

Building Energy Ratings: An Update

Introduction

The EU Energy Performance of Buildings Directive (EPBD) will fully come into force from 1st January 2009 for all building sales and rentals (apart from exempted buildings). Thus, from now on, building energy rating will be an integral element in the sale and letting of buildings. The purpose of the EPBD is to promote improvements in the energy performance of all buildings across Europe.

Will there be enough qualified assessors at 01.01.09?

The most recent information from SEI as of 10th December is that there are 3,817 certified assessors of whom 971 are SEI registered. All those qualified to date would have qualified for new dwellings only having completed training courses with their HETAC or FETAC training providers.

SEI had intended to introduce its own online National BER registration exam in November 2008 covering new and existing dwellings. The intention was that those who had already passed their HETAC or FETAC new dwellings course would be deemed capable to also issue certificates for existing dwellings from the start of 2009 by achieving 70% in the SEI National BER exam. However, SEI has now delayed the introduction of its National BER exam until the second quarter of 2009. To ensure an adequate number of registered assessors are available to issue certificates for existing dwellings from 1st January 2009, SEI will now allow assessors qualified for new dwellings only to also issue BER certificates for existing dwellings once they undertake to sit SEI's National BER exam before 31st December 2009.

So, while Ireland will have enough qualified assessors available to issue certificates for existing dwellings from 1st January 2009, the process by which this happened is far from ideal. In fact, many BER assessors will be able to issue BER certificates for existing dwellings for much of 2009 without

having demonstrated that they have the skill levels to do so. While the quality assurance element of SEI's National Administration System will monitor BER certificates on an ongoing basis, this alone may not guarantee a satisfactory service for all householders paying for BER certificates.

Will the assessor market be saturated quickly?

As indicated above, there are now more than 3,800 qualified assessors. In its Action Plan for Implementation of the EPBD in Ireland (July 2006), SEI estimated that Ireland would need up to 2,000 registered assessors based on the experience in Denmark where building energy rating has been operational for some time. SEI's prediction was based on an estimated annual requirement for 170,000 ratings, made up of 70,000 new dwelling sales, 50,000 second-hand sales, 40,000 private rented lettings and 10,000 social rented dwellings. The high number of qualified assessors has arisen from a broad interest in this emerging field, aggressive marketing efforts from some training providers and the fact that many people see energy rating as a new career option given the current problems in the construction-related activities.

As the housing sales market in particular has fallen from the levels on which SEI's prediction was based in 2006, it is quite likely that the market will be saturated before too long.

Will auctioneers and estate agents be permitted to issue BER certificates?

Irrespective of SEI's stance within its revised Code of Practice, there will be opportunities for valuers and auctioneers to operate as BER assessors by delivering this service outside of their own practice. However, the official stance at this stage prohibits auctioneers and estate agents who are qualified as assessors from assessing properties

they are selling or letting if their fee for doing so is percentage based, as SEI perceives this as a conflict of interest. Interestingly, if the fee for selling or letting is a set amount and is not calculated based on the sale or rental level achieved then, apparently, there is no conflict and in such circumstances the agent may provide the BER certificate.

A major dichotomy is that IAVI members and, indeed, members of RICS and of IPAV in Northern Ireland who qualify to do so may conduct assessments of properties they sell and let, even where the sale or letting fee is percentage based, so clearly the SEI and the Inter-Departmental Implementation Group charged with giving effect to EU legislation in the Republic Ireland have a more jaundiced view of the ability of qualified property professionals to undertake a separate task in an unbiased and fair manner than does the U.K. Government.

IAVI members may be interested to know that the SEI code of conduct specifically states that qualified assessors working in State bodies may issue BER certificates for buildings being sold or let by those bodies. In other words, providing a BER certificate for the body on whom the assessor depends for employment is fine and the assessor evidently would never be influenced by a superior to enhance a certificate to increase the price or rent paid to the public body concerned, yet an auctioneer is deemed a much greater risk because of the fact that his/her fee for letting a property might increase from say €800 to €840 (assuming a 5% rental premium for an enhanced BER assessment). That in doing so he would threaten all of his/her further income as an assessor would clearly not dissuade the auctioneer from deliberately misinterpreting data so as to produce an enhanced report.

This inconsistent introduction of EU directives in the two parts of Ireland is part and parcel of the red tape that Government pledges to rid us of, yet misses every opportunity to do so.

Who is responsible for procurement of BER certificates?

The onus is on the Vendor to obtain the BER certificate. From a practitioners' viewpoint, we would suggest that members write to all existing clients on their books advising them on their obligations in this regard.

How much per building energy rating certificate and advisory report?

A quick search of the market will show a wide range of prices being quoted for BER certificates. In its Action Plan (July 2006), SEI had estimated that the cost of a BER for house transactions would not exceed €300 for a typical existing house.

Time and market forces will ultimately decide on the fees for BER certificates/ advisory reports. However, the fee will also depend on the individual client's instructions.

As well as issuing a BER certificate, assessors will also be obliged to issue advisory reports. In the case of a new dwelling, the advisory report mostly contains energy advice tips. However, for existing dwellings, the advisory report is far more crucial as it should contain very practical advice on steps the owner could take to improve the energy rating of the dwelling. At this time of writing, SEI had not yet produced the advisory report for existing dwellings though it has promised that this advisory report tool will be ready for 1st January 2009.

If a client simply requires a BER certificate to complete a transaction with the minimum of fuss, then a standard advisory report will meet their needs. However, if the client wants to upgrade their property and needs an energy rating report outlining a prioritised list of suggested energy efficiency measures with details of reductions in running costs and payback, then the costs of producing such a report will be higher than a standard advisory report.

How will it be policed? Are there penalties for non-compliance?

Statutory Instrument No. 666 of 2006 contains the Regulations relating to EPBD as laid out by the Minister for Environment, Heritage and Local Government. S.I. 666 outlines various offences that could arise including failure to produce a printed copy of a BER certificate when demanded by a building control authority or an authorized officer thereof. A person guilty of any offence as described in S.I. 666 of 2006 is liable on summary conviction to a fine not exceeding €5,000.

When must certificates be provided?

Under the legislation, all properties being marketed for sale or letting must have a certificate available from 1st January 2009. For reasons that are evident from this article, this is an impossibility and SEI has indicated to the IAVI that it expects certificates in the first half of 2009 to be made available to buyers and tenants pre-contract, rather than being available from the first day of marketing. However, it is important that members advise clients that this technically breaches the legislation and in theory leaves them open to prosecution. Realistically, as many of the delays are down to the Government agency charged with introducing the scheme, it is difficult to see such a prosecution being mounted in the first half of 2009. SEI believes that by 1st July 2009 the backlog will be cleared and certificates will from then on be provided on marketing.

Training Programmes for BER Assessors

To ensure IAVI members could avail of the quality BER assessor training, the IAVI has entered into a partnership with Energy Action Limited (and its consultancy arm IHER Energy Services Ltd.) to deliver BER Assessor training courses for our members. IAVI selected Energy Action because of its renowned experience for delivering building energy rating training stretching back over 20 years. Fourteen IAVI members attended the 5 day new dwellings only BER assessor course at the end October 2008 delivered by Bill Sheldrick. All

fourteen achieved a pass mark of 70% or greater in the FETAC examination with an impressive overall average score of 83%. The feedback from the course was very positive with one typical quote "I found the course well-run, giving us the skill set and confidence to carry out BER ratings efficiently and effectively".

Following the release of SEI's DEAP 3 software at the end of October 2008, the combined new and existing dwellings FETAC D30189 BER Assessor course has now come into effect. Energy Action has commenced training of this combined course and further dates for 2009 will be announced shortly. The candidate entry criteria require a Level 6 Advanced Certificate in Craft or Construction or other relevant discipline, or equivalent qualifications and relevant life and work experiences. Energy Action's combined BER course will focus primarily on existing dwellings as this is the market sector of greatest interest to most persons now seeking to be trained as BER assessors.

In general IAVI members and associate members meet the qualification requirements to undertake training as BER assessors.

Conclusion

The energy rating of residential buildings and homes will make energy a visible factor in house purchasing decisions. This, in turn, will enable consumers to make a more informed choice. It will also provide information on the upgrading of older, less efficient building stock.

The EPBD represents a significant opportunity to improve the efficiency, comfort and environmental impact of buildings in Ireland.

The position on non residential property is at this time even more complicated and further regulatory changes may be needed. An article on this aspect will be included in the Spring 2009 Property Valuer.

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