

LANDLORDS AND SELLERS BEWARE:

Final Roll out of Energy Performance Certificates

Energy Performance Certificates (EPCs), to those who may still not be aware of them, are certificates which give information about the energy efficiency of a property, and provide energy efficiency and environmental ratings. They are applicable only to properties in England and Wales. The ratings are given on a scale from A to G, A being the most efficient and G the least efficient. Each EPC has a unique number which is entered on a national register by the energy assessor. Only accredited energy assessors are qualified to produce EPCs.

From 1st October 2008 the requirement to obtain EPCs was extended to rented homes, commercial properties under 2,500 square metres and all other homes up for sale.

Sellers marketing a home for sale

Prior to 1st October 2008, EPCs were not required for all sales of homes. This has now changed and in every case, with one exception, an EPC will be required. The exception is where contracts were exchanged for the sale before 1st October but the transaction has not yet been completed. This means an EPC will need to be commissioned for any property that is currently on the market where contracts have not yet been exchanged. It even applies where a property is sold without marketing including a sale by a local authority or a sale between family members.

The EPC must be available when a viewing is conducted and must be provided when any other written information about the property is given in response to a request for information by a prospective buyer or his advisors.

The EPC provided must not be more than three years old at the date on which the property is first marketed.

Sellers will be liable to a penalty charge of £200 if they fail to comply with the requirement to provide an EPC.

Sellers should be aware that it is their duty to make an EPC available and not the estate agent who is marketing the property. Sellers will be liable to a penalty charge of £200 if they fail to comply with the requirement to provide an EPC. Sellers must therefore ensure an EPC is commissioned at least 14 days prior to allowing viewings of their property or the date on which they intend to provide written information about the property to prospective buyers, so as to allow time for the survey to be carried out and the report to be produced. The EPC must be provided free of charge to any prospective buyer.

Landlords marketing a home to let

Landlords must take note that an EPC is required for a self contained dwelling offered to let from 1st October 2008. An EPC is not required when a tenant rents a room and shares facilities. For letting purposes the EPC must not be more than ten years old. The EPC for letting purposes must be made available at the earliest opportunity and no later than when a home is viewed, or when information about a home is provided, or if neither of these events occur before the tenant signs an agreement to rent the property.

Landlords who breach the requirement are liable to a fine of £200. The letting agent has no responsibility.

If a tenant is in occupation prior to 1st October and continues after that date then an EPC is not required. If and when the tenant changes an EPC will be required before prospective tenants are shown the property.

Where a landlord has recently bought a property and wishes to let it he can use the EPC prepared for the seller which would have been included in the HIP.

Summary

Landlords and Sellers must be aware of the above before letting or selling properties so that they do not fall foul of the regulations.

In all cases the most recent EPC for a property is the only valid EPC. Pemberton Greenish is able to assist clients with arranging for an EPC to be commissioned.



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