Since 2014 Workman has been working with clients to assess the risk presented by MEES and its potential impact on client portfolios.

Our initial assessment of associated impacts and risks of MEES in June 2014 is very much aligned with a recent article in Property Week (Adam Branson; “A Waste of Energy”, Property Week 27/05/16; p.35).

While there is some ground still to cover on further minimising risk, we have found that in the majority of cases, companies are engaged in the process and are proactively working to the April 2018 deadline.

Life before MEES

Before MEES was introduced, an EPC was literally a ‘box ticking’ exercise and all parties involved, understandably, ticked that box as cheaply as possible. Looking back at older EPCs, many were produced without inspections. More importantly – as Adam Branson’s article (“A Waste of Energy”, Property Week 27/05/16; p.35) – suggests when information wasn’t easily available, the defaults in the standard software were applied.

Quite simply, the more defaults, the worse the EPC rating. So on the back of defaults rather than hard fact, an EPC may now be creating significant risk and potentially impact value. However, if that same EPC is re-run, adhering to principles, there may be no risk at all.
Better wrong than right

There is certainly potential for the EPC system to be ‘played’ and a very real need to improve training and understanding within the process.

In our experience, we would suggest that it is better to have an accurate, albeit low, EPC which can be addressed and dealt with before April 2018, than an inaccurate, slightly better EPC which may prove harmful in the future.

From the significant analysis of ratings and EPC strategy reviews we have delivered for our clients, we have also found that a considerable number of ‘at risk’ EPCs can be improved by simply re-running them – accurately. This process has been found to significantly improve the portfolio’s rating.

EPC the Workman way

Workman’s advice hasn’t changed on EPC strategy. We use a selected and small number of EPC assessors, all of whom we’ve worked closely with over the last few years.

Whenever we can, we will use one consultancy across the whole of a client’s portfolio. This affords a consistency in approach; the data is run through the same software and remains available to the client for future modelling and re-runs.

We insist that our consultants communicate with us and our clients throughout each and every assessment. We don’t allow EPCs to be lodged without fully understanding the implications, the potential for improvement and the assessors recommendations.

While we continually encounter claims of cheaper EPCs being available, or the potential to get different ratings by using others, we are committed to our tried and tested method and are confident that we can assist our client’s in being as prepared as they possibly can be for April 2018.

How can we help?

If you have any concerns regarding the EPC management plan and MEES implications for your portfolio please do get in touch, the environmental team here at Workman is always happy to assist.

Key contacts

Should you have any queries regarding the above, please contact:

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