

Energy Efficiency and Certification:

Energy Performance Certificates and Air-Conditioning Inspections

By **1 October 2008** all commercial buildings that are **constructed, sold or rented** will require an **"Energy Performance Certificate" (EPC)**. Already, from **6 April** of this year, EPCs have been required for the construction, sale or rental of all buildings in excess of 10,000m². This threshold will be widened from **1 July 2008** if the building exceeds 2,500m².

The Triggers - Are you caught?

If you are selling, leasing, assigning, sub-letting, constructing, modifying or renovating a building, you will be caught by the new legislative regime.

Understanding EPCs

High on the political and sustainability agendas, EPCs valid for 10 years must be made available **free of charge** to prospective purchasers and tenants by the "relevant person", namely in the case of sales, the **seller** and in the case of rentals, the **landlord**. If a construction or a major refurbishment of a building, it will be the **contractor** (i.e. the person responsible for carrying out the works) who has to provide an EPC to the owner at the same time as notifying the local authority for the purposes of obtaining Building Regulations Approval in accordance with the Building Regulations. Even if agents have been appointed to act, it will remain the responsibility of a seller, landlord or contractor to provide the EPC. Liability cannot be transferred.

Informing purchase decisions, EPCs are to be commissioned from accredited "energy assessors" qualified for specified categories of buildings. The certificates will provide details of the energy performance of a building, with an energy rating from A (very efficient) to G (very inefficient) and should also be accompanied by a "recommendation

report" listing cost effective and other measures to improve energy efficiency. If implemented, such measures will improve the rating and the EPC can be revised accordingly. The recommendations are not, however, mandatory.

Penalties for Non-compliance?

Failure to comply with the new certification requirements may lead to a seller, landlord or contractor being liable to a **penalty charge notice**. In most cases these are fixed at 12.5% of the rateable value of a building up to a maximum of £5,000. The local weights and measures authority will be the enforcement body and it has the power to view an EPC and associated documents for a period of up to six months after the last day when the duty to provide the EPC existed (i.e. completion). Copies of EPCs must, therefore, be available for inspection during this period. Further offences relating to obstructing and impersonating an enforcement officer are also set out in the legislation.

Exceptions to the Rule?

An EPC will not be required for:

- "Off-plan" sales or lettings prior to final construction
- Places of worship, temporary buildings planned for two years or less and buildings that are to be demolished
- Standalone buildings with a total useful floorspace of less than 50m² that are not dwellings
- Industrial sites, workshops and non-residential agricultural buildings with low energy demand

Air-Conditioning Inspections

The 2007 Regulations also require that provision be made for the inspection of air-conditioning systems at regular five yearly

intervals. The "relevant person" (i.e. the person who has control of the operation of the system, in most cases engineers and energy managers) will need to consider how they will comply with inspection requirements. Inspections should be commissioned from Government approved accredited schemes. Whilst air conditioning inspections are mandatory, there is no compulsion to act on any advice that is given.

Timescales for Inspection

In the case of systems over 250kw, inspections must have taken place prior to 4 January 2009, and in the case of systems within a rated output of more than 12kw, prior to 4 January 2011.

A Reminder - Dates for your diary

6 April 2008	EPCs required for all sales, rentals or construction/ modification of buildings exceeding 10,000m ²
1 July 2008	EPCs required for all sales, rental or construction/ modification of buildings exceeding 2,500m ²
1 October 2008	EPCs required for the sale, rental or construction/modification of all commercial buildings
4 January 2009	First inspection of all existing air conditioning systems over 250kw
4 January 2011	First inspection of all remaining air conditioning systems over 12kw