

DEFINITE AND EXPECTED CHANGES TO MEES REGULATIONS FOR DOMESTIC AND NON-DOMESTIC PROPERTY



With many changes coming into force for both domestic and non-domestic MEES energy efficiency regulations, this note aims to provide a clear and simple breakdown of the current regulations and those proposed up until 2030.

SECTOR - NON-DOMESTIC, ENGLAND & WALES

What's definite	What's likely	What's the potential penalty?	What action should be taken?	Spending cap
Since 1st April 2018 – it is unlawful to enter a new let with an EPC of worse than an E	1st April 2027 – it will be unlawful to let with an EPC of worse than a C	Up to £150,000 per breach of letting restrictions	Check all property EPCs and identify if any are below an E	7 year payback test
From 1st April 2023 – it will be unlawful to let with an EPC of worse than an E	1st April 2030 – it will be unlawful to let with an EPC of worse than a B	Up to £5,000 for submitting false or misleading information to the register Reputational damage from inclusion on public PRS register	Consider getting a new EPC done Check tenant obligations in leases Encourage landlords (or tenants) to undertake works necessary Ensure exemptions have been registered if necessary	

SECTOR - DOMESTIC (RENTED), ENGLAND & WALES

What's definite	What's likely	What's the potential penalty?	What action should be taken?	Spending cap
Since 1st April 2020, it is unlawful to let any property rented on an assured, regulated or domestic agricultural tenancy with an EPC of worse than an E Tenancies of 6 months or less, licences, or leases over 99 years can still be granted even if the EPC is below E	31st December 2025 – it will be unlawful to grant a new tenancy with an EPC of worse than a C 31st December 2028 – it will be unlawful to continue to let a property with an EPC of worse than a C	Up to £5,000 per property This is likely to be increased to up to £30,000 per property	Check all property EPCs Those that are below an E – must undertake improvement works or if that is not possible, apply for an exemption	£3,500 per property now (likely to be £10,000) 2025

SECTOR - DOMESTIC (RENTED), SCOTLAND

What's definite	What's likely	What's the potential penalty?	What action should be taken?	Spending cap
<p>The Scottish Government have postponed their initial 2022 EPC minimum requirement standards.</p> <p>They have instead proposed that by 2025 all new tenancies granted for private rented properties must have an EPC of C or above.</p>	<p>From 2028 – all private rented properties must have an EPC of C or above.</p> <p>Government interest free loan provision up to £15,000 is expected</p>	<p>Up to £1,000 for failing to have a compliant EPC</p>	<p>Check all property EPCs Those that are below an E – apply for an exemption or undertake improvement works</p>	<p>Update expected 6 months ahead of legislation change</p>

DOMESTIC (OWNED), ENGLAND & WALES

What's definite	What's likely	What's the potential penalty?	What action should be taken?	Spending cap
<p>Since 2008, all properties must have a valid EPC when being sold</p> <p>Listed properties may be exempt, however, not having an EPC may slow down the conveyancing process</p>	<p>Some staged performance improvements expected from 2026</p> <p>2035 – all homes must have an EPC of C or above</p> <p>Listed buildings are likely to be required to have an EPC when sold in the future</p>	<p>Update expected in Spring 2023</p>	<p>Await further information from government</p> <p>Potentially proactively review EPCs and start to undertake works to improve</p>	<p>Update expected in Spring 2023</p>

DOMESTIC (OWNED), SCOTLAND

What's definite	What's likely	What's the potential penalty?	What action should be taken?	Spending cap
<p>All properties must have a valid EPC when being sold</p> <p>Listed properties may be exempt, however, not having an EPC may slow down the conveyancing process</p>	<p>2033 – all homes must have an EPC of C or above</p> <p>Listed buildings are likely to be required to have an EPC when sold in the future</p>	<p>Up to £1,000 for failing to have EPC</p>	<p>Await further information from government</p> <p>Potentially proactively review EPCs and start to undertake works to improve</p>	<p>Update expected 6 months ahead of legislation change</p>

FOR MORE INFORMATION REGARDING MEES REGULATIONS OR IMPROVING ENERGY EFFICIENCY IN BUILDINGS, PLEASE REACH OUT TO ONE OF THE EXPERTS BELOW:



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