



Policy briefing

Energy performance certificates

The Energy Performance Certificate (EPC) is a document that by law must be provided by a seller or landlord when marketing their home.[1] This requirement is driven by the EU Directive on the Energy Performance of Buildings 2007, recast in 2013.[2]

Property owners have so far spent around £650 million on EPCs, and Citizens Advice wants to see the data managed and used more proactively in helping them take control of their bills. Concurrently we want the validity and accuracy of the Certificates improved. We outline below ways in which we think it could help people through the consumer journey:

Trigger for action

- Smart meter rollout: an EPC, or a short form thereof, could deliver tailored advice to many householders during the smart meter rollout, together with a clear signpost for next steps dependent on the Government's successor to ECO. This tailored advice would be enabled by allowing key parties to access 'recommendations' data, together with updated costs and savings. Ideally it would also be tailored by tenure. This could be limited to consumers who have moved home since 2012 to assist with the validity of data.
- House move: EPCs should always be updated prior to rental or sale to incorporate latest energy prices, to highlight potential costs and savings. The current 10 year validity period risks misselling to buyers and tenants and provides an uncertain basis for policy development or enforcement
- The value of renewables: We also think EPCs should incorporate the financial value of feed-in tariffs and the renewable heat incentive to ensure that property sellers and landlords are able to give independent evidence of the value of the renewable systems, without overstating their benefit.
- Installation of renewable heat and power: EPC ratings as an eligibility factor in renewable energy and heat subsidies should rise over time to encourage and reward action, to lower upfront and running costs of renewable heat, and to maximise carbon savings from those subsidies.
- Minimum standards in the private rental sector: Citizens Advice wants the government to rigorously enforce the incoming minimum energy performance standard in the private rental sector (EPC E), both to help the individuals who are living in dangerously cold homes and to send a signal to the property market that energy efficiency matters.
- Analytical tools: Citizens Advice favours the free provision of EPC reports, and underlying data, to local authorities to help them deliver energy efficiency measures. We would also like the government to provide further analytical tools, based on EPC and other data, to help local authorities target help at homes and households who need help most, and to help community energy groups engage residents. A similar system already exists in Scotland, thanks to Scottish Government support.

Advice

- Accessible interface: Citizens Advice wants an interface to the EPC register developed (perhaps building on the EPCadviser tool[8]) so that it can be hosted by advice

organisations, and indeed other parties, to increase the accessibility of information and improve the accuracy of advice.

- Consumer ownership: DCLG should allow consumers to access their full dataset, not only the fields displayed on the EPC, so they can share it with their advisers. This would be a similar model to the control consumers have over the data generated by smart meters.

Installation

- Simplify reporting to improve data quality: at present energy efficiency works are registered in different databases dependent on the scheme (GD financed works are on the EPC Register, ECO works lodged with Ofgem). There needs to be a mechanism for accredited installers to lodge single measures, however they are paid for, with the added benefit this would then enable the lodging of actual rather than assumed u-values.
- Smart meter installation: DECC and DCLG should consider automating the lodgement of smart meters and in-home displays on the EPC register to record their energy saving potential, without adding to the cost of assessor's visits.

Quality, complaints and redress

- Revise quality assurance: the Scheme Operating Requirements and audit regimes for EPCs were put in place before the use of EPCs as eligibility criteria for finance and standards, and should be re-visited and revised to better reflect how EPCs are now used.
- Cater for innovative eco-design: an exceptions process is required for use of the EPC in policy as some homes, or rather some measures such as airtightness and interseasonal storage, cannot be measured by the RdSAP/SAP process
- Improve the quality of advice: reduce the validity period from 10 years, require updates from accredited installations, whilst also ensuring energy prices, and installation costs, are updated when EPCs are generated from existing data.
- Improve compliance: At present EPCs are provided for 95 per cent of house or flat sales, but only for 75 per cent of social housing and just 26 per cent of private rental properties.[5] This low level of compliance is poor in itself; further barriers come from the lack of requirement to explain the content, and intangible benefits of a high rating.
- Update RdSAP's treatment of 1980s homes: the RdSAP method needs to be revised so it recognises the 2.3 million homes built since 1983 with clear cavities and no insulation[9]. This means potential cost-effective savings are being missed under both ECO and Green Deal advice.

Overall, the Citizens Advice Service supports the use of energy performance data to inform policy and consumer decision-making. Both DCLG and DECC need to refocus on using this valuable data to full advantage, without compromising an individual's right to privacy.

[1] Exemptions include listed buildings and residential buildings or holiday homes used for less than four months a year.

[2] Directive 2010/31/EU EPBD recast

- [3] DECC (2013) *Energy saving measures boost house prices*, <http://bit.ly/1kMRVZa>
- [4] Consumer Futures (2011) *Room for Improvement*, <http://bit.ly/1uygBam>
- [5] DCLG (2013) *Freedom of Information Request – Energy Performance Certificates Compliance*, <http://bit.ly/122GY1a>
- [6] DCLG (2011) *Information note: improved and redesigned energy performance certificate*, <http://bit.ly/1t7Y7AQ>
- [7] Open Data User Group (2013) *Energy Performance Certificate Data – A case for Open release* <http://bit.ly/1t7yJfj>
- [8] Directgov, *EPCadviser*, <http://bit.ly/122HigE>
- [9] Excerpt from Consumer Futures (2012) *Filling the Gaps*, <http://bit.ly/1ziU4pS>