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Ariane Burgess MSP Convener Local Government, Housing & Planning Committee By e mail: <u>localgov.committe@parliament.scot</u>

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Dear Arianne

ENERGY PERFORMANCE CERTIFICATE (EPC) REFORM CONSULTATION – PUBLICATION OF SCOTTISH GOVERNMENT RESPONSE

I am pleased to write to you to coincide with my appearance before the Committee tomorrow, to share with you the Scottish Government's response to its consultation on EPC Reform, which will issue tomorrow and can be found here at that time: https://www.gov.scot/isbn/9781836912408.

As I set out in my letter to the Committee on 9 January, we will lay new EPC regulations in Parliament later this year, which I expect to be during September. These regulations will update our legislation to introduce our reforms, which comprise:

- a new EPC rating system for domestic buildings, which will give clearer information on the fabric energy efficiency of a property; the emissions, efficiency and running costs of its heating system; and the cost of energy to run the home to standardised conditions;
- a new EPC rating system for non-domestic buildings;
- a redesigned EPC certificate, based on a first phase of user testing, and to be followed by a second phase prior to regulations coming into force;
- reduction of the validity period of EPCs from 10 to five years to ensure consumers have more up-to-date information;
- development of a new dynamic EPC user interface to sit alongside the published EPC;
- introduction of strengthened operational governance arrangements for EPC assessors and Approved Organisations to enhance quality assurance for consumers;
- establishing a new technical infrastructure to replace the current Standard Assessment Procedure (SAP) with the new UK Home Energy Model (HEM) calculation methodology, together with a new EPC Register, where we will share significant parts with the UK Government;

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 continuing to work with the UK Government and devolved administrations where we share elements of the EPC regulatory system such as around skills and qualifications, across the UK internal market

The time taken before laying the new regulations will allow us to undertake a further technical consultation on the level of EPC lodgement fees, which have not been revised since 2017. These will need to be updated to support the costs of establishing the new technical infrastructure for the Register and calculation methodology, and to support some of the reforms we will make to the operational framework.

Following approval of the regulations by Parliament, we expect to bring the new regulations, new EPC rating system and redesigned certificates into force during 2026. This aligns with the timetable set out by the UK Government in its recent consultation on EPC reform, for introduction of the Home Energy Model as the basis for calculating the new ratings.

Our response sets out our position on EPC reform. In the related consultations on proposals for a Heat in Buildings Bill and Social Housing Net Zero Standard, we also considered the role that EPCs could play in supporting mandatory standards. The Scottish Government is still considering its response to these consultations and will set out its position separately, when responding to them, on how EPCs could support proposed mandatory standards.

I look forward to discussing these matters further with the Committee over the coming months. I am also offering that officials give an in-person, informal, factual briefing to Committee members on the details of our plans, if that would be helpful, given the technical nature of many of these reforms, following publication of the technical consultation.

I have separately provided a copy of this letter to the Net Zero, Energy and Transport Committee, and a copy of the Government Response to SPICe.

Yours sincerely

DR ALASDAIR ALLAN

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