

Energy Performance Certificate (EPC) Compliance Guide for UK Landlords

What is an EPC?

An **Energy Performance Certificate (EPC)** is a legal document that shows how energy-efficient a property is.

It provides a rating from **A (most efficient)** to **G (least efficient)** and includes recommendations to improve efficiency.

EPCs are required under the **Energy Performance of Buildings Regulations 2012** and apply to all rented properties in the UK (with a few exemptions).

Why EPC Compliance Matters

EPCs are essential for landlords because they:

- Confirm the property meets the **minimum legal energy efficiency rating**
- Impact your ability to legally rent your property
- Affect running costs for tenants
- Influence property value and demand
- Identify improvements that can boost efficiency and reduce bills
- Are required whenever a property is marketed, sold, or let

For most rental properties in England and Wales, the minimum energy rating is **E** (unless exempt).

How an EPC Assessment Works

A qualified **Domestic Energy Assessor (DEA)** visits the property to inspect:

- Construction type and materials
- Wall, roof, and floor insulation
- Windows and glazing
- Heating systems (boiler, radiators, controls)

- Secondary heating (fires, stoves, etc.)
- Hot water systems
- Ventilation
- Lighting
- Renewable technologies (solar PV, heat pumps, etc.)

The assessor collects information, photographs, and measurements, then enters the data into government-approved EPC software.

The EPC produced includes:

- Overall efficiency rating (A–G)
- Estimated annual running costs
- Recommendations to improve the rating
- The property’s potential rating if improvements are made
- Details of insulation, heating, and energy usage

How Long an EPC Lasts

An EPC is valid for **10 years** from the date of issue.

It only needs to be renewed when:

- It expires *and* you are re-letting or remarketing the property
- You significantly upgrade the property (to benefit from a higher rating)
- You need to prove improved compliance with MEES (Minimum Energy Efficiency Standards)

If nothing changes and the property remains tenanted, landlords do not need to renew it before the 10-year expiry.

Minimum EPC Rating Requirements

Under the **MEES regulations**, rental properties must have a minimum rating of:

✓ E or above

Unless a valid exemption is registered.

Government proposals to raise this to **C** were dropped in 2023, so the threshold remains **E** for now.

What Happens if an EPC Fails to Meet the Minimum Rating?

If the property has an EPC rating of **F** or **G**, it is **illegal to rent it out** unless an exemption applies.

You must carry out improvements to raise the rating to **E or above**.

Typical improvements may include:

- Adding or upgrading loft insulation
- Installing cavity wall insulation
- Adding heating controls or smart thermostats
- Upgrading the boiler
- Installing double glazing
- Improving hot water cylinder insulation
- Adding low-energy lighting
- Draught-proofing improvements

Once improvements are complete, the EPC must be reassessed to confirm compliance.

What is an EPC “Exemption”?

Some properties cannot reasonably be improved to an E rating.

In these cases, landlords may be able to register an exemption on the government PRS Exemptions Register.

Common exemption reasons include:

- **All recommended improvements would cost more than the £3,500 cap**

- **The building is listed**, and improvements would alter the character
- **Third-party consent** (e.g., planning permission, freeholder consent) is refused
- **The recommended improvements would damage the property**
- **The property has already reached the maximum permitted energy improvements**

Exemptions last **5 years** and must be registered with full evidence.

What an EPC Means for Tenants

Landlords must give tenants:

- A copy of the EPC **before they sign the tenancy agreement**
- The current EPC whenever the property is re-let
- Information about recommended improvements if relevant

Tenants cannot legally be charged for the EPC.

Penalties for Non-Compliance

Landlords who fail to meet EPC requirements may face:

- **Fines up to £5,000** per breach (England & Wales)
- Being **prohibited from letting the property**
- Issues obtaining mortgages or insurance
- Delays in selling or re-letting the property
- Enforcement from the local authority

Providing an EPC is also a key requirement when establishing possession rights under certain eviction routes.

EPC Recommendations Explained

EPC recommendations fall into categories such as:

Low-cost improvements

- LED lighting
- Draught-proofing
- Installing heating controls

Medium-cost improvements

- Loft insulation upgrades
- Double glazing
- Cylinders and pipe insulation

Higher-cost improvements

- New boiler or heating system
- External wall insulation
- Solar panels
- Heat pumps

These recommendations help landlords plan long-term upgrades and reduce running costs.

What This All Means for UK Landlords

Here are the key takeaways:

✓ You must have a valid EPC rated E or above to legally let a property

Unless a valid exemption is registered.

✓ EPCs last 10 years, but you may renew earlier

Especially after major upgrades.

✓ Tenants must receive a copy before the tenancy begins

This is a legal requirement.



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✓ Properties rated F or G require improvements

Failure to improve can lead to fines and letting bans.

✓ EPC recommendations can significantly reduce running costs

Helping you attract and retain tenants.

✓ EPC compliance is part of a landlord's wider legal obligations

Just like EICRs and Gas Safety Certificates.

In Summary

An EPC is a crucial part of property compliance for UK landlords.

It ensures your property meets energy efficiency standards, helps tenants understand running costs, and provides legally required documentation when renting or marketing your property.

Staying compliant avoids penalties, improves property value, and benefits both landlords and tenants.