



**Consumer  
Focus**  
Campaigning for a fair deal

# **Consumer Focus response to CLG's consultation on making better use of Energy Performance Certificates (EPC) and data**

May 2010

# About Consumer Focus

Consumer Focus is the statutory consumer champion for England, Wales, Scotland and (for postal consumers) Northern Ireland. We operate across the whole of the economy, persuading businesses, public services and policy makers to put consumers at the heart of what they do.

Consumer Focus tackles the issues that matter to consumers and aims to give people a stronger voice.

We don't just draw attention to problems – we work with consumers and with a range of organisations to champion creative solutions that make a difference to consumers' lives.

Consumer Focus welcomes the opportunity to comment on the Government's proposals to make better use of energy performance data.

# Our response

---

## Chapter 2

- **Do you agree with our approach to giving access to address level data and anonymised data?**
- **Are the safeguards relating to the sharing of address data adequate?**

Consumer Focus recognises the need to improve the energy efficiency of homes in England and Wales and the role that Energy Performance Certificates (EPC) can play. The Fuel Poverty Coalition, of which we are a member, has called<sup>1</sup> for a national programme to improve all dwellings to a minimum standard of EPC band B wherever practical.

### What data?

Consumer Focus feels greater clarity is needed about precisely what data is in question. There are potentially two types of information: the SAP/RDSAP<sup>2</sup> data collected in order to calculate the EPC and the data that sets out the findings (the EPC rating, potential improvements etc). A failure to give consumers and their chosen provider access to the SAP/RDSAP data could be a missed opportunity. The EPC calculation engine has not kept up with the changes to the SAP/RDSAP data collection method and therefore the EPC results lack accuracy. For this reason we expect access rights to refer to the full dataset, not only the calculated EPC results.

### Protection of personal information

Our concerns about these proposals centre on the protection of personal information. Consumer Focus believes effective use of property energy performance data can help efforts to end fuel poverty and to cut carbon emissions but we have concerns about the security of the data and its use for unwanted purposes such as targeted marketing. We welcome the treatment of energy performance data as personal data as it can easily be traced back to the individual through the address. However more effective monitoring needs to be put in place to ensure compliance with any guidance around data use and handling.

### Use of the data

We support the improved access and promotion of energy performance data to enable:

- **house-buyers and tenants:** to understand the running costs of a home at the point of sale/rental
- **policy-makers and researchers:** to have a reliable evidence base for decisions affecting the housing stock including developing cost-effective policies that meet the needs of vulnerable and low income communities. For example by linking data to existing deprivation indices (at super output area or above) or to monitor and report on the impact energy efficiency programmes, and therefore on the progress of the Low Carbon Transition Plan

---

<sup>1</sup> End Fuel Poverty Coalition *End Fuel Poverty Charter* March 2010  
<http://consumerfocus.org.uk/g/4lf>

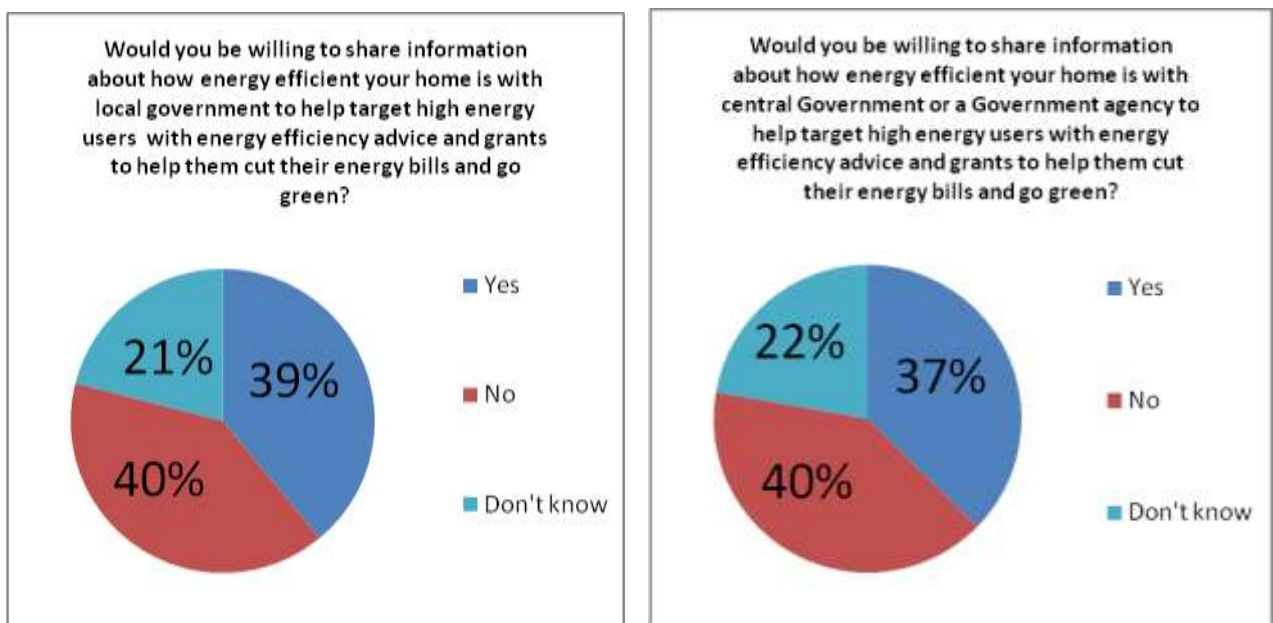
<sup>2</sup> Standard assessment procedure and Reduced data standard assessment procedure

- **property-owners:** to understand what energy efficiency measures would improve the property's energy efficiency and to reduce the costs of home energy advice provision by reducing duplication of effort in data collection and reporting<sup>3</sup>

However, consumers must be informed about what information is shared, how and for what purpose. Greater clarity is needed as to how this information will be communicated to consumers. While we would support the use of the data to enable enforcement action under the Housing Health and Safety Rating System (HHSRS), where tenants' health can be at risk from sub-standard housing, we would have strong concerns if it was used for differential charging. For example, the introduction of variable council tax charges or stamp duty. Clear guidance is needed to ensure that there is no creep in data use.

### The Consumer view

In March 2010 Consumer Focus asked 2,048 British consumers if they would be willing to share information about how energy efficient their home is with their local council or with central Government or a Government agency.



The results show that the Government still needs to make the case to the public for the collection of this data. Consumer Focus recognises that there are potential benefits for the use of the EPC, but this and wider focus group research (see below) shows that it is clear that consumers want the choice of whether their data is shared and that a minority are currently willing for their data to be shared.

### Security of the data

Communities and Local Government (CLG) must ensure that information is not stored:

- where it does not need to be
- longer than needs to be
- if it is not relevant to the specific purpose of driving better energy performance and helping households in or at risk of fuel poverty is collected

Information that can be used to identify an individual should only be available to nominated persons within CLG and should not be shared with any third parties other than as agreed by the Secretary of State.

<sup>3</sup> At present home energy advisors are not able to access EPC data and so must repeat the same measurements in order to give advice.

Individuals must be able to access and share their own data with accredited providers free of charge.

### Targeted marketing

Consumer Focus funded research<sup>4</sup> found that consumers do not trust the private sector's use of personal information and want the ability to opt in and out of targeted marketing. From this inquiry, Consumer Focus draws three conclusions on the acceptable use of the energy performance ratings for individual home:

- **Legitimacy:** access should remain tied to stated, legitimate uses – we believe these to be the assistance of those in or at risk of fuel poverty and the development and delivery area-based energy efficiency programmes, where the use of data is controlled by the local authority
- **Control:** consumers must be able to control the use of their personal information, with the ability to opt in to targeted marketing both at the point of data collection and via the EPC online tool
- **Regulation:** there is a lack of trust of the private sector when it comes to handling information, requiring greater control and transparency. Consumers want those mishandling data to be named and shamed and compensation for consumers harmed by the misuse or illicit sale of information

The levels of access to data outlined in the consultation (p18-19) largely align with these recommendations, but we have some remaining concerns, outlined here in relation to the access levels:

- **Level 1:** We support the use of data where it supports *policy development*, but address-level data should not be provided to third party organisations for this purpose. We cannot foresee a time where a third parties' policy development needs could not be met as well by data anonymised at super output area level or above.

Address level data is more likely to be of interest to delivery programmes, such as Warm Front and Warm Zones, as the data would allow such schemes to target homes most in need.

CLG must set out more clearly what type of data request could be subject to consent by the Secretary of State, and consider delivery programmes as well as policy development needs. In the short-term, access to information by delivery programmes should be limited to property owners who have opted in to such targeted marketing, with the Secretary of State considering access for organisations delivering socially-beneficial programmes such as CESP and Warm Front.

- **Level 2:** We support the use of address level data by local authorities in developing Low Carbon Frameworks and other social programmes. Local authorities have a key role to play in the Low Carbon Transition due to their knowledge of local needs, and this will be enhanced through a better understanding of the energy performance of the housing stock. Regulation of use of data by local authorities must recognise that local authorities may engage a third party to provide energy efficiency services, and promote the use of the data to deliver social benefits. Third parties must not be able to use such data for activity outside the purpose prescribed by the local authority.

---

<sup>4</sup> Adapted from Demos' people's inquiry into personal information

- **Level 3:** We support this level, which should meet most policy development needs. Data shared for policy development should not be traceable back to individuals or their households.
- **Level 4:** At present consumers who want energy advice need to pay for home energy audits even if they already have an EPC, as they are not able to share the EPC's RDSAP data with the energy advice provider. The restriction on use of the EPC for commercial or profitable gain results in the unwanted consequence that consumers who choose to take up energy advice services have to pay for the collection of duplicate information to that already collected for the EPC. Consumers must be able to share their EPC RDSAP data (not just the final document) with commercial providers, as this is their information that they have already paid for.

CLG must clarify that the EPC reference number will be made publicly available when a property is marketed for sale or rental. This is not personal data in itself, as the prospective buyer or tenant is not interested in the connection to the individual. However, we want assurances that data protection legislation will protect consumers from the use of this data for unwanted targeted marketing, or its storage by third parties.

- **Do you agree that a list of DEC's for public buildings should be published?**

Display Energy Certificates (DECs) for public buildings should be published: consumers expect the public sector to show leadership in energy efficiency and have a financial and environmental interest in the delivery of energy savings.

## Chapter 3 and 4

- **Do you agree that an EPC for a HMO should be required and triggered when a room in a HMO is rented out?**

EPCs should be extended to all dwellings, including homes in multiple occupation (HMOs). Both the owner and the tenant can benefit. The owner can take action to cut energy bills, for which they are likely to hold responsibility and tenants can make a more informed choice.

The cost of an EPC is a reasonable expense, particularly if the Certificate remains valid for ten years.

Tenants or holiday-makers can use the EPC rating to inform their choice. Researchers and policy-makers will also benefit from a better understanding of the condition of property.

Researchers and policy-makers will also benefit from a better understanding of the condition of properties.

- **Do you agree that EPCs extended to HMOs should have a validity period of 10 years?**

Yes, although we want accredited providers to update the EPC database on completion of works that affect the property's energy performance.

- **Do you agree that the guidance should be amended to provide that an EPC must be produced when a holiday let is rented out on a short-term basis?**

EPCs should be extended to all dwellings, including holiday lets. Both the owner and the holiday maker can benefit. The owner can take action to cut energy bills, for which they are likely to hold responsibility and holiday-makers can make more informed choices.

The cost of an EPC is a reasonable expense, particularly if the Certificate remains valid for ten years.

Researchers and policy-makers will also benefit from a better understanding of the condition of properties.

- **Do you agree that this should only apply to holiday lets that are rented out for a combined total of four months or more of the year?**
- **Do you agree that the EPC should have a validity period of 10 years?**

Yes, although we want accredited providers to update the EPC database on completion of works that affect the property's energy performance.

## Chapter 5

- **Do you agree that advertisements for the sale or rent of domestic and non-domestic property should include details of the EPC rating?**

EPC ratings should be required in advertisements for the sale or rent of domestic and non-domestic property, including social rented dwellings marketed through choice-based lettings. Our preference is for the display of the rating as part of the A-G scale, which is well understood by consumers, rather than a single letter or number rating. The rating should be displayed in property advertisements, with the EPC reference number made available to the prospective buyer or tenant as soon as they request information about, including a viewing of, a building.

- **Do you agree with the proposed coverage of all properties advertised for sale and rent including social rented dwellings marketed through choice-based lettings?**

We would welcome clarification from CLG as to how new social housing tenants will be informed of the energy performance of a dwelling where it is not offered for rent via a landlord's choice-based letting system. It is important that consumers have equal access to information and that there is a level playing field in the property market. These consumers may be on low incomes and not own the fabric of the property but they could potentially apply for assistance under energy efficiency schemes.

## Chapter 8

- **Do you agree that the option to defer making an EPC available until exchange of contracts should be removed?**

The option to defer making an EPC available until exchange of contracts must be removed. The rating should be displayed in property advertisements, with the EPC reference number given to the prospective buyer or tenant as soon as they request information about, including a viewing of, a building.

## Chapter 9

We also welcome the plans for an online tool, although we have concerns about the quality issues mentioned on page 14 of the consultation document; how consumers will be assured of the quality of their data and how consumers will access the tool.

In terms of access, we want to know how CLG will provide help and information to the one in three who do not use or have access to the internet at home. Further, we have concerns about the effectiveness of DirectGov. We think that the layout of DirectGov is unclear, the information and signposting inconsistent and that its methods of accessing some services are time consuming for consumers<sup>5</sup>. DWP has also reported that over a third of people cannot find all the information they want on Directgov.

---

<sup>5</sup> Consumer Focus *Does Directgov deliver?* December 2009 <http://consumerfocus.org.uk/g/4li>

Consumer Focus would welcome the opportunity to provide feedback on proposals for the online tool. We also recommend that CLG uses consumer research to inform the design and undertake final testing of the tool.

Consumers must be able to access existing EPCs, and if there are errors in the data collection or presentation there must be access to a free service to resolve the issues for the benefit of the consumer and the quality of the dataset.

We want this tool to work to provide more information to the property market; it should also encourage greater investment in the quality of the EPC data collection and reporting. At present, the recommendations on the EPC do not reflect the data collected, as updates to the EPC's recommendations engine are lagging behind updates to the data collection forms. This is of concern and is a further reason why consumers must be able to access their own property's data for modelling by accredited third party applications, which may have more sophisticated recommendations engines.

## **Outstanding issues**

Two final issues need to be considered.

Firstly, it is known that the underlying SAP method cannot handle all building types. If the EPC is to be used more prominently in property advertisements, we want consumers to be able to appeal their rating. Encouraging consumers to bring their concerns forward should be seen as an opportunity to help rather than hinder the development of a more sophisticated tool.

Secondly, we note that EPCs remain valid for ten years. We want consumers, through accredited providers, to be able to update EPCs on completion of works within that ten year period. Any updates should permit entry of the installed product's thermal efficiency, rather than a default measure. This will increase the accuracy of the database over time and reward those choosing the most efficient materials.

## **Consumer Focus response to CLG's consultation on making better use of Energy Performance Certificates (EPC) and data**

If you have any questions or would like further information about our response please contact Liz Lainé, Senior Policy Advocate, by telephone on 01636 816969 or via email: [liz.laine@consumerfocus.org.uk](mailto:liz.laine@consumerfocus.org.uk).

[www.consumerfocus.org.uk](http://www.consumerfocus.org.uk)

Copyright: Consumer Focus

Published: May 2010

If you require this publication in Braille, large print or on audio CD please contact us.

For the deaf, hard of hearing or speech impaired, contact Consumer Focus via Text Relay:

From a textphone, call 18001 020 7799 7900  
From a telephone, call 18002 020 7799 7900

### **Consumer Focus**

4th Floor  
Artillery House  
Artillery Row  
London  
SW1P 1RT

Tel: 020 7799 7900

Fax: 020 7799 7901

Media Team: 020 7799 8004 / 8005 / 8006