



Report to:	Climate, Energy and Environment Committee
Date:	25 March 2025
Subject:	Reform to the Energy Performance of Buildings Regime
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Is this a key decision?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is the decision eligible for call-in by Scrutiny?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information or appendices?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If the report does contain exempt information, what is the reason for exemption: <i>(indicate in the adjacent box the relevant paragraph of Schedule 12A, Local Government Act 1972, Part 1 – see Access to Information Rules)</i>	

1. Purpose of this Report

- 1.1 To provide committee with an overview of the Governments consultation on Reform to the Energy Performance of buildings consultation and the Combined Authority's response.

2. Recommendations

- 2.1 That the committee notes the content of the Combined Authority's response to the consultation and discusses any issues that should be taken into account as we progress work that has links to Energy Performance Certificates (EPCs) ratings.

3. Information

Background

- 3.1 In December 2024, the UK Government published a consultation on "Reforms to the Energy Performance of Buildings regime", with proposals covering England and Wales.
- 3.2 The consultation seeks views on the reform of the Energy Performance of Buildings (EPB) framework, and covers the following areas:

- Clarifying and consolidating regulations, and focusing on improving the applicability, quality and data usage of energy certificates in domestic and non-domestic buildings.
- Updating EPC metrics.
- Refining requirements for Energy Performance Certificates (EPCs) and Display Energy Certificates (DEC).
- Improving data management protocols and strengthening quality control.
- Revising air conditioning inspection reports.

3.3 Of particular interest to the Combined Authority, is the reforms to the Energy Performance Certificates for Domestic properties, and reforms to the Display Energy Certificates for non-domestic buildings.

Summary of Proposals – Domestic

- 3.4 The proposed changes involve the introduction of multiple metrics on EPCs to provide a more rounded view of a buildings energy performance. The currently used single-metric approach – Energy Efficiency Ratings (EER) for domestic properties and Environmental Impact Ratings (EIR) for non-domestic properties, have been criticised for their limitations. In particular, use of the EER has been criticised for incentivising the continued installation of gas boilers over low carbon options.
- 3.5 The proposed changes to domestic EPCs would include four headline metrics:
- Fabric performance – evaluating thermal efficiency
 - Heating system -the energy efficiency and environmental impact
 - Smart readiness – gauging potential for smart technology integration
 - Energy cost – providing financial insights.
- 3.6 Additional metrics, such as carbon emissions and overall energy use, would serve as secondary information. The aim of the proposals is to give a clear, user-friendly overview of energy performance, making it easier for homeowners, tenants and buyers to make informed decisions.
- 3.7 The reforms propose reducing the validity period of EPCs, currently 10-years, to somewhere between two and seven years. While existing certificates will remain valid until their expiry, the proposal means that new ones will need to be renewed more frequently, leading to higher costs for property owners.
- 3.8 For homeowners, a key change would require properties to have a valid EPC before being marketed for sale or rent, removing the current 28-day grace period.

- 3.9 For landlords, additional proposals include requiring new EPCs even during an ongoing tenancy when the existing one expires, and extending EPC requirements to short-term rental properties and individual rooms in Houses of Multiple Occupation.
- 3.10 Exemption for heritage buildings are proposed to be removed, however existing protections under the Minimum Energy Efficiency Standards (MEES) would still apply.

Summary of Proposals – Non-Domestic

- 3.11 The proposed reforms to Display Energy Certificates are as follows:
- Shortening validity periods for Display Energy Certificates.
 - Enhancing data transparency and management by making EPC data more accessible and reliable.
 - Strengthening compliance measures, such as increasing penalties for violations and simplifying Air Conditioning Inspection Reports (ACIRs).
- 3.12 In addition, for DEC, the proposal is that carbon emissions are likely to remain the primary headline metric. A reduction to validity period is also being proposed for DEC and DEC recommendation reports. For a public building with a total floor area between 250-1,000m², the government is proposing that the validity period of both the DEC and DEC recommendation report be reduced from 10 to 7 years. Moreover, for public buildings with a total floor area over 1,000m², the government is proposing that the validity period of just the recommendation report be reduced from 7 to 5 years.

Combined Authority Response

- 3.13 The Combined Authority is generally supportive of the proposals put forward by Government, for the reform of Energy Performance Certificates and Display Energy Certificates. Members of the committee have previously raised the challenges that energy performance certificates in the current form pose to the goal of decarbonising housing in the region, and those views have been taken into account whilst developing the response to the consultation.
- 3.14 The aim to provide a deeper level of data and consideration into the energy performance of buildings is welcomed. However, changes to the certificates need to be balanced with ensuring that there is support available to property owners, residents and tenants to understand any changes that are made, as well as sufficient training for those who undertake assessments.
- 3.15 The Combined Authority would also appreciate clarity on how changes to Energy Performance Certificates will impact on programmes such as the Warm Homes: Social Housing Fund where reaching an EPC rating of C is an output. This clarity should be

provided by government as soon as is practicable, to ensure effective monitoring of programmes.

- 3.16 A current analysis of Energy Performance Certificate data in the region, in the existing form, can be found in Item 5 – Monitoring Indicators.
- 3.17 The Combined Authority's full response, submitted on the 26 February 2025, can be found in [Appendix 1](#).

4. Risks and Mitigations

- 4.1 There are no risks directly arising from this report.

5. Tackling the Climate Emergency Implications

- 5.1 Buildings represent 30% of all carbon emissions in West Yorkshire. The proposals to amend how the Energy Performance of Buildings is measured and communicated, should provide benefits in the form of carbon reduction through making the rationale for action clearer.

6. Inclusive Growth Implications

- 6.1 As with equalities and diversity, inclusivity is considered through the response to the consultation, ensuring that the response encourages the consideration of how reforms can deliver inclusivity in their design, implementation and operation.
- 6.2. Whilst Energy Performance reforms may bring improvements in energy efficiency, this must be balanced with costs. Owner-occupiers and small private landlords in lower income brackets or who are cash-poor may struggle to meet both the potential increased costs of assessment and in actioning the recommendations. Reforms should not disproportionately benefit more affluent homeowners whilst leaving homeowners in lower income brackets behind.
- 6.3. Vulnerable groups may face disproportionately negative impacts if reforms increase the prices of energy performance assessments. There is also the potential for increased compliance costs for landlords to be passed on to tenants as higher rent or service charges.
- 6.4. There is the potential for reformed EPCs to bring about increased awareness of the benefits of energy efficiency retrofit and low carbon heating for residents and landlords.

7. Equity and Diversity Implications

- 7.1 The effects of climate change will impact all groups with protected characteristics. The Combined Authority must ensure that taking action on the climate emergency does not adversely impact these groups or deepen existing inequalities.
- 7.2. Changes to Energy Performance Certificates (EPCs) must ensure accessibility for residents and landlords in the region, including technical or specialist information and format of the document.

8. Financial Implications

- 8.1 There are no financial implications directly arising from this report.

9. Legal Implications

- 9.1 There are no legal implications directly arising from this report.

10. External Consultees

- 10.1 No external consultations have been undertaken in the preparation of this report.

11. Background Documents

- 11.1 There are no background documents referenced in this report.

12. Appendices

- [Appendix 1 – Combined Authority’s response to the Reform to the Energy Performance of Buildings Regime consultation.](#)