

## DCLG NEWS RELEASE

### Government launches compulsory energy rating for homes to help cut carbon emissions. New measures could help tackle climate change

*DCLG News Release 2006/0028*

14 June 2006

Energy ratings similar to consumer-friendly fridge ratings will have to be produced for every home bought and sold in England and Wales from next June, the Government announced today.

Housing Minister Yvette Cooper today launched the new Energy Performance Certificate (EPC) which will be an essential part of the Home Information Packs to be introduced next year.

The certificates will give home buyers and sellers A to G ratings for their home's energy efficiency and carbon emissions. They will tell them current average costs for heating, hot water and lighting in their home as well as how to cut costs with energy efficiency measures.

The reports, prepared by qualified home inspectors, will advise consumers on which energy measures - ranging from thicker loft insulation right through to solar panels - could cut carbon emissions from their home and improve their energy rating.

Yvette Cooper said

"Given the growing challenge from climate change and rising energy costs, I think people should be entitled to this kind of information about the home they buy. You can get this kind of consumer information on fridges and washing machines, so why not on a home where the emissions - and the savings - are so much greater?"

"By providing people with sound advice on how to improve energy efficiency this will help sellers and buyers who want to do their bit to cut carbon emissions as well as cutting their fuel bills too."

The energy ratings will be included in Home Condition Reports (HCRs) which will set out important independent information on the condition of the property as part of the Home Information Pack.

Paul King, UK Campaigns Director of the WWF, said:

"Our homes account for 27% of the UK's CO2 emissions contributing to global climate change.

"The introduction of the Energy Performance Certificate represents a very positive step forward. It means that for the first time people will be given the kind of user-friendly information they need to reduce both the environmental impact of their homes and their energy bills."

European agreements require that from 2009 all homes for sale should have energy certificates. Including certificates within the Home Information Packs is a fast and cost effective way to give consumers the most up to date information without them having to pay for additional surveys. It also means England and Wales will be among the EU front runners, introducing energy certificates 2 years

earlier than the deadline set out in the EU directive and linking energy measures to a report on property condition.

The EPC will include practical information about a range of changes which will be viable for that home including things like cavity wall insulation or double glazing. It will also list measures to cut carbon emissions even further such as solar panels or wind turbines, where possible.

The Home Information Packs will be introduced in June 2007 in response to many years of campaigning by the consumers association Which? Energy Performance Certificates are one of the main new elements in the Pack, which predominantly includes information already needed and paid for when homes are bought and sold.

However, by providing the information at the beginning of the process rather than the end, Home Information Packs can cut waste and duplication and so prevent many sales falling through - providing added benefits for consumers.

By transferring many of the same costs from buyers to sellers Home Information Packs will also make a big difference to first time buyers without impacting on most people who are both buyers and sellers at the same time.

The regulations prescribing the content of Home Information Packs are expected to be laid later this week following extensive consultation.

#### **Notes to editors**

1. A sample, giving an indication of what an Energy Performance Certificate could look like, can be viewed via the link below:

#### **Energy Performance Certificate - Sample**

2. A Department for Communities and Local Government (DCLG) survey last week revealed that many local authorities are now including in their local development plans on-site renewable energy measures for new developments. The Government also wants to reduce planning restrictions on small-scale microgeneration equipment for people's homes. A review of planning permission rules aims to make it even easier for people to do their bit to help the environment.

<http://www.communities.gov.uk/index.asp?id=1002882&PressNoticeID=2167>

3. The Government is working with stakeholders to ensure sufficient numbers of trained inspectors are available to support a phased programme of implementation and ensure all requirements of the EU Directive on the Energy Performance of Buildings are in place by January 2009.

This programme includes the introduction of the Home Information Pack that becomes mandatory from 1 June 2007 together with the training of Home Inspectors to cover requirements for energy certificates on the sale of dwellings.

#### **4. About Home Information Packs**

As from 1 June 2007, homeowners will be required to provide a Home Information Pack when marketing their homes for sale throughout England and Wales. This will help reduce the estimated £1 million which is wasted each day because of failed transactions. The Pack will include a Home Condition Report, terms of sale and any search details. An energy efficiency rating will be included in the report, giving consumers the choice to assess the likely running costs of a property before they buy.

#### **Consumer Benefits**

HIPs will:

- Provide transaction improvements by reducing the abortive costs to consumers and the industry attributable to failures caused by survey or valuation inspection findings.
- Improve the condition of the housing stock by reducing the incidence of unexpected repair bills and encouraging better maintenance of homes.
- Provide greater consumer choice by reducing the entry costs to first time buyers and creating a market of serious sellers.

#### **Cost of Home Information Packs:**

Estimates of the cost of the components of HIPs in the current market suggest an average cost of around £600-700 plus VAT to compile. Most of this cost is not new and is being met at present by both sellers and buyers. Some providers have already said they would offer HIPs at reduced cost or even free.

*Media Enquiries: 020 7944 3049*

*Out of Hours: 020 7944 5945*

*E-mail: [press.office@communities.gsi.gov.uk](mailto:press.office@communities.gsi.gov.uk)*

*Public Enquiries: 020 7944 4400*

*DCLG website: [www.communities.gov.uk](http://www.communities.gov.uk)*

The Department for Communities and Local Government is not responsible for the contents or reliability of the linked web sites and does not necessarily endorse the views expressed within them. Listing should not be taken as endorsement of any kind. We cannot guarantee that these links will work all of the time and we have no control over the availability of the linked pages.