificate (EPC) can only be issued by a qualified Domestic Energy Assessor and each certificate is logged and accessible on a national register. They last for 10 years and you can use the same certificate for multiple tenancies with different tenants.

An "A" rating indicates that a property achieved the highest level of energy efficiency, and a "G" rating signifies the lowest level of energy efficiency. Apart from a rating, a certificate also shows a building's carbon dioxide emissions, which can be affected by a building's walls, flooring, roof insulation, boilers and more. These are all factors an assessor will look at when assessing the EPC rating of a property.

Note that if your property has an EPC done within 10 years, but a newer EPC was done more recently, the rating on the more recent EPC prevails.

In short, an EPC...

- Is valid for 10 Years
- Must be issued by a qualified Domestic Energy Assessor
- Is logged in the national register

If you need help getting an EPC, please let us know!

Does your property need an EPC?



There are exemptions to the MEES rules, but they have to be regularly assessed, and they expire after 6 months or 5 years, depending on which exemption you apply for.

The catch 22 is that you would need a valid EPC to apply for an exemption. In some cases, surveyors or architects have to be hired. It's usually more cost-effective to improve a property's energy efficiency rating than to apply for an exemption.

Improving Your EPC Rating

Double glazing and new boilers are both very effective ways to improve your property's energy efficiency. They can also be costly. There are cheaper ways in which you can improve your property's EPC rating.

1. Install new radiator valves

Thermostatic valves can make a huge difference to an EPC rating, at a fraction of the cost of a brand new boiler.

2. Wall insulation

Insulation materials can cost as cheap as £5 per square metre and is particularly effective for properties lacking in insulation.

3. LED light bulbs

If you're just a small step away from an E rating, then replacing all standard light bulbs with LED ones is the easiest and cheapest improvement you can make to help secure the minimum rating.

Consider energy efficiency improvements as your investment in the rental property: If tenants are paying less in bills, the property is more likely to yield more rental income.

Energy efficiency rating	Average annual energy bill*
A/B	£750
C	£1,060
D	£1,330
E	£1,710
F	£2,180
G	£2,860

**The Telegraph, March 2018*

Always consult a professional before carrying out any energy efficiency improvement works. If you have an existing EPC, it should state the types of improvements suitable for your specific property.



Access for EPC Inspections and Works

You should get your tenant's consent before an EPC inspection, and in most cases, you must get their consent before physical works are carried out. It is likely that the tenant would welcome your improvement works, as their energy bills will go down as your EPC rating improves. If you fail to get their consent, you can apply for an exemption to the MEES rules based on the lack of consent.

The penalties for non-compliance can be severe. If you fail to supply a valid EPC at the start of a new tenancy agreement, you could lose the right to serve a Section 21 notice in the future.

If you would like to discuss your current EPC, or any issues related to letting your property, simply give our Lettings Manager, Josh, a call on 01524 843322. We're here to answer any questions you may have.