



Non-domestic Private Rented Sector minimum energy efficiency standards:

Did you know that there were new laws that came into effect from April 2018, which will affect the non-domestic private rental sector?

Six essentials you must know

2025+	6	Up to £150,000 Financial penalties for non-compliance.
	5	The minimum standard is likely to rise to a D by 2025 and a C Rating in 2030. However, recent consultation ran on the government's Plan to implement a minimum B rating by 2030 titled: Non-domestic Private Rented Sector minimum energy efficiency standards: EPC B implementation
2023	4	From April 2023 the regulations will apply to all privately rented properties in scope of the regulations, including existing occupied leases.
2018	3	April 2018 On the granting of a new lease as well as lease renewals the regulations will be enforced upon.
2016	2	Approximately 20% of English and Welsh nondomestic properties have an F or G EPC rating
	1	MEES was made law

Summary of Minimum Energy Efficiency Standards (MEES)

What is the Minimum Energy Efficiency Standards?

Changes to the law will make it illegal to commit to a new lease for a commercial building with an Energy Performance Certificate (EPC) rating of F or G starting in April 2018.

To whom will MEES be applied?

MEES will apply to new lettings and lease renewals on or after April 1, 2018. Before the lease is issued, the landlord/property owner must check that the property meets MEES.

However, as of April 1, 2023, all privately rented property must comply with MEES.

Are there any consequences if you don't follow the rules?

Non-compliance can result in financial fines of up to £150,000, depending on the rateable value of the property.

What are the important dates?

April 2018 - The requirements will be implemented when a new lease is granted, as well as when a lease is renewed.

April 2023 - The regulations will apply to ALL privately rented property in scope of the regulations, including where a lease is already in place and a property is occupied.

Is there a list of exceptions?

- If a landlord can show one of the following, he or she may be free from MEES:
They've made all the cost-effective energy efficiency upgrades.
- Green Deal or an equivalent government scheme-identified measures are not cost-effective (devalue the property by 5% or

- more). Alternatively, failing to improve the EPC rating above a F)
- If despite reasonable efforts, third-party consents are not accessible.
- Measures do not meet the 7 year payback rule.
- Recently becoming a landlord.

All these exclusions are almost certainly subject to a time limit.

What is the purpose of enforcing it?

The Energy Act of 2011 has several regulations that will affect property owners, the most important of which is MEES, which intends to enhance the energy efficiency of the most inefficient properties.

MEES also helps the UK meet its legislative goal of lowering CO2 emissions from all buildings to near-zero levels by 2050.

Who is not eligible for MEES?

MEES will not be required for properties that do not require an EPC under present requirements.

Furthermore, MEES does not apply to short-term lettings (less than six months) or lettings of 99 years or more.

Can I find out more?

Here is the link to the official government website <https://www.gov.uk/government/consultations/non-domestic-private-rented-sector-minimum-energy-efficiency-standards-epc-b-implementation>



Given the dangers to landlords, it's evident that a thorough understanding of energy efficiency for your property assets is essential to determine whether you're satisfying MEES.

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