



Providers of:

**Domestic, Commercial & Display Energy Performance Certificates
Air Conditioning Inspection Certificates
Home Condition Surveys**

A Guide to Commercial Property Energy Compliance

Q Commercial Energy Performance Certificates (EPC's). What are they?

A An Energy Performance Certificate (EPC) records the energy efficiency of a building, taking into account the heating, lighting and ventilation. It is based on the performance potential of the building itself. This enables prospective buyers or tenants to use the EPC to consider energy efficiency.

Sombuild can arrange for a qualified Energy Assessor to carry out certification. From 4th January 2009 it is a legal requirement for this to be obtained before a property can be marketed.

It expresses the energy rating of the building (A [highest] - G [lowest] and a numerical value).

Contains the total useful floor area, address of property, name and address of the Energy Assessor and the date it was issued with a registered reference number and is accompanied by a recommendation report with suggestions of how the energy rating could be improved in the short, medium and long term.

Q Why are these new regulations required?

A Buildings are responsible for around 40% of all carbon emissions and we all have a responsibility to safeguard the environment for our children so this forms part of the drive to reduce our CO2 emissions by 80% by 2050. The Government was obliged under an EU Directive to introduce a system of measuring energy efficiency of all non domestic buildings by 1 January 2009.

The Energy Performance of Buildings (Certificates & Inspections) (England & Wales) Regulations 2007 produced new regulations requiring certain buildings to have Energy Performance Certificates. The Government has staggered the introduction of EPC's, but from 1st October 2008 virtually all commercial properties require an EPC when they are built, sold or let and from 4th January 2009 all such properties will require EPC's when they are first marketed.

Q What are the penalties for not having a valid EPC where required?

A The penalty for failing to make an EPC available to any prospective purchaser or tenant when selling or letting commercial premises is fixed, in most cases, at 12.5% of the rateable value, with a minimum fine of £500 and a maximum fine of £5,000. Having paid the fine the EPC is still required, the fine can be reappled if an EPC is not obtained - so it's not an option!

Q When will I need an Energy Performance Certificate (EPC) for our properties?

A Under new EU legislation, when buildings are to be rented, the landlord is responsible for ensuring a valid certificate is made available to all prospective tenants.

Q How and when should I supply the Energy Performance Certificate (EPC)?

A The EPC and recommendation report must be made available free of charge by the seller or a landlord to a prospective buyer or tenant at the earliest opportunity and no later than:

- When any written information about the building is provided in response to a request for information received from the prospective buyer.
- When a viewing is conducted; or
- If neither of those occur, before entering into a contract to sell or let

An energy performance certificate does not have to be made available if:

- the seller believes that the prospective buyer or tenant is unlikely to have sufficient funds to purchase or rent the property or
- Is not genuinely interested in buying or renting that type of property; or
- The seller or landlord is unlikely to be prepared to sell or rent out the property to the prospective buyer or tenant (although this does not authorise unlawful discrimination).

Q Are there any exceptions?

A A Commercial EPC will not be required for a lease renewal or a lease extension or surrender or under a compulsory purchase order. i.e. transactions that do not involve a new owner or tenant may not require an EPC'. Certain types of transactions are excluded (e.g. the sale of a company).

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Continuation:

A Each property's EPC for is valid for 10 years. However, if modernisations are carried out it may be advantageous to have Sombuild re-assess the property to reflect the improvements.

Q How long will the Energy Performance Certificate (EPC) be valid for?

Q What format does the Energy Performance Certificate (EPC) arrive in?

A The EPC can be delivered in a choice of formats. These include various forms of electronic storage in a PDF format (Adobe Acrobat) or a printed hard copy.

Q Who is responsible for obtaining an EPC?

A New Building - it is the contractor's responsibility to provide the owner with the EPC.
Sale - it is the seller's responsibility to provide the EPC for prospective buyers.
Letting - it is the lessor or assignor's responsibility to provide the EPC for prospective tenants.

Q Who is responsible for commissioning an EPC?

A Landlords and property managers are responsible for ensuring that an Energy Performance Certificate is made available.

Q How can you help us?

A Supplying accurate scale plans or drawings can speed up the preparation of the EPC and may help reduce the cost or the time it takes to prepare. Detailed information of the services used, boiler type, cooling system etc, is also helpful.

Q How might we help you?

A It may be that you decide to carry out some of the recommendations we make that could improve your EPC rating and thus make your property more attractive for sale or let. By working with our Commercial Energy Assessors it may be possible to improve, in the short term, or demonstrate to potential tenants/occupiers how in the medium term the EPC rating could be improved. This would reduce the energy costs of the building and reduce the carbon footprint and therefore make it a more attractive building, which should make the property more appealing to purchasers or tenants.

Recommendations commonly made in 2008 were:

- use more energy efficient lighting
- take solar control measures (reflective coating/shading devices)
- install electronic controls to improve efficiency of fluorescent lighting
- consider solar water heating
- review boiler efficiency.

Q What about part-let space and Investment Sales?

A Properties that are to be sold as an investment with tenants remaining in occupation will require a commercial EPC.

Regarding part-let space, for example a suite in an office block, if all of the building is on the same heating/AC system then an EPC can be produced for the whole building and a copy provided to each tenant, 'or' an EPC can be produced specifically for that area, but one must be produced.

Q What about shops with residential apartment above?

A If the flat/maisonette is self-contained then a separate domestic EPC is required for the flat (which we can also supply). If it is not self-contained then it will be included in the commercial EPC for the shop.

At Sombuild we care. care about the environment, care about the service we give, that's why we can not only service energy compliance, but assist with information on grants, enhanced capital allowances and interest free loans to help you and your tenant reduce a buildings carbon footprint, enhance green credentials and even save money!

Please call or email us today to see how we can make a difference.



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