

Energy Performance Certificates in Buildings

Citizens Advice response
to Call for Evidence from
BEIS and MHCLG



About Citizens Advice

The Citizens Advice service provides free, independent, confidential and impartial advice to everyone on their rights and responsibilities. It values diversity, promotes equality and challenges discrimination. On 1 April 2014, the Citizens Advice service took on the powers of Consumer Futures to become the statutory representative for energy consumers across Great Britain.

The service aims:

- To provide the advice people need for the problems they face
- To improve the policies and practices that affect people's lives

The Citizens Advice service is a network of nearly 300 independent advice centres that provide free, impartial advice from more than 2,900 locations in England and Wales, including GPs' surgeries, hospitals, community centres, county courts and magistrates courts, and mobile services both in rural areas and to serve particular dispersed groups.

In 2017, Citizens Advice Service helped fix 163,000 energy problems through our local network and 61,000 through our Consumer Service Helpline. Our Extra Help Unit specialist case handling unit resolved 8,367 cases on behalf of consumers in vulnerable circumstances, and their Ask the Adviser telephone service handled 2,593 calls from other advice providers in need of specialist energy advice.

Since April 2012 we have also operated the Citizens Advice Consumer Service, formerly run as Consumer Direct by the Office for Fair Trading (OFT). This telephone helpline covers Great Britain and provides free, confidential and impartial advice on all consumer issues.

Summary

For consumers, Energy Performance Certificates (EPCs) have a number of uses. They can use EPCs to compare energy performance of homes, when buying or renting. They also consider a professional assessment of the property is an important step in the decision to install energy efficiency measures¹.

EPCs also underpin a growing number of policies designed to help consumers, for example:

- in targets for tackling fuel poverty and climate change
- as eligibility criteria for energy home improvement schemes
- setting minimum energy efficiency standards for private rented homes

EPCs provide an methodology that can effectively assess and compare the energy performance of most homes. The design of the certificate itself is intuitive and relatively easily understood by consumers.

However, there are many areas where they should be improved. EPC scores can be too unreliable. Valuable data collected during the EPC assessment process is not routinely shared with the consumer. Some of the worst performing homes are exempt from the having an EPC at all.

The call for evidence provides a good opportunity to assess the current evidence on EPCs and options for how they can improve in future. It comes at a key time, given the expanding role of the EPC, particularly in relation to the energy efficiency standards for rental properties.

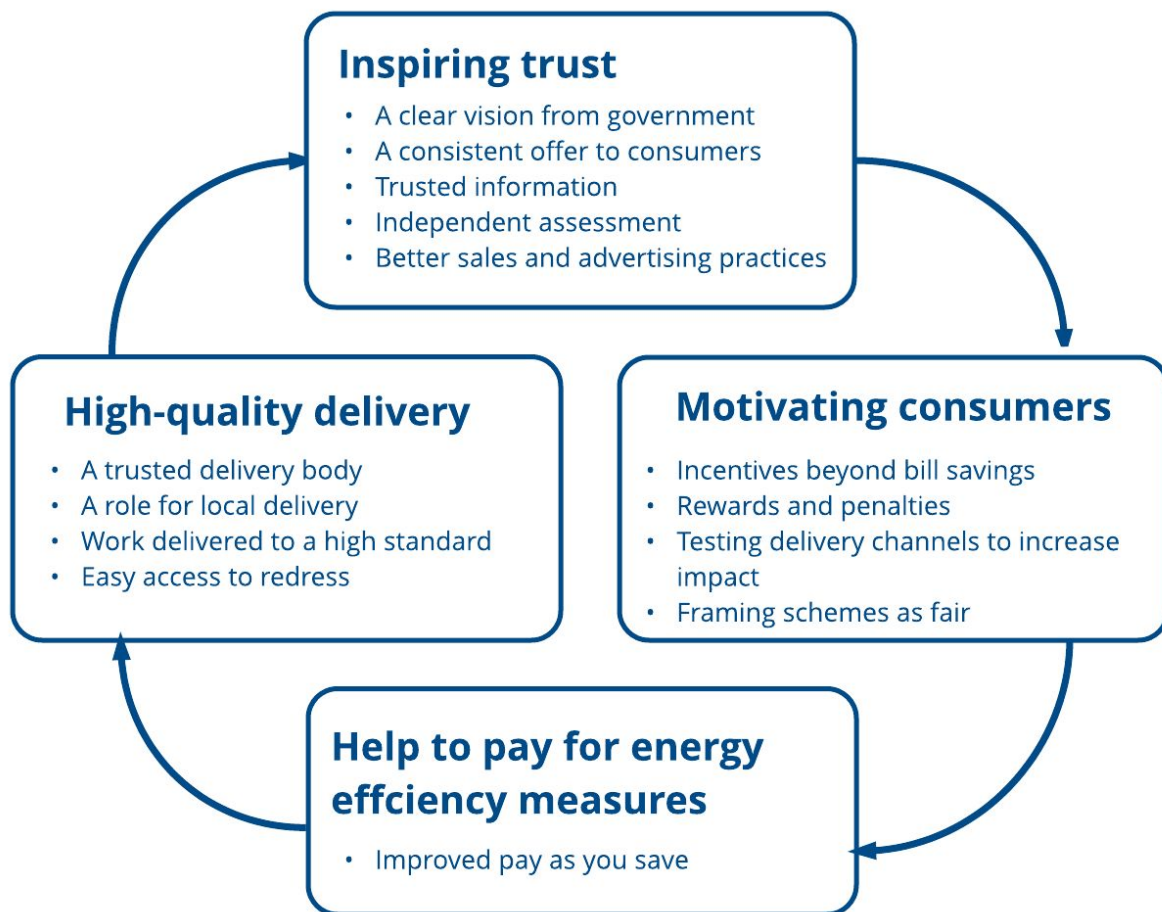
Given this context, we welcome many of the suggested improvements in the consultation. Improvements we consider particularly important are:

- Giving consumers full access to the data used to create their EPC. Ideally this would be linked to other property-specific data through the data warehouse.
- Updated research into the reliability of EPC assessments, and steps to improve quality assurance processes if reliability is continuing to fall short.
- Using the EPC to provide information on the improvement measures required to meet government targets in the long run.
- Requiring Houses of Multiple Occupancy (HMOs) to have an EPC when part of the property is let out

¹ Citizens Advice, [Energising Homeowners](#): Research into consumer decision-making on energy efficiency improvements, 2016. Also, to be convincing, this needs support any recommendations with clear numerical data, which the EPC provides.

Although consumer awareness of EPCs is high, so far there is limited evidence that they are driving consumers to install energy efficiency measures. EPCs could be part of an effective framework to deliver consumer action on energy efficiency, but are unlikely to deliver behaviour change in isolation. They are part of a the current context, where, at least in England, the wider drivers to encourage consumer action are not in place.

EPCs are one of many factors required to get homeowners to invest in energy efficiency



Source: Citizens Advice, [Energising Homeowners](#): Research into consumer decision-making on energy efficiency improvements, 2016

Consultation questions

1. Have we captured all of the current uses of EPCs? Are there any existing or emerging uses we should be aware of?

There are existing and emerging uses of EPCs that are missed in the consultation document.

The Fuel Poverty Strategy in England

The summary includes the use of EPC ratings in goal setting in the Clean Growth Strategy but not their use in Fuel Poverty Strategy for England. That Strategy sets out a target for England which is based on all fuel poor households reaching EPC band C by 2020, with milestones of band E by 2020 and band D by 2025.

Eligibility and targeting for fuel poverty support (current and future)

EPC rating of E-G is one of the eligibility criteria of Nest, the Welsh Government's fuel poverty scheme². Local energy efficiency schemes³ will also often use EPC ratings in their targeting, eligibility criteria, communications and evaluation. In future, EPC ratings are likely to be used as an eligibility criteria for new schemes providing financial support and energy efficiency installations to households in need.

For example, Citizens Advice thinks there should be a publically-funded scheme to provide guaranteed energy efficiency support to households in the greatest need in England, as Nest does in Wales. The eligibility criteria for this would be households which:

- include someone vulnerable to the cold (an elderly person, a young child or someone with a long-term health condition)
- have a low income
- are in the least efficient homes (Band E-G)

We also want to see extra financial support for vulnerable households based on the same criteria.

² <https://nest.gov.wales/en/eligibility/>

³ For example schemes drawing on ECO and other local funding

Targeting enforcement work by environmental health officers

The Housing Health and Safety Rating System (HHSRS) is the framework used by local authority environmental health officers to assess whether a dwelling is fit for human habitation. There is a strong correlation between properties that have an F or G EPC rating and a hazard for excess cold under HHSRS. As such, environmental health officers use EPC ratings to target action under HHSRS. Guidance on HHSRS has used SAP rating of less than 35 as a proxy for excess cold⁴, which covers G-rated properties and most F-rated properties. For example, Oxford County Council recently conducted a full HHSRS inspection on 31 F and G-rated properties. All were found to contain a category 1 hazard for excess cold⁵. Over half were also found to contain category 1 hazard for damp and mould.

Third-party advice

The EPC, or the data sitting behind it, can be used as the basis for advice provided to consumers by a third-party. For example, energy suppliers could use EPC data to provide tailored advice during in the smart meter installation visit. Advice tailored to the home or consumer is required by the smart meter installation code of practice (SMICOP)⁶.

Providing additional information

The EPC can also be used to provide additional information, related to the energy efficiency of the home but distinct from it. Currently, the EPC shows when a property has a Green Deal charged attached to it⁷. In future, it could show other information related to energy efficiency. For example, it could show whether a home has a smart meter or is suitable for other smart home technologies. We understand work is currently being progressed on the latter⁸. Further information of this kind should only be included if they can be done

⁴ Department for Communities and Local Government, [A decent home: definition and guidance for implementation](#) (2006) DCLG. Para 5.27. Note this uses the 2001 SAP methodology

⁵ Unpublished figures provided by Oxford City Council to the End Fuel Poverty Coalition. See also [Oxford City Council website](#)

⁶ This requires

⁷ We think disclosure of the Green Deal plan should continue to be done through the Energy Performance Certificate, as a minimum. It is a legal requirement to show the EPC to prospective homeowners and tenants and there is also a clear link between the information in the EPC and the Green Deal charge. However, we do not think this is necessarily a sufficient means of disclosing the Green Deal charge. Citizens Advice, [Response to the Call for evidence on the reform of the Green Deal Framework](#), 2017

⁸ P.19, Department for Business, Energy and Industrial Strategy, [Upgrading our energy system - smart systems and flexibility plan: progress update](#), 2018

without adding complexity to the assessment process or usability of the certificate.

Encouraging action

Encouraging action is listed as an *attribute* of EPCs but should more accurately be classed as a *use* of EPCs.

2. Do you agree that we have identified the key attributes for EPCs? Are there other important attributes we have not listed? Please indicate below how important you consider each attribute and provide details to explain your answer.

We broadly agree with list of key attributes in the consultation document. It is important that data from EPCs is of high quality and can be used to improve homes.

However, as mentioned above, encouraging action would more accurately be described as a *use*, not an *attribute* of EPCs. This would help focus on the attributes EPCs should have to encourage action, these include the data being readily available, in an engaging format that is easy to use, understand and compare.

Citizens Advice considers the most important of the attributes listed is 'quality'. EPCs can only be useful if they accurately reflect the condition of the home.

Within the quality, *reliability* is particularly important for two reasons:

- The variations in quality of assessments discussed under question 4 appear to be so significant they seem likely to outweigh the other quality issues discussed.
- EPCs still have use as a benchmarking and data collection tool, even when not a completely accurate reflection of energy costs. However, even this use would be undermined by significant variations in the reliability of assessments.

EPCs need to have all the attributes listed to fulfill the uses required of them.

3. Which attributes are important for which uses and why?

See question 2

EPC data quality

Reliability

4. What evidence do you have relating to the reliability of EPC assessments? Do you have any information on how reliability varies across different properties, and/or the likely sources of variation in assessments? It would be helpful to indicate how recent this is.

We do not have new evidence on this issue, but have significant concerns about the reliability of assessments based on the evidence available. The Green Deal mystery shopping exercise, referenced in the consultation document, showed a great variation in the EPC scores given by different assessors to the same properties. This echoes the findings of a similar exercise carried out by Which? in 2013.⁹ This issue was also raised by property professionals in stakeholder research carried out by Consumer Focus in 2011 and Citizens Advice in 2015¹⁰. We hear anecdotal evidence that these issues persist. The long validity period for certificates (they are currently valid for 10 years) increases the chances of current EPCs being inaccurate, even if assessments were to have improved in recent years.

The level of variation suggested by the mystery shopping exercises:

- suggests a significant shortfall in the quality of assessments
- fundamentally undermines the ability of EPCs to fulfill their uses.

These are significant problems given the range and significance of the policies the EPC underpins. Given the level of variation it will be hard for consumers to trust the accuracy of their EPC.

Recent changes to quality assurance processes in the sector, discussed under question 5, should have improved reliability. New evidence on the reliability of assessments is therefore needed to get an understand any impact this has had. This could take the form of a re-run of the Green Deal mystery shopping exercise. Updated evidence will either show to consumers that standards have improved or where further progress is need.

⁹See Pye Tait, [Quality assurance in energy efficiency and low carbon schemes in the domestic market - report for Citizens Advice](#), June 2015

¹⁰ Consumer Focus, [As Easy As EPC](#), 2011; Pye Tait, [Quality assurance in energy efficiency and low carbon schemes in the domestic market - report for Citizens Advice](#), June 2015

5. Which of the suggestions provided above do you think would be effective in improving the reliability of EPC ratings? Do you have any other suggestions for improving EPC reliability? Please provide reasoning and any evidence you have to support your response.

More effective quality assurance processes are needed to improve the reliability of EPCs.

We agree with the consultation document that the source of the variation in assessment results is most often likely to be unintentional discrepancies, but that deliberate manipulation of results may also occur. Competitive pressures, to reduce the time spent on assessments or keep clients happy, increase the likelihood of both.

In 2015, we carried out research into quality assurance for energy efficiency and low carbon technologies, including for energy assessment¹¹. This indicated that the Operating Requirements for assessor certification schemes and their audit regimes, which underpin the quality of assessments, had not evolved to reflect the updated uses of EPCs, as eligibility criteria for standards and finance. It suggested that they were not providing enough incentives on firms to ensure the reliability of EPCs, in the face of pressures to keep costs down¹².

The minimum EPC standards for private rented homes increase the importance of reliable EPCs. If an EPC rates a property as band E when it should really be band F, the landlord can avoid the requirement to make energy efficiency improvements. It also gives incentives to bend the rules to get a certain EPC result.

The best way to ensure assessments are reliable is an effective quality assurance process. Such a process requires:

- sufficient monitoring, for example by assessor certification schemes, to give an accurate picture of the quality of work
- effective enforcement action where quality falls short

Together they provide incentives for assessments to be done well and identify whether quality is falling short for unintentional or intentional reasons.

As the consultation document points out, in recent years the the government and EPC certification bodies have taken steps to improve the quality assurance underpinning EPC assessments¹³. This includes new Operating Requirements,

¹¹ Pye Tait, [Quality assurance in energy efficiency and low carbon schemes in the domestic market - report for Citizens Advice](#), June 2015

¹² Pye Tait, 2015

¹³ They have taken place alongside wider steps to improve quality and consumer protection for energy efficiency and low carbon technologies, through the [Each Home Counts review](#).

which place more emphasis on consistent assessments, and smarter approaches to auditing. These are changes Citizens Advice called for and welcomes.

However, it is unclear whether or not these changes will be enough to deliver the required improvements. As outlined in our answer to the previous question, further evidence is needed to assess whether outcomes have improved in the real world.

We also agree with the consultation document that assessors having access to more data (for example on previous assessments), can improve the quality achieved for the same cost. We discuss this more in relation to *availability of data*.

Accuracy

6. What evidence do you have on the accuracy of the models used to produce EPCs (SAP, RdSAP, SBEM, DSM) in comparison to other methods such as the co-heating test?

We do not have up-to-date evidence on the accuracy of the models used to produce EPCs.

7. Are you developing any kind of tool for measuring the energy performance of buildings (controlling for the effects of occupant behaviour) using smart meter data or other data, which could be relevant for EPCs?

Not applicable

8. What evidence do you have on how the accuracy of EPCs could be improved using the tools and data sources outlined above, or through any other means? Do you have any views as to how these approaches could best be incorporated into the current EPC framework?

No answer

Up-to-date

9. What evidence do you have on how frequently people are likely to make updates to their properties which would change the EPC score?

No answer

10. Which of the suggestions provided above do you think would be effective in ensuring that the information on EPCs is up to date? Do you have any other suggestions for ensuring EPCs remain up to date? Please provide reasoning and any evidence you have to support your response.

Currently EPC certificates stay valid for 10 years. We support the suggestion for a shorter validity period. This is something Citizens Advice has long called for. A 5 year validity period would strike a better balance between providing accurate information and avoiding a excessive costs.

As the consultation document states, there is no requirement to update the EPC when making changes to a building, even when they are likely to affect the EPC rating. Even where the building itself has not changed, changes to the assessment methodology and fuel price calculations also mean that EPCs will gradually become outdated and less useful. And, as noted in the previous answer, assessments carried out in the past have not been of a consistent quality.

All these factors mean older EPCs are less likely to be reliable, accurate and useful. 10 years is too long to leave them on the books and influencing consumer decision-making.

A 5 year validity period would address these issues. It would also not lead to a be a significant cost burden. Every building owner would not be required to get a new EPC certificate every 5 years, but someone renting or selling a property would not be able to use an EPC over 5 years old. The costs of an EPC, at £50-£60, are very small as a proportion of the costs of buying and selling a home, and as a proportion of average rental income over a 5 year period. These costs could be further reduced if full EPC data is made accessible, as discussed in questions 18-20.

11. Would you support introducing new EPC trigger points at any of the stages listed above (or any other stages)? What evidence do you have relating to the advantages and disadvantages of any of these trigger points?

We support the suggestion that Houses in Multiple Occupation (HMOs) should be required to have an EPC when a room is being let. This would put them on an equal footing to other rented properties.

HMOs are disproportionately occupied by vulnerable people who often have no other choice about where they live¹⁴. These homes are more likely to suffer from energy efficiency problems, like damp and unhealthy low temperatures¹⁵.

Currently a HMO only requires an EPC when the building is let as a single unit. As they are normally let on a room by room basis, they tend to escape this requirement. Because they don't have an EPC, they are not required to meet the minimum energy performance standards that other landlords are, despite often having poor energy performance.

This would be addressed by requiring HMOs to have EPC when a single room is let. This EPC would not provide prospective tenants information on the running costs of individual room or part of the home they would be renting. But it can tell them about the overall efficiency of the building: it would be useful for them to know whether a property has an EPC rating of, for example, E rather than B. More significantly, it would mean HMOs have to meet the same minimum energy efficiency standards all other privately rented properties do.

We also recommend making meeting the minimum energy efficiency standards a condition of HMO licensing. Unlike most other private rented properties, HMOs are required to be licensed with their local authority. It would be sensible to make meeting minimum energy standards a condition of this licencing. This would improve enforcement of this minimum standards, reducing the need for local authorities to act proactively.

A mechanism to do this is provided by Section 67 of the Housing Act¹⁶. This allows local authorities to require HMOs meet minimum criteria, as condition of their licencing. Local authorities can include minimum energy efficiency standards within these criteria. If the Housing Act was amended, it could also require all local authorities to include this requirement¹⁷.

Looking at the other proposed trigger points, we support the requirement for an new EPC when someone carries out a major renovation, articularly an extension, which could increase the energy use of the property. We do not support requiring an updated EPC for a new boiler. This is often a distress purchase which many consumers already struggle to afford.

Encouraging action

¹⁴The official definition of a HMO is all privately rented houses occupied by five or more people who form more than one household

¹⁵Information on HMOs and energy efficiency taken from Future Climate and University of Manchester, 2004, [Housing in Multiple Occupancy: Energy Issues and Policy](#): A report by eaga charitable trust

¹⁶ 2004

¹⁷ A list of requirements local authorities must include is set out in Schedule 4.

Improves energy performance - EPC recommendations

12. What evidence do you have on how useful the EPC recommendations are to consumers when they are considering making changes to a property? How effective are they at encouraging consumers to take action?

The consultation document quotes survey research showing 8%-17% of respondents said they have acted on the recommendations on the EPC¹⁸. Based on the research methodologies used in this research we expect the likelihood of action to be towards the lower end of this range. But we also note that since this research was carried out, the new EPC design was introduced, which presents the recommendations in a clearer and more engaging way¹⁹.

However, consumer behaviour depends on factors beyond the EPC. Many homeowners view energy efficiency as something that is addressed in the course of living in a property, not at the point of sale (when the EPC is provided)²⁰. More fundamentally, the experience of previous schemes and consumer research shows that assessment and provision of information alone are often not enough to get consumers to act. EPC recommendations could encourage consumers to take action in combination with other factors that motivate them, like:

- help to access funding
- Incentives
- trust in delivery

In recent years, these have all been to some extent absent in energy efficiency policy, at least in England and Wales²¹. It is therefore hard to evaluate the effectiveness of the recommendations without these wider factors being in place.

¹⁸ Based on evidence from Room for Improvement (Consumer Focus, 2011) and the English Housing Survey

¹⁹ See Consumer Focus, [As Easy As EPC](#), 2011

²⁰ Consumer Focus, [As Easy As EPC](#), 2011

²¹ ECCC inquiry into home energy efficiency, Written submission from Citizens Advice, October 2015

13. Which of the suggestions provided above do you think would be effective in encouraging building owners to make appropriate energy performance improvements to their property? Do you have any other suggestions? Please provide reasoning and any evidence you have to support your response.

As noted in the previous question, it is hard to evaluate the effectiveness of the EPC recommendations given the lack of other factors to motivate take of energy efficiency measures.

Nevertheless, we think a few of the suggestions made in the consultation document would be helpful in improving engagement with the EPC recommendations, notably:

- Using behavioural science to design information or recommendations in a way that drives action (paragraph 4.6)
- Making recommendations more relevant to the property, for example, so traditional buildings don't receive recommendations that can't be acted on (paragraph 4.10)

However, we agree that EPC should retain its fundamental character as a measure of the performance of the building itself. Unless it provides consistent information regardless of who currently lives in the building, its uses in the property market and beyond will be undermined. The EPC's format should also be consistent, to foster recognition and facilitate comparability.

We agree that any changes to the EPC would need to be thoroughly user-tested and trialled. The current EPC design was informed by extensive user-research carried out by Consumer Focus²². Any further changes to the format of EPCs should build on this work, and should include the A-G scale, which consumers find recognisable and intuitive.

There are great opportunities for consumers for better information and recommendations based on personal energy use patterns. For the reasons outlined above, this kind of advice be provide outside the EPC itself. The government should help organisations provide this advice by ensuring consumers with greater access to their full assessment data and other useful sources of data through the data warehouse.

14. What are your views on introducing operational performance ratings for non-domestic buildings, either on the EPC or separately?

No answer

²² Consumer Focus, [As Easy As EPC](#), 2011

Influences property decisions - EPC rating

15. What evidence do you have on how useful the EPC rating and cost information are to consumers when purchasing or renting a property? Are consumers using information on the EPC to negotiate property prices or rents?

We do not have new evidence on this. However, the Room for Improvement survey research in 2011 showed that EPCs were very rarely used to negotiate property prices or rents²³. Only 6% of respondents had used the information in their EPC to negotiate the sale or rental price²⁴.

Focus group research, carried out in the same year, sheds some light on the attitudes of renters and owner occupiers that lie behind this.

For those buying a property, the default assumption tended to be that they would have to budget for improvement works. This was a much more common response than attempting to use energy efficiency considerations to negotiate on the price of a property. It reflected a wider perception that energy efficiency is something to be address in the course of living in a property, not at the point of sale. Several participants stated that they considered it normal to seek out energy efficient appliances, but less so to seek an energy efficient home²⁵.

In the same research renters gave energy efficiency an even lower priority. This was primarily because they considered energy efficiency the landlord's responsibility. However, some participants also noted they did not want to make an issue of a poor energy efficiency rating, and lose out on the property.

Of the 6% of respondents earlier who said had used the information in their EPC to negotiate, all but one was a renter. This may reflect contextual factors, that owners often plan to carry out energy efficiency factors. If this is the case, this trend is is not reflected in sale and rental prices:

- there is a statistically significant relationship between EPC rating and sale prices

²³Consumer Focus, 2011, [Room for improvement](#) - The impact of EPCs on consumer decision-making. Of those who has received an EPC in the past 2 years (Weighted base of 132).

²⁴ This finding notably differs from research by the Energy Savings Trust which found that 70% of people would consider re-negotiating the price they pay for a property if they discovered it was highly energy inefficient, EST (2008) Energy Performance Certificates: Home Truths. Green Barometer 6, quoted in Easy as EPC

²⁵This finding, reflected in survey research of the two markets, is unsurprising given the range of contextual factors when buying a home

- But no a statistically significant relationship between EPC rating and rental prices²⁶

Further analysis is needed if these dynamics are to be fully understood.

16. Do you have any evidence on consumers' understanding of the energy efficiency rating used in EPCs? Do you think a different rating such as carbon emissions or primary energy would have a better impact for consumers?

Research suggests that consumers find the Energy Efficiency Rating (EER) easy to understand and use, especially compared to a carbon emissions rating.

Prior to its redesign around 2012, the EPC included both an Environmental Impact (CO₂) Rating (EIR) and the current Energy Efficiency Rating (EER). Consumer Focus, the statutory energy watchdog at the time, carried out research with consumers that fed into that redesign, including the recommendation to remove the EIR²⁷. It found consumers tended to ignore the CO₂ rating. They found the Energy Efficiency Rating more useful, as it related to a tangible benefit for them. They could also easily and intuitively understand the A-G scale. They found the inclusion of both charts unnecessary and confusing, particularly when there is such a close correlation between the two indicators.

With the EER, consumers still struggled to understand how the rating translated into monetary savings. They responded best to a combination of both the EER and cost information, a proposal that was taken up in the redesign.

17. Which of the suggestions provided above do you think would enable prospective buyers and tenants to make more effective decisions based on the information on the EPC? Do you have any other suggestions? Please provide reasoning and any evidence you have to support your response.

Including information about policy goals and minimum standards in EPCs would help consumers make more effective decisions about their home.

Consumers are likely to respond better to incentive schemes if they are part of a wider narrative about why action is needed. In research we carried in 2016, homeowners indicated they did not feel there had been convincing vision from government on home energy efficiency and individuals' role in it. They viewed government policy as inconsistent. Some thought climate change was no longer

²⁶Citizens Advice, [Response to BEIS consultation on private rented sector energy efficiency standards](#), March 2018

²⁷ Consumer Focus, [As Easy As EPC](#), 2011

a government priority, casting doubt on how seriously they should take the issue²⁸.

Based on this research, we recommended setting long term (non-binding) target in terms of an EPC ratings²⁹. We therefore welcomed the Clean Growth Strategy's 2035 aspiration. We also welcome that the government is actively considering the trajectory of minimum standards in the Private Rented Sector³⁰. We agree that it would be useful to include these long term targets on the EPC. This would help residents and potential buyers understand what changes they might be required to make to a property in the long-term. User-testing should inform how this is can be presented most effectively to consumers.

EPC availability

Access to data

18. What evidence do you have on how easy it is to access EPC data or Open Data? If you are currently a user of the Open Data Communities website, what do you use the information for and how valuable is this website as a source of data?

More needs to be done to give consumers access to all the data collected in the RdSAP assessment, not just the EPC certificate itself.

We welcome that the government has made EPC certificates available for free, through the Open Data Communities website.³¹ Previously it limited who could access this data, and placed a fee on access. The Open Data Communities now provides a useful tool for consumers who want to find out about the energy efficiency of their own or a prospective home, as well as information for researchers and policy-makers.

However, consumers still do not tend to have access to all the data collected for their property as part of the RdSAP assessment. The data presented in the Energy Performance Certificate is necessarily simplified to focus on key elements and recommendations to inform and influence property buyers and tenants.

²⁸ Citizens Advice, [Energising Homeowners](#): Research into consumer decision-making on energy efficiency improvements, 2016

²⁹ Citizens Advice, [Energising Homeowners](#): Research into consumer decision-making on energy efficiency improvements, 2016

³⁰ We think this should align with the Fuel Poverty target and milestones to ensure the Fuel Poverty Strategy is delivered cost-effectively. This is recommend by the Committee on Fuel Poverty, the government's advisory body. Committee on Fuel Poverty (2017) [Committee on Fuel Poverty Annual report 2017](#)

³¹HMG (2016), [The Energy Performance of Buildings \(England and Wales\) \(Amendment\) Regulations 2016](#)

Large amounts of other data is collected during the assessment. It includes things like room measurements, boiler type, details of heating controls. This is typically not shared with the consumer and effectively lost.

Giving consumers access to the full data collected during RdSAP assessment, would bring significant benefits, to consumers and to the supply chain, as discussed in the answer to question 19.

19. Which of the suggestions provided above do you think would improve the ability of building owners and other stakeholders to make effective use of EPC data? Do you have any other suggestions? Please provide reasoning and any evidence you have to support your response.

We support the suggestion to make the full dataset collected during RdSAP assessment available to the consumer for future use. The consumer³² should be able to access the data for their home, at no additional cost, in a standard open data format. They should be able to easily share the information with designated third parties, including EPC assessors. This data is paid for by the consumer, although they may not be aware of its value until they try to access third-party services. Even consumers who don't use this information, are likely to appreciate this data being available and have more confidence in the robustness of the assessment process as a result³³.

Currently, because this data is not available, the same data is often collected from the same property at different times for different purposes. This duplication increases costs and the hassle for consumers. This in turn will make them less likely to carry out energy efficiency improvements.

As the consultation document suggests, having access to the full data would make subsequent assessments quicker, cheaper and more reliable. For the consumer, there are other uses of this data that may be equally beneficial, for example:

- Getting up to date information based on the latest methodology, fuel price and emissions factors.
- Getting more accurate and useful third-party advice
- Getting more accurate quotes from an installers, without an additional visit the building, facilitating the installation process

³² In rented homes, the data should be available to both the building owner and the tenant.

³³ Our data communications research

- provide more effective affordability calculations to mortgage lenders to enable better risk management for the lender³⁴ and access to increased capital for the borrower³⁵.

It could help deliver fuel poverty support and allow landlords to make better evaluations of the needs of their housing stock. In sum, it could lower the costs of delivering energy efficiency improvements and improve the customer journey.

The data warehouse would provide an effective way to store and access this data, and increase its value.

20. How useful do you think a ‘data warehouse’, ‘building log book’ and/or ‘green building passport’ would be in increasing take up of energy efficiency improvements or supporting existing initiatives? What kinds of data might usefully be included in addition to EPC data and how could these proposals best be implemented? How might more comprehensive assessments be encouraged without making them a requirement for homeowners?

The data warehouse, as proposed by Each Home Counts review, could deliver significant benefits for the consumer and the supply chain.

The database would bring together and store energy data for every property. For example, it would hold the data from the full RdSAP assessment, discussed in the previous answer. It would bring in and combine other datasets, like *HEED*, which provides a record of energy efficiency installations in homes through schemes like the Energy Company Obligation³⁶. In future, it could integrate data from smart meters on the property’s actual energy use. It could also hold any warranties, guarantees or other information for the technologies in the home. The data warehouse would give then give the consumer the opportunity to see this data and provide it to designated third-party services.

Combining all available relevant energy data would give the consumer, and trusted third parties, a better picture of the condition of each home and its energy performance. For the consumer, this would act as a logbook of property information.

This would provide cost savings, a better customer journey and better-informed decision-making. Bodies like the Each Home Counts quality mark body, could

³⁴UKGBC and UCL, 2017, [The role of energy bill modelling in mortgage affordability calculations](#)

³⁵ Wales Low Zero Carbon Hub (WLZCH), [EPCs & Mortgages Demonstrating the link between fuel affordability and mortgage lending](#)

³⁶ [The Household Energy Efficiency Database](#), managed by the Energy Saving Trust

use the data to better monitor installations and act on this to improve the quality of work to the benefit of consumers.

Data protection needs to be built into the data warehouse, to ensure it cannot be accessed and exploited by third parties for targeted sales, against the wishes of the consumer. EPC assessment data and other property-specific data is more sensitive than the EPC certificate. The consumer should have control of this data, and would have the option to share this data with trusted third parties.

However, some of this data should be made available to the quality mark body for compliance and enforcement work. Occupancy/smart meter data is personal data, and should always be controlled by the consumer.

We consider the concept of the data warehouse is distinct from the Green Building Passport, in that the Green Building Passport has a greater focus on creating new data, whereas the data warehouse is focused on bringing together existing data.

Coverage

21. What evidence do you have on compliance with the requirement for providing an EPC when purchasing/letting a property, or the requirement to display the EPC rating in property listings? Does this differ by tenure type or by any other subset of the building stock? What evidence do you have on the reasons for lack of compliance with the requirement for an EPC?

The existing evidence suggests that for rental properties compliance lags behind, both in terms of both

- provision of an EPC letting a property
- displaying the EPC rating in property listings.

For example, in Room for Improvement, of those who'd moved in the past two years, 79% of buyers said they received an EPC before signing a contract compared to 33% of social housing tenants and 31% of private renters.³⁷

In 2013, the Department of Communities and Local Government (DCLG) provided figures on provision of EPCs based on tenure³⁸, as follows:

- Domestic sales: 95%
- Social housing rentals: 75%
- Private domestic rentals: 26%

³⁷Also Consumer Focus, [As Easy As EPC](#), 2011: participants, some assumed that the EPC was only applicable when buying a home

³⁸ Provided in [response](#) to a request by campaign group 10:10,

This variation is a particular concern given the sector has, on average, the poorest energy efficiency levels³⁹, and given the introduction of the minimum EPC standards intended to address this.

Newer evidence is required to better understand the current situation. DCLG arrived at these figures by combining EPC data with other data, including on property sales and the English Housing Survey. Although this methodology may have shortcomings⁴⁰, updated data of this kind would be useful as a starting point to better understand trends in compliance with EPCs.

22. What evidence do you have on what enforcement work is currently being done to ensure that EPCs are being produced?

We do not have evidence on this.

23. Which of the suggestions provided above do you think would be effective in improving compliance with the requirement for an EPC, bearing in mind the other changes to EPCs being considered. Do you have any other suggestions? Please provide reasoning and any evidence you have to support your response.

Steps to encourage provision of EPCs for private rented properties are particularly important, given lower levels of compliance in the sector.

We would welcome making provision of an EPC a requirement access both tenancy deposit schemes and, where they exist, landlord licensing schemes. It is reasonable to expect landlords to show compliance with legal requirements as a condition of these schemes.

We would welcome steps to better align enforcement of compliance with EPC requirements and the minimum EPC standards in private rented homes, given the link between the two. As the consultation notes, in many cases these responsibilities will be split between local authority trading standards and environmental health services, which could undermine the effectiveness of their enforcement⁴¹.

In general, compliance with energy requirements in the private rented sector would be supported by wider measures to tackle disrepair and rogue landlords in the private rented sector. In England, landlord licensing is currently optional, and carried out by only a few local authorities. The Committee on Fuel Poverty recommends that the government consults on the scope for developing a

³⁹Citizens Advice, 2017, [Effective energy efficiency standards for private renters](#)

⁴⁰ It was not considered reliable enough to be classed as official statistics

⁴¹See Association for the Conservation of Energy and CAG Consultants, [The Warm Arm of the Law](#), 2018

nationwide landlord licensing scheme to support enforcement of the energy efficiency standards⁴². Other measures we recommend include⁴³:

- Giving local authorities the power to ban landlords who repeatedly fail to fix disrepair.
- Requiring certification of properties against all national minimum standards before they can let out.
- Following other consumer sectors, introducing Alternative Dispute Resolution (ADR) for disputes between landlords and tenants in the private rented sector.
- If their landlord fails to uphold their legal responsibilities, allowing tenants to leave a fixed-term contract early without a penalty.

Simple and low cost

24. What evidence do you have on costs of EPCs, how easy it is to procure an EPC or on consumer attitudes about EPC costs?

We have not collected evidence on the costs of EPCs. We do not have any evidence of difficulties for consumers in procuring EPCs.

Looking at attitudes to costs, when considered as the first stage in getting energy efficiency improvements, homeowners tend to think that EPC assessments should be free. This is because of the uncertainty about what the assessment may recommend: it may tell them there are no suitable or affordable improvements they can make. They also tend to think the organisation carrying out such an assessment should be independent and impartial: they shouldn't also be selling energy efficiency improvements.

Attitudes to cost are likely to differ for mandatory EPCs required at the point of sale or rental. As discussed elsewhere, these are likely to be absorbed within the wider cost of sale or letting.

25. Which of the suggestions provided above do you think would be effective making the process of procuring EPCs easier or more affordable, bearing in mind the other changes to EPCs being considered. Do you have any other suggestions? Please provide reasoning and any evidence you have to support your response.

We welcome proposals to make procuring EPCs easier and more affordable. As discussed in our answers to questions 18-20, improving access to full EPC survey data and other datasets could help achieve this.

⁴² Committee on Fuel Poverty, [Committee on Fuel Poverty annual report 2017](#), October 2017

⁴³ Citizens Advice, [It's broke let's fix it](#), July 2017

However we are concerned that the consultation document at least implies an intention to keep costs at their current level, even if changes that increase costs are considered beneficial⁴⁴. The consultation recognises that competition on price may be impacting how reliable assessments are. If minimum standards of reliability are not met, the usefulness of EPCs are fundamentally undermined, no matter how inexpensive they are.

The department should also consider how the costs of the EPC assessments have changed over time in real terms. The Green Deal impact assessment estimated the average cost of an Energy Performance Certificate to be slightly below £75, this was in 2012⁴⁵. The consultation document now estimates assessments to be £50-£60. The cost of many assessments advertised online can be much lower.

26. This Call for Evidence has outlined a number of options for making improvements to EPCs. Of the suggestions discussed in this document or which you have put forward, is there one or more you think is particularly important, or are there any other suggestions you have or comments you want to make about EPCs?

No answer

⁴⁴ Final sentence of paragraph 5.32

⁴⁵ "the cost of the fabric component of domestic assessments will be £75, reflecting a slight increase on the current average cost of an Energy Performance Certificate (EPC)" DECC (2012) [Green Deal Final Impact Assessment](#)

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Published June 2016

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