

## The Energy Efficiency Regulations 2015

### Minimum Energy Efficiency Standards (MEES) - 30<sup>th</sup> January 2018

#### Exemptions for domestic properties.

Exemptions for domestic properties are slightly different in nature to commercial property exemptions. An 'exemptions report' may not be required in the same way that it is for commercial buildings.

#### The Domestic Regulations as they stand

The current list of the domestic exemptions are as follows:

1. Registering an exemption under the regulation 25(1)(b) exception – where a recommended measure is not a “relevant energy efficiency improvement” because the cost of purchasing and installing it cannot be wholly financed at no cost to the landlord (see Regulation 24(3))
2. Registering an exemption under the regulation 25(1)(a) exception – where all relevant improvements have been made and the property remains below an E:
3. Registering an exemption under the regulation 25(1)(b) exception – where the property is below an E and there are no relevant improvements which can be made:
4. Registering a wall insulation exemption under regulation 24(2)
5. Registering a consent exemption under regulation 31(1)
6. Registering a devaluation exemption under regulation 32(1)
7. Registering an exemption upon recently becoming a landlord (regulation 33(1) or (3))

The evidence required will depend on the specific exemption being sought.

Landlords of F and G rated domestic property (or their agents) have been able to register valid exemptions from the 1 October 2017; however only those domestic properties which are covered by the Regulations should be registered. The main one that people may consider is no 1 on the list above. Basically, this means that if a landlord cannot obtain full funding for the works, then they can register an exemption allowing them to avoid undertaking the improvements. There has been a back lash from the 'green industry' to this and now the Government have started a consultation based on amending/ removing this exemption.

#### Government reconsideration plans

The Government is proposing to alter MEES for domestic property to:

1. Remove the 'no cost to the landlord' principle and curtail exemptions registered for this reason.
2. Introduce a cost cap of £2,500 on the amount any landlord would need to spend in making energy efficiency improvements to an individual property.
3. Amending exemptions to take account of improvements that exceed the cost cap.

The consultation closes on 13 March 2018 and the Government plans to issue its response in Spring 2018. A link to the consultation is here:

<https://www.gov.uk/government/consultations/domestic-private-rented-sector-minimum-level-of-energy-efficiency>

**Our advice is to hold fire until the Government issues a response as there is a reasonable chance the regulations will be 'watered down'.**

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