

The Energy Performance of Buildings (England and Wales) Regulations 2012 – post implementation review (2018 to 2023)

Lead department	Ministry of Housing, Communities and Local Government
Summary of measure	The second post-implementation review of The Energy Performance of Buildings (England and Wales) Regulations 2012
Submission type	Post-implementation review
Implementation date	9 January 2013
Department recommendation	Amend
RPC reference	RPC-MHCLG-26131-PIR(1)
Opinion type	Formal
Date of issue	18 March 2026

RPC opinion

Rating¹	RPC opinion
Fit for purpose	The evidence presented in the PIR provides a sufficient basis for the recommendation to amend the regulations. The review employs a proportionate approach, using a variety of evidence sources. The review would have benefited from more direct industry stakeholder engagement. The regulations have been evaluated sufficiently, with the PIR providing a thorough review of the policy objectives.

¹ The RPC opinion rating is based on whether the evidence in the PIR is sufficiently robust, as set out in the better regulation framework, to support the departmental recommendation. RPC ratings are fit for purpose or not fit for purpose.

RPC summary

Category	Quality ²	RPC comments
Recommendation	Green	The evidence presented in the PIR provides a sufficient and proportionate basis for the department's recommendation to amend the regulations. The use of survey responses and EPC data to assess the measures against the initial policy objectives is an appropriate assessment for this review.
Monitoring and implementation	Satisfactory	The PIR employs a proportionate approach, using a variety of evidence sources. The review would have benefited from more direct industry stakeholder engagement.
Evaluation	Satisfactory	The policy has been evaluated sufficiently, with the PIR providing a thorough review of the policy objectives. The PIR also considers the unintended consequences and potential improvements.

The regulations include a requirement for the Secretary of State to review them from time to time and to set out in a published report — a post-implementation review — the conclusions of the review carried out. The first report was required to be published before the end of the period of five years, beginning with the day on which the regulations came into force (9th January 2013), and for subsequent reports to be published at intervals not exceeding five years. A report was published in 2020, but not since. It appears, therefore, that publication of the present PIR is later than the commitment in the legislation, and we recommend the Department undertakes the next periodic review within the five-year deadline.

² The RPC quality ratings are used to indicate the quality and robustness of the evidence used to support different analytical areas. The definitions of the RPC quality ratings can be accessed [here](#).

Summary of proposal

The Energy Performance of Buildings (England and Wales) Regulations 2012 implemented a set of energy performance of buildings directives from the EU.

These were designed to increase the energy efficiency of buildings, reduce their carbon emissions and lessen the impact of climate change. At the time the EPB regulations were implemented emissions from buildings accounted for 40 - 45% of all carbon emissions in the UK and the regulations supported the carbon reduction targets in the Climate Change Act 2008.

The EPB regulations require that energy certificates are produced at specific trigger points to provide information on energy performance in buildings to help support people to make decisions. They must also contain recommendations for improving energy performance. The regulations cover Energy Performance Certificates (EPCs) for domestic and commercial properties, Display Energy Certificates (DECs) for large public buildings and Air-Conditioning Inspections Reports (ACIRs) for some air conditioning units.

Recommendation

In its assessment of the evidence base, the department makes the case to support its recommendation to amend the regulations. The PIR demonstrates through a mix of qualitative and quantitative evidence that whilst the regulations are helping towards achieving the three overall objectives of the policy, there are ways that the regulations could be improved to help deliver better on these objectives.

The review assesses each of the original three policy objectives thoroughly, using a range of evidence to demonstrate the impact that the regulations have made. This includes using EPC data and survey returns to show how EPCs have been embedded in the property transaction process for example, helping to identify suitable energy efficiency improvements. The department, however, was unable to establish the rate at which EPC recommendations directly lead to energy efficiency improvements rather than simple natural replacement. The review would be improved by discussing how this could be considered in a future PIR.

The department has not attempted to estimate the full costs and benefits of the policy, however the PIR does include an estimate of the total cost of EPCs and DECs. This has helped demonstrate that the costs are similar to, or lower than, those estimated in the department's initial impact assessment. The PIR should do more to justify not attempting to monetise the benefits of the regulations.

Overall, this approach is sufficient to support the department's recommendation.

Monitoring and implementation

Proportionate

The PIR's monitoring approach is proportionate. This is the second review of the regulations, and so the department is not expected to duplicate all of the review work

covered previously. Despite this, the PIR includes a thorough review of the policy objectives based on a range of evidence, which has been used to inform cost estimates. This approach is appropriate for a measure of this impact, which has an original EANDCB estimate of £14.1m (2009 prices). The department does discuss recommendations from the previous review, however it could have included more discussion of how these recommendations are being taken forward and which have been implemented. The PIR should have discussed how the regulations, as amended, will be reviewed in the future.

Range of evidence

The department has used a variety of evidence to support the PIR including responses from the English Housing Survey (EHS) between 2021 and 2023, a 2018 EPC call for evidence and EPC, DEC and ACIR recommendation reports. The review also uses the State of the Estate report to consider the impact on government buildings. The PIR would benefit from evaluating the evidence used, such as considering the nature and scale of the respondents to the EHS. The review would also benefit from a more direct engagement with key industry stakeholders to assess their views on the existing policy.

Gaps in evidence justified

The PIR identifies some evidence gaps, such as insufficient data to estimate the rate of non-compliance in non-domestic buildings, for EPB regulations, DEC and ACIRs. The department has suggested a range of possible next steps to address this non-compliance, such as guidance for enforcement authorities, widening access to EPB data and increasing penalty charges for non-compliance. Reducing non-compliance would therefore provide the department with more EPC data. The PIR would be improved by considering any analytical approaches that could mitigate this lack of hard evidence.

Evaluation

Policy objectives considered

The department has assessed thoroughly each of the original three policy objectives. These are to improve the energy efficiency of buildings, reducing the carbon emissions of buildings and lessening the impact of climate change. The PIR considers all three objectives, however there is a stronger focus on improving the energy efficiency of buildings. This has been assessed qualitatively mostly, with the department using responses to the EHS to demonstrate that most households remembered seeing an EPC for their new home before moving, and there was a substantial increase in the EPC rating of owner-occupied dwellings between 2011 and 2021. This supports the department's argument that the EPC has become embedded in the property transaction process and is improving the energy efficiency of buildings. The PIR also concludes the other objectives are being met, with room for further improvement. The PIR would benefit from giving an indication of the carbon savings it believes the regulations have generated. The department does well to discuss the evidence gaps which limit the ability to fully assess the impact of

the regulations on achieving the policy objectives, however should provide a comment on how it intends mitigate this to measure the success of its proposed amendments.

Unintended effects

The department has identified the use of EPCs as a benchmark for policies beyond the use for which they were originally designed as an unintended consequence of the policy. This includes outdated calculation methodologies not keeping pace with new schemes and technologies, with the department using evidence from industry and the Climate Change Committee (CCC) to support its case. The PIR does well to consider some improvements as suggested by the CCC and take them forward to its 2024 consultation, however it would benefit from providing more detail about these changes and how they could function.

Original assumptions

This PIR has compared the costs of a domestic and non-domestic EPC to the original assumptions in the IA. The department's estimations appear to suggest the original assumption still hold, however with a wide range of uncertainty for non-domestic certificates. The PIR should have used the same price year for estimates to allow for easier comparison.

Improvements or alternatives considered

The department is proposing to change domestic EPC metrics to become more useful to consumers, with four new headline metrics (fabric performance, heating system, smart readiness, and energy cost), to bring EPCs in line with newer technologies. The department could explain better how these proposals arose from feedback and other evidence in this PIR. The department intends to provide further clarity on the reforms in 2026.

Regulatory Policy Committee

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