

## Energy Performance Certificates Policy

<b>Policy Name</b>	Energy Performance Certificates Policy		
<b>Policy Ref</b>	AM		
<b>Review Date</b>	November 2024		
<b>Purpose</b>	<b>REVIEW &amp; APPROVE</b>		
<b>Next Review Date</b>	November 2027		
<b>Committee</b>	Service Delivery Sub Committee		
<b>Author</b>	Kevin Lynch		
<b>Internal Policy</b>		<b>To be published</b>	X

## Changes Following Policy Review

The association carried out a review of the Energy Performance Certificate Policy in November 2024 and the following changes have been made;

**3.2 Alternatively staff can also produce the EPC if they are qualified to do so.** This line has been removed as you must be a qualified assessor, which is stated earlier in this paragraph.

4.1 Statutory – A certificate requires to be produced each time a property is sold or there is a change of tenancy, **should the EPC be out of date.** A copy requires to be left in the property or with the new owner. Database updated thereafter.

**'should the EPC be out of date'** has been added as if the EPC is in date, there is no requirement to produce a new EPC at a change of tenancy.

4.3 Reference to **EESH 2** has been changed to **EESH**, as there is no EESH 2.

5.3 (i) Job title has been changed from Senior Maintenance Officer, to Maintenance Manager/Capital Works Manager.

Appendix

- **Do we have to provide a Recommendations Report with every EPC given to a prospective tenant?**

***Yes. However, if the EPC was produced before 1 October 2012 without the recommendations report, this can still be used as the Recommendations Report was not a legal requirement at that time.***

This paragraph has been changed as the date is now out of date as an EPC is only valid for 10 years, and 2012 is beyond the 10 years.

NB – There was reference throughout this policy to EESH 2, but this has been changed to EESH, as there is no EESH 2, at present.

Should any new legislation or regulations be introduced, we will carry out a further review of this policy.

<b>Charter Outcome</b>	<b>Number(s)</b>
<b>The Customer/landlord relationship</b>	4. Quality of Housing 5. Repairs, Maintenance and improvements 11. Tenancy Sustainment
<b>Housing quality and maintenance</b>	4. Quality of Housing 5. Repairs, Maintenance and Improvements
<b>Neighbourhood and community</b>	
<b>Access to housing and support</b>	
<b>Getting good value from rents and service charges</b>	

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<b>Department</b>	Asset Management

<b>Approval Date by Committee</b>	10 <sup>th</sup> November 2021
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### **Notes**

Policy drawn up with reference to:-

- (i) Scottish Statutory Instruments 2008 No 309 Building and Buildings, the Energy Performance of Buildings Regulations (Scotland) Regulations 2008.
- (ii) Energy Performance Buildings (recast) Directive 2012/31/EU
- (iii) Scottish Government Guidance – specifically Note EPC 01 and 05

### **Policy Development**

First Produced: January 2009

Reviewed: March 2017

Reviewed: November 2021

Reviewed: November 2024

## **1 AIMS AND OBJECTIVES OF THIS POLICY**

The Aims and Objectives of this Policy Document are:

- 1.1 As a Landlord to ensure that all our properties, where a new tenancy has been created, has in place an Energy Performance Certificate (EPC) all in accordance with the current legislation.
- 1.2 As a Public Service provider, only where members of the public can visit our offices and lounges, we must consider our obligations to display a commercial EPC at those properties.
- 1.3 To undertake regular reviews of this Policy to ensure that the Association complies with the most updated Legislation, Codes of Practice and New Technology.
- 1.4 Should the Association consider offering a property for sale, then we are obliged to produce an Energy Performance Certificate.
- 1.5 Ensure that the Association has robust data on energy performance certificates to enable accurate annual reporting to the SHR

## **2. LEGISLATION**

- 2.1 The Association has an obligation to produce and issue EPCs. Failure to do so may result in an enforcement notice and penalty charge (£1000) from the Local Authority or ultimately a criminal conviction and a fine up to £5,000 per Building. The Association is well aware of its obligations and production of EPC's is now an integral part of the business, not only for statutory purposes, but perhaps more significantly, preparing the housing stock to meet more challenging, future energy efficiency standards.
- 2.2 This legislation therefore has severe implications for the Association and the aim of this Policy/Procedure is to meet these requirements and control any risk to the Association.

## **3. WHAT IS AN ENERGY PERFORMANCE CERTIFICATE**

- 3.1 Much like the coloured sticker on a new appliance, Energy Performance certificates (EPC's) tell you how energy efficient a building is and give it a rating from A (Very Efficient) to G (Very inefficient). There is also a link to a value, or SAP rating. They will also

provide likely heating costs and what the house carbon dioxide emissions are likely to be.

- 3.2 An EPC also includes information on what the energy efficiency rating could be if the recommended improvements were implemented and also highlights costs effective ways to achieve a better rating. However it should be recognised that any figures for energy use and potential savings are for a typical household in that property and not tailored to any specific household make up or lifestyle.

EPC's are valid for 10 years from the date of issue.

A property's EPC needs to be available to potential buyers if offered for sale, The EPC must be produced by an approved domestic energy assessor.

#### **4. Use of an EPC**

- 4.1 Statutory – A certificate requires to be produced each time a property is sold or there is a change of tenancy, should the EPC be out of date. A copy requires to be left in the property or with the new owner. Database updated thereafter.
- 4.2 Improvements to the property – if the Association carries out any improvements to the property that affect the energy efficiency, then an EPC shall be produced and database updated. The range of improvements will normally constitute, but not limited to:-
- a) New central heating system.
  - b) More efficient gas boiler
  - c) Wall insulation
  - d) Loft insulation
  - e) Underfloor insulation
  - f) Solar PV
  - g) Solar Hot water
  - h) Other renewable installation
- 4.3 EESH 2 – In order to track compliance against EESH and report annually to the SHR, Landlords are expected to hold a sufficient number of EPC's for their property portfolio. This also assists in assessing the status of the housing stock and what needs to be done to comply with EESH.
- 4.4 Rent Setting – currently the SAP rating, predominantly derived from and EPC has a direct bearing on rent setting for each property.

## 5 PROCEDURES FOR EPC PRODUCTION.

5.1 An EPC for the building must be issued by the Association from the 4th January 2009. This includes the following –

- (i) New tenants of new build properties.
- (ii) New tenants of existing properties
- (iii) New tenants of (ii) through transfers, mutual exchanges, successions and mortgage to rent.
- (iv) After certain improvements
- (v) On ad hoc basis

Note certificates for new build properties will be affixed to the property prior to hand over.

5.2 EESSH – it should be understood that the current guidance from the Scottish Housing Regulator indicates that all RSL's must have data on the energy performance of each property in their portfolio, but not necessarily a physical EPC. This could constitute results from an energy efficiency survey, without having the data registered as an EPC.

The data required for Scottish Housing Regulator via the ARC - Section C12 in the EESSH Guidance states:--

<b>Indicator C12</b>	<b><i>Energy Performance Certificates (EPCs)</i></b> (i) (a) The number of your properties which have a valid EPC as at the end of the reporting year. (i) (b) The number of EPCs lodged in the reporting year. (ii) Of the properties with a valid EPC, please state which version of the SAP was used for generating the EPCs. (iii) If other procedure or unknown please explain.
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Whilst we will continue to provide EPC's where legally required, we will annually carry out energy performance surveys on elements of the housing stock where such data is specifically missing. This will be collated via a suitably qualified external consultant. The consultant will be instructed to clone similar property types where access has been denied, as a basis for planning future improvements.

Ultimately it is our aim to gain access to all properties in order to obtain precise energy ratings in order to assist with EESSH compliance.

5.3 The following procedure will be adopted for all new tenancies

- a) For **new build** – the principal contractor will be required to provide EPC's for all properties in the development prior to handover.
- b) For **Relets and Transfers** The Maintenance Officer will be responsible for organising and EPC to be left in the property, either from existing (HomeMaster), if still valid or appoint a consultant to carry one out.;
- c) For **Mutual Exchanges and Successions** Housing Management will inform Maintenance as soon as possible of the proposed date of the new tenancy.
- d) For **Mortgage to Rent** an EPC will be in place by the Scottish Government when the initial enquiry is made to the Association.
- e) For **RTB** sales the valuation surveyor will produce the EPC
- f) For any other property to be considered for sale, the valuation surveyor will produce the EPC
- g) Once the need for a new certificate has been identified the Maintenance Officer (M.O.) will raise a Works Order, to the appointed consultant, for each property for a new certificate. A new certificate will be required where none exists or the existing certificate has expired i.e. is more than 10 years old.
- h) The EPC will be sent electronically to the Maintenance Officer The M.O. will print a colour copy of the certificate, laminate it and arrange to affix it at the most convenient point nearest to the electrical consumers unit in the property. The M.O. will also ensure that one copy of the EPC and Energy Report is held in the property section of the house file.

It is important, however that the each EPC is scanned and saved in HomeMaster, in each respective Property Management Unit

- i) The Maintenance Officer and Maintenance Manager/Capital Works Manager will decide upon any follow up action regarding any recommendations contained within the Energy Report, or report to the Director of Asset Management, if out with their delegated authorised limits.
- j) If a tenant wants to know the energy rating of a property prior to signing the tenancy agreement, a copy will be made available on request.

## APPENDIX

### GENERAL NOTES AND Q & A ON EPC'S

- Do we have to produce an EPC for every dwelling we rent out?

*EPCs are valid for a period of 10 years, so the same EPC can be provided to any new tenant within that time period. An EPC is required for every dwelling rented out, you may not produce one certificate for an entire block of flats*

- Can we use representative sampling (cloning) to produce EPCs?

*Yes, but subject to specific conditions, including that the assessor has verified the accuracy of the information used. Detailed guidance has been produced for this type of situation and can be viewed in our leaflet EPC 07 'Guidance on EPC Production For Existing Dwellings Using Representative sampling'*

- Do we have to provide a Recommendations Report with every EPC given to a prospective tenant?

*Yes and this included within the current EPC.*

- Do we have to provide an EPC for 'Right to Buy' properties?

*Yes, but if a valid EPC already exists for the property a new certificate will not be required.*

- Does an EPC have to be produced for every property after 10 years?

*No. A new EPC does not have to be produced on expiry of the ten year period. This is only needed when the property is to be leased to a new tenant or sold after the 10 year period.*

- Can tenants insist that the energy efficiency improvements are carried out to the property?

*No. There is not legal requirement to undertake these works, although you may wish to do so.*

- A tenant had complained that the running costs of the property cost more than that shown on the EPC – why is this?

*The energy costs on an EPC are calculated using standard assertions of occupancy and use patterns. The EPC does not assess the energy used for cooking or using appliances, only energy use linked to the building itself, such as heating and lighting. It is not intended to accurately represent their energy use of a specific building, but to produce a document which allows prospective tenants to compare properties on a like-for-like basis.*



