

Energy Performance Certificate (EPC) reform consultation (Scottish Government)

To: All Chief Executives, Main Contacts and APSE Contacts in Scotland. For information only to England, Northern Ireland and Wales

1 Executive Summary

The Scottish Government is consulting on reforms to domestic and non-domestic Energy Performance Certificates (EPC). They are proposing to reform EPCs to introduce domestic and non-domestic metrics, and to ensure that they provide basic and clear information on a building's energy efficiency. [Click here](#) to complete the consultation by 16 October 2023.

They are also hosting a series of EPC reform workshops. Information on each can be found below:

- Monday 14 August 2023: [Domestic Reform](#)
- Tuesday 29 August 2023: [Non-Domestic Reform](#)
- Wednesday 04 October 2023: [Quality Standards & Assurance and the Future of EPCs](#)

2 Background

Scotland has legally binding targets to achieve net zero greenhouse gas emissions by 2045 with interim targets for a 75% reduction by 2030, and 90% by 2040. Improving the energy performance of homes and buildings is a key part of achieving these targets, as they account for roughly a fifth of Scotland's total greenhouse gas emissions. There are also many other advantages to making homes more energy efficient in addition to reducing emissions including making homes more comfortable, easier to heat and helping to reduce the amount spent on energy. Both fabric improvements and transitioning away from gas and oil heating systems towards zero direct emissions systems such as heat pumps and heat networks will be important factors in reducing emissions.

Energy Performance Certificates (EPCs) are important for householders and building owners to understand the performance of their building, though there are several reasons why the Scottish Government believes they should be reformed. In their current form, EPCs are not appropriate for

driving fabric improvements and the switch to zero direct emission heating systems. The methodology for domestic and non-domestic EPCs are so different that they cannot easily be compared. They do not take into consideration the behaviour of the occupant. Under the current domestic EPC system, a dwelling heated by a gas boiler would achieve a better rating than the same dwelling heated by electric radiators due to gas having a lower cost per kWh than electricity; and insulating a gas-heated dwelling would achieve a smaller Energy Efficiency Rating than an electricity-heated dwelling due to the higher cost of electricity. These kinds of inconsistencies do not align with Scottish Government's net zero ambitions. There is wide agreement of the need to reform EPCs from both Scottish Government working groups and their statutory advisers, the UK Climate Change Committee.

This consultation seeks views on the reform of EPCs and includes proposals to reform domestic and non domestic EPC metrics, the purpose and validity period, the format and quality assurance procedures. The aim of the proposals is for EPCs to provide holistic and relevant information to help interested parties make informed decisions about purchases, rental and retrofitting. This will also ensure that EPCs are fit for purpose to support future heat in buildings regulations. Following the consultation and the introduction of the revised Energy Performance of Buildings (Scotland) Regulations, the revised EPCs can come into force, unless they decide to align this instead with the introduction of the UK Government's SAP 11 (Standard Assessment Procedure).

3 Proposals

The reforms of EPCs are centered around the following actions:

- Introduce a set of domestic EPC metrics to provide a holistic reflection of a dwelling's performance;
- Introduce a set of non-domestic EPC metrics to provide appropriate information about non-domestic buildings;
- Make additional changes to the EPC system to ensure that EPCs provide clear and useful basic information about a building's energy efficiency for current and prospective building owners and tenants, and other stakeholders

Domestic EPC Metrics

The Scottish Government are proposing to revise domestic EPCs by expanding on the current metrics, renaming them and reporting other relevant information. This includes the following headline metrics:

- Fabric Rating (A-G scale and kWh/m²/yr) – Efficiency of the building fabric
- Energy Cost Rating (A-G scale with 1-100 rating) – Running cost per year (based on £/m²/yr)
- Heating System Type (Heating system classification (zero direct emissions or not, and efficiency)) – Type of heating system

In addition to the following, non-headline metrics that provide additional useful information:

- Emissions Rating (A-G scale with 1-100 rating) - Rating based on the CO₂e emissions per square meter
- Total Energy Use Indicator (kWh/m²/yr) - The total amount of energy used per year

Non-Domestic EPC Metrics

They are proposing the following metrics for non-domestic EPCs:

- Energy Rating (A to G with 1-100 rating) - Based on modelled total emissions relative to a reference building
- Direct Emissions (kg of CO₂e/m²/yr) – Based on modelled direct emissions
- Energy Use (kWh/m²/yr) – The modelled energy use under standardized conditions

They also propose making the heating system type and fuel more prominent.

Additional Changes

There are several other additional changes that have been proposed for both domestic and non-domestic EPCs including:

- Clarifying the purpose of EPCs
- Reducing the validity period for EPCs from 10 to 5 years
- Modernising the way the Scottish EPC is presented to a webpage format with interactive links signposting further advice and support, and moving away from PDFs (Portable Document Format)
- Expanding the sharing of non-personal EPC data to allow the information to be used more effectively, including direct public access to current and historical EPC records
- Improving the assurance behind EPC assessments by updating the auditing requirements with a risk-based smart auditing approach

4 Consultation Questions

Domestic Energy Performance Certificate Metric Reform Proposals

1. Do you agree with the set of metrics that we propose to display on the reformed EPC?
2. Are there additional metrics that you think should be included on the EPC, or metrics that you do not think should be included?
3. Considering our proposal to include a Fabric Rating on EPCs, do you think this metric should include domestic hot water heat demand?
4. Do you have a view on the way that the Fabric Rating mapped against a scale, for example, how 'A' or 'G' rated performance is determined?
5. Do you agree with our proposal to give more prominence to the energy efficiency features of the home (such as the depth of loft insulation)?

Non-Domestic Energy Performance Certificate Metric Reform Proposals

6. Do you agree with the set of metrics that we propose to display on non-domestic EPCs?
7. Are there any additional metrics that you think should be displayed, or any in the proposed set that should not be included?

EPC Purpose and Validity

8. Do you agree with us that the primary role of the EPC should be to provide basic energy efficiency information for the purpose of comparison and act as a prompt to consider retrofit options?
9. If you disagree, or have further comments about the role of the EPC, please provide your comments.
10. Do you agree that the validity period of EPCs should be reduced from 10 to five years?
11. We welcome any views on the usefulness of our proposals for other relevant policy areas, such as fuel poverty or the delivery of government schemes. Please provide any comments you wish to share.

Digital and Accessible EPC Format and Content

12. Do you agree with our proposal that EPCs should move from PDF to webpage format?
13. Do you agree with our proposal to improve signposting to further support and advice schemes on the EPC?
14. Do you agree historical EPCs should be publicly accessible on the EPC register (while clearly marked as historic)?
15. Do you agree that the EPC register should be accessible by API?
16. Do you have any further comments on our proposals to move to a digital and accessible EPC?

EPC Auditing and Assurance

17. Do you agree with our proposals to review and update the auditing and assurance requirements for EPCs in Scotland?
18. Please detail any additional assurance activity that you think would be appropriate to enhance the accuracy and reliability of EPCs.

Legislating for EPC Reform and Timeline

19. Do you have a view on our timeline for reform implementation?

5 APSE Comment

APSE encourages our Scottish members to respond to the Energy Performance Certificate (EPC) reform consultation by the Scottish Government to ensure that the views of local authorities are fully considered in the change process. [Click here](#) to complete the consultation by 16 October 2023.

APSE Scotland's [Renewables and Energy Efficiency advisory group](#) and the [Scotland Building and Housing advisory group](#) are both free to attend for APSE members. A lot of great information and learning is shared by local authorities at our meetings on the net zero journey of Scottish local authorities. Previous presentations can be accessed at our [online hub](#). In addition, APSE Scotland holds its annual Building and Housing seminar every February with a variety of expert speakers on all of these important areas. For more information on the presentations from our 2023 event please [click here](#).

[APSE Training](#) offers many useful online courses on Carbon Literacy for Local Authorities, Leaders and Managers and Elected Members. For more information on this, please [click here](#) or contact training@apse.org.uk.

[APSE Energy](#) is a bespoke local authority energy collaboration developed by member authorities that maximises the opportunities local authorities are currently offered by bringing councils together on a national scale to work on the green energy agenda. Currently, around 130 councils are members of APSE Energy. There are many benefits to getting involved in the collaboration, for more information please [click here](#) or contact energy@apse.org.uk. APSE Energy will be once again hosting its Scotland Energy Summit, taking place on 3 and 4 October at the Glasgow Marriott hotel. For more information on the event please [click here](#)

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APSE member authorities have access to a range of membership resources to assist in delivering council services. This includes our regular advisory groups, specifically designed to bring together elected members, directors, managers and heads of service, together with trade union representatives to discuss service specific issues, innovation and new ways of delivering continuous improvement. The advisory groups are an excellent forum for sharing ideas and discussing topical service issues with colleagues from other councils throughout the UK.

Advisory groups are a free service included as part of your authority's membership of APSE and all end with an informal lunch to facilitate networking with peers in other councils. If you do not currently receive details about APSE advisory group meetings and would like to be added to our list of contacts for your service area please email enquiries@apse.org.uk.

Our national advisory groups include:-

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- Cost of Providing/Cost of Living Network
- Highways and Street Lighting
- Housing, Construction and Building Maintenance
- Local Authority Commercialisation, Income and Trading Network
- Parks, Horticulture and Grounds Maintenance
- Recovery and Renewal
- Renewables and Climate Change
- Roads, highways and street lighting
- Sports and Leisure Management
- Vehicle Maintenance and Transport
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