

JTEC Services

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Response to Communities and Local Government's consultation on Making Better Use of EPCs and data.

General comments on the consultation

The consultation proposes ways of making better use of energy performance data, and in Chapter one: Introduction, it summarises some actions being taken to improve the quality of that energy performance data. JTEC Services strongly supports these actions, because many future options for using this data, such as linking property taxation to the energy rating of the home, depend on the accuracy of the data collected. However, the question of data quality cannot be separated from the cost of the service. Where EPCs are being commissioned from DEAs at rates well below £50 per survey (reportedly, as low as £23), in order to make any income the DEA can only provide a very limited inspection, resulting in poor quality data. This should be addressed in some way, possibly by introducing a minimum price per EPC. We are used to paying a set price for prescription charges and MOT tests, so this should not be unacceptable, and would be a great aid to improving inspection standards and data quality.

Furthermore, since the consultation opened, we have had a change of Government, and the HIP – the means of delivering the EPC in the marketed homes sector - has now been suspended. The subsequent uncertainty in the legal requirement will impact further on the viability of independent DEAs, exerting further downward pressure on data quality. For the cohort of skilled DEAs to be maintained, it is essential that the EPC should be given assistance to survive outside of the HIP. This requires both Central and Local Government attention to ensure that the requirement is enforced, and a revision of the validity period downwards, from 10 years to a more suitable figure. The three year validity previously used within the HIP regulations was itself agreed following consultation on the appropriateness of the original 1 year validity period, and therefore has widespread support. To extend it to 10 years without further consultation is not acceptable practice. We would, however, support a move to tie the validity period of the EPC to the building's A-G rating, in order to encourage improvement – that is, buildings rated as poor performance should have a shorter validity, perhaps as short as one year.

Responses to specific questions

Chapter 2

Question: Do you agree with our approach to giving access to 1) address level data and 2) anonymised data?

No, it is too restrictive. JTEC Services does not believe that there is any justification for denying access to this data to any group who wishes to view it. The asset rating of any dwelling marketed for sale is already required to be disclosed. We see no reason why

the underlying data, which is inherently technical and not in way personal data, should not be similarly available.

On page 17, the consultation notes that the data should not be use for commercial or profitable gain. JTec Services cannot agree; if this were the case, then no energy efficiency improvement measures could ever be installed as a result of data sharing, as this would be to create commercial gain for the installer.

Chapter 8 discusses the provision of an online tool for householders to interrogate their EPC data. We suggest that this implies the need to retrieve the EPC data via an address-based search, and such a facility should be made available on demand.

In particular, access to the underlying data should be available to any person or organisation, public, private or third sector, commercial or otherwise, for the purpose of giving advice to the owner, buyer, tenant or prospective owner/tenant. This will be essential to facilitate the proposed use of EPC data by Home Energy Advisers in the Household Energy Management Strategy:

<http://jtecservices.co.uk/Documents/hemwarmhomesgreen.pdf>

Question: Are the safeguards relating to the sharing of address data adequate?

The safeguards are too restrictive, and inappropriate to the nature of the data.

Question: Do you agree that a list of DEC's for public buildings should be published?

Yes

Chapter 3

Question: Do you agree that an EPC for a HMO should be required and triggered when a room in an HMO is rented out?

Yes, and the third option set out on page 21 is to be preferred. The reasoning given on page 22 is consistent with the SAP approach to assessment of such buildings, and recognises the difficulties of assessing, in isolation, single rooms with shared facilities.

Note however that the comment on page 21 regarding lower utility bills for tenants is unlikely to be achieved, as the HMO tenant does not generally pay the heating bill – it is included in the room rental. To achieve this aim, it would be necessary to “sell” the benefits of such improvements to the landlord, who would receive the benefit from the lower heating bills.

Question: Do you agree that EPCs extended to HMOs should have a validity period of 10 years?

No. As stated previously, the validity period for an EPC used in the marketed sale of a home was previously consulted on and agreed as three years. It is JTec Services' view that all EPCs should have the same validity, whether created for homes or non-dwellings, rentals or sales. The only reason for different validities is where the validity period is linked to the building's performance.

Chapter 4

Question: Do you agree that the guidance should be amended to provide that an EPC must be produced when a holiday let is rented out on a short-term basis?

Yes. JTec Services agrees with the point made on page 24, that as the owners are generally responsible for the heating bills, they stand to benefit from taking actions advised in the EPC. To achieve this aim, it would be necessary to "sell" the benefits of such improvements to the holiday home owner, who may otherwise see this as an imposition without any benefit to themselves. There is some evidence that some holidaymakers are already seeking to choose eco-friendly homes for ethical reasons, with a number of websites such as <http://www.cottages.co.uk/156/eco-tourism-cottages.htm> catering for this class of holidaymaker.

Question: Do you agree that this should only apply to holiday lets that are rented out for a combined total of four months or more of the year?

No, for simplicity there should be no exemptions.

Question: Do you agree that the EPC should have a validity period of 10 years?

No. As stated previously, the validity period for an EPC used in the marketed sale of a home was previously consulted on and agreed as three years. It is JTec Services' view that all EPCs should have this same, three year validity, whether created for homes or non-dwellings, rentals or sales. The only reason for different validities is where the validity period is linked to the building's performance.

Chapter 5

Question: Do you agree that advertisements for the sale or rent of domestic and non-domestic property should include details of the EPC rating?

Yes. The requirement to include the EPC rating not only provides up-front information to prospective occupiers, but also aids enforcement. Without this, it would be easy to delay commissioning an EPC to the very end of the process – or even not to commission one at all.

However, there is an unintended consequence of including the EPC rating graphic in advertisements; for sale of homes, it has been suggested that this may mislead the buyer into thinking that this graphic IS the certificate. Thinking they have already seen it, they then fail to see the actual EPC even when it is supplied to them.

A significant proportion of homebuyers questioned in an NHER survey did not recall seeing the EPC, nor its recommendations:

http://www.nher.co.uk/documents/news/Seizing_The_Opportunity_Marketed_Sales_Dec09.pdf

This should be avoided in future by requiring more information from the EPC to be shown, perhaps including the main cost-effective recommendations for improvements. Whatever actual data is included, there should be a prominent statement to the effect that this is purely an extract from the full certificate, and prospective buyers and tenants should ask to see the full EPC for more information.

Question: Do you agree that the scheme should be made compulsory by implementing the relevant provision in EPBD2 at an early opportunity?

Yes

Question: Do you agree with the proposed coverage of all properties advertised for sale and rent including social rented dwellings marketed through choice-based lettings?

The requirement should apply to all buildings offered for sale or rental. On the subject of social landlords, JTec Services questions why social landlords should be given exemption from the requirement for lettings other than choice based lettings.

Chapter 6

Question: Do you agree that the requirement to produce DEC's should be extended to commercial properties?

Yes. There is little benefit in requiring some commercial buildings to display DEC's, whilst some display only the EPC. These two certificates are inherently different and the use of two labels will only confuse.

Question: Do you agree that DEC's in commercial buildings should be updated every year and Advisory Reports updated every seven years in line with the current requirements for buildings occupied by public authorities?

Yes

Chapter 7

Question: Do you agree that the 2007 Regulations should be amended to make it mandatory to lodge ACRs on the England and Wales non-domestic EPC register?

Yes. Lodgement provides a mechanism for enforcement. Without it, compliance with this part of the EPBD certification legislation is reported as much lower than all the others.

Question: What information would you consider should be recorded on standardised ACRs?

No view

Question: Do you agree that the fee for lodging ACRs on the England and Wales non-domestic EPC register should remain the same as for lodging non-domestic EPCs? If not, how do you think the fee should be structured?

The price should be commensurate with the lower level of complexity compared to a non domestic EPC. We suggest it would be more comparable with domestic lodgements.

Chapter 8

Question: Do you agree that that the 2007 Regulations should be amended as proposed to clarify when an EPC is required during the process of selling or renting out a non-domestic building?

Yes. JTec Services is concerned that the recent changes to the EPC provision for marketed sales (suspension of the HIP) will create a similar need for clarification in respect of the domestic EPC. Therefore, this question should now be seen as applying to homes, as well as non-dwellings.

Compliance with these regulations for commercial property has been shown to be consistently low <http://www.nesltd.co.uk/news/commercial-epc-compliance-shows-no-improvement>

Clarification of when the EPC is required would certainly help with this, as would encouraging enforcement bodies to include this in their work plans.

Question: Do you agree that the option to defer making an EPC available until exchange of contracts should be removed?

Yes, and it should be made clear that this also applies to home sales or lets.