

# Minimum Energy Efficiency Standard



**The minimum energy efficiency standard (MEES) applies from the 1st April 2018 to private rented residential and non-domestic properties.**

Its aim is to encourage landlords and property owners to improve the energy efficiency of the existing properties. The minimum MEES is E and above. If the property has an Energy Performance Certificate of F and G renting it will be restricted, while from 1st April 2020 landlords will not be able to let the property. Moreover, there will be financial penalties for non-compliance ranging from £5,000 to £150,000. An Energy Performance Certificate

sets out the energy efficiency rating of a property with recommendations on improving its energy efficiency. Any property which has been marketed or let since 2008 requires an EPC which lasts for 10 years with certain exceptions.

The landlord must either be able to fund the improvements through grants from central or local government, have the work done free of charge pursuant to obligations imposed by the Gas Act 1986 or the Electricity Act 1989, or have the works financed by a Green Deal loan (provided that the repayments for the improvements must be the same or less than the expected energy bill savings (in the first year).

MEES applies to any property rented on certain tenancy agreements including Assured Shorthold

Tenancies (AST)s, Regulated Tenancies and Domestic Agricultural Tenancies.

There are exemption to the MEES requirements under which landlords can let a building which is below the minimum standard if any:

- If an independent assessor feedbacks that all relevant energy efficiency improvements have been made to the property or that improvements that could be made but have not been made would not pay for themselves through energy savings within seven years.
- In case where an independent surveyor determines that the relevant energy efficiency improvements that could be made to the property are likely to reduce the



market value of the property by more than 5%. Where the third party consent from a tenant, a superior landlord or planning authorities has been refused or has been given with conditions with which the landlord cannot reasonably comply.

Exemptions must be registered on the central government PRS Exemptions Register. The MEES Regulations will be enforced by Local Weights and Measures Authorities (LWMAs). LWMAs will have powers to impose civil penalties which are set by reference to the property's rateable value. The penalty for renting out a property for a period of fewer than three months in breach of the MEES Regulations will be equivalent to 10% of the property's rateable value, subject to a minimum penalty of £5,000 and a maximum of £50,000. After three months, the penalty rises to 20% of the rateable value, with a minimum penalty of £10,000 and a maximum of £150,000.

To sum up, landlords of private and commercial properties are urged to ensure that their properties comply with the new Regulations. Check our IBB Therm external insulation and render system as the perfect and cost effective way to improving the energy standards of your property.

