

Energy Performance Certificates (EPCs) for holiday lets in England and Wales: Frequently Asked Questions

1. *Is an EPC needed for holiday accommodation?*

An EPC is required for a property rented out as a holiday let.

2. *When will the guidance, clarifying this requirement, come into effect?*

30 June 2011.

3. *Has there been a change in the existing regulatory regime?*

No. The existing Energy Performance of Buildings Regulations¹ have been in force since 1 October 2008 and state that any building that is constructed, sold or rented must have an EPC. It does not exclude short term holiday lets.

4. *Where does the Energy Performance of Buildings Regulations come from?*

They flow from the EU Energy Performance of Buildings Directive.

5. *Where do they apply?*

England and Wales only; Scotland and Northern Ireland have their own arrangements.

6. *At what point is an EPC required?*

On sale, rent or construction of a building. The owner or managing agent of the holiday let must obtain an EPC at or before the point when a property is first rented out.

7. *Surely, letting out your property to holiday makers is not the same as a tenancy agreement so it can't count as rent can it?*

There are many different kinds of tenancy agreement. Holiday lets are one of them. The Housing Act 1988 defines a holiday let as a 'tenancy the purpose of which is to confer on the tenant the right to occupy the dwelling-house for a holiday.'²

8. *Whose responsibility is it to ensure that a holiday let has an EPC?*

The owner of the property is responsible.

¹ <http://www.legislation.gov.uk/uksi/2007/991/contents/made>

² <http://www.legislation.gov.uk/ukpga/1988/50/schedule/1>

9. *How much should it cost?*

An EPC would normally cost in the range of £50-£75

10. *How long does it last?*

An EPC is currently valid for 10 years.

11. *How long does it take?*

About an hour to complete the inspection.

12. *How long till I get the EPC?*

It should take no more than a week.

13. *Is a holiday home counted as a residential or commercial property?*

It would depend on the individual circumstances but we would expect the majority of holiday homes to be residential properties, notwithstanding that they are run as commercial enterprises and business rates are payable. Both residential and commercial properties require EPCs.

14. *Will I need a domestic or non-domestic EPC?*

You would need a domestic EPC. This is because the domestic EPC is more likely to fit the particular characteristics of a holiday home. Therefore the EPC would have to use a model called RdSAP (Reduced data Standard Assessment Procedure) and lodged on the Domestic EPC Register.

15. *Where would I go to find an energy assessor who can provide me with an EPC?*

A list of local energy assessors can be found on the domestic EPC Register at <https://www.epcregister.com/searchAssessor.html>.

16. *How do you define a building?*

A building is defined as a roofed construction having walls for which energy is used to condition the indoor environment. A building can include a part of a building where this is a self sustained unit such as an apartment.

17. *What about mobile homes, caravans and park homes?*

An EPC is only required for a building or part of building which has walls, a roof and an energy conditioned interior. Mobile homes, caravans and park homes are not considered to be buildings as defined and are exempt.

18. Does it apply to bed and breakfast accommodation as well? What about hotels?

Individual rooms do not normally need an EPC when they are rented out. However, an EPC would be needed if the whole building was put up for sale.

19. What about holiday parks?

This depends on the individual circumstances. If the holiday park is actually selling a holiday rather than letting a specific property, then this is not covered by the Energy Performance of Buildings Regulations.

20. Are there any other exemptions?

Yes. Places of worship; temporary buildings with a planned time of use of two years or less, industrial sites, workshops and non-residential agricultural buildings with low energy demand; and stand-alone buildings with a total useful floor area of less than 50m² which are not dwellings are all exempt.

21. What if there is a restriction on the use to which the property can be put, for example if the local authority says it cannot be used as a dwelling.

It will still need an EPC unless it is a stand-alone building with a total useful floor area of less than 50m².

22. If the property owner pays all of the utility bills, does it still need an EPC?

Yes.

23. Why are properties which are rented out for less than 4 months not being asked to provide an EPC?

The EU Energy Performance of Buildings Directive permits Member States not to extend this requirement to properties rented out for less than 4 months.

24. Who is responsible for enforcement?

Trading Standards Officers.

25. What is the penalty for non-compliance?

£200 per dwelling or 12.5% of business rates for commercial buildings.

26. How quickly after 30 June 2011 are owners expected to hold an EPC or have commissioned it?

Enforcement is a matter for TSOs to decide. However, the regulations allow owners a reasonable amount of time to comply.

27. Is there any defence against non-compliance?

Yes: being able to demonstrate that an EPC has been commissioned within a reasonable time before letting the property.

28. Will the new guidance be retrospective or will it be a requirement only for those properties let after 30 June 2011?

The guidance will not be applied retrospectively.

29. How should the EPC be made available?

At present, the EPC rating should be made available (in electronic or paper format) to a prospective tenant at the earliest opportunity; and in any event before entering into a contract to rent out the building.