

How to improve your EPC rating

A step-by-step guide for landlords



We are on a mission to help landlords get the best financial advice and service.

Newable
FINANCE

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Newable Commercial finance has produced this information.

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Introduction

The Minimum Energy Efficiency Standards (MEES) are minimum energy efficiency levels for residential properties, set and enforced by the Government. This standard applies to all residential properties that are legally required to have an Energy Performance Certificate (EPC).

Currently, any property in England, Scotland or Wales that is either being built, marketed for sale or let as an entire property requires an EPC.

Within current MEES regulations, a property with a rating of F or lower means the landlord is liable to pay a substantial fine.

While the energy efficiency rules were first introduced back in 2008, there is a major change happening in 2028 that all landlords should be aware of:

From 2028, all newly rented properties in England & Wales will be required to have an EPC rating of band C or above. From December 2028 this applies to all rented properties.

This is a point of concern for landlords, particularly landlords with multiple properties. Retrofitting older properties to ensure they're more energy-efficient can result in major costs for these homeowners – particularly if renovations are started without careful planning.

Which is why we have created this guide, so you are better equipped and can learn how to improve your EPC rating by 2028.

Which properties are most at risk?

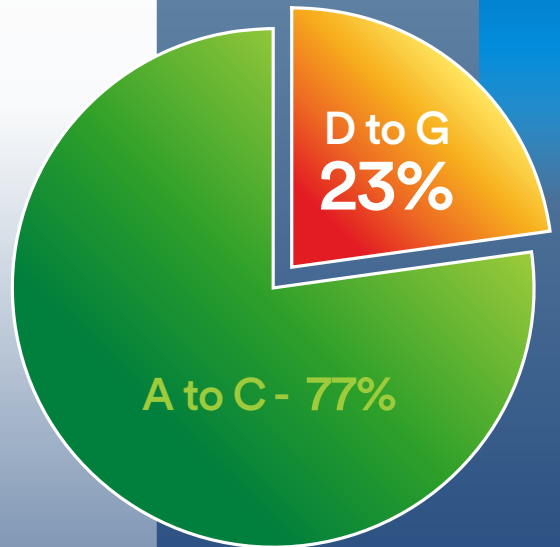
From April 2020 it became illegal to rent out a property with an EPC rating of less than E and it's about to get a whole lot tougher.

There are 2.21 million landlords in the UK.¹ Latest research shows that close to a quarter of UK landlords surveyed admitted that their properties are rated D or below for energy efficiency, and therefore they will not be able to begin a new tenancy by 2028 without actively making improvements.²

The new legislation could see private landlords facing fines, imposed by local Councils, of up to £30,000 for non-compliance.

¹ Source: Gov.uk ² Source: Shawbrook

Please note these sources were cited when the legislation deadline was 2025. It has been changed since to 2028.



UK LANDLORDS SURVEYED ²

37%

OF LANDLORDS WOULD LIKE TO SEE INCENTIVES SUCH AS FAVOURABLE BORROWING RATES AHEAD OF 2028 DEADLINE ²

£30k

POSSIBLE FINE FOR NON-COMPLIANCE

EPC - E EPC - D



Why is it important to improve your EPC rating?

Improving your EPC Rating is likely to increase your properties value. It also means you could reduce your energy bills and reduce your carbon footprint. But most importantly, you will be complying with legislation and avoiding major fines.

If you need to bring your rental home up to the required standard, there are a number of quick and simple steps you can take. These are covered in the next section.



Reduce energy bills



Reduce carbon footprint



Comply with legislation



Avoid fines



How to improve your EPC rating

1 Solar water heating

Solar water heating systems, or solar thermal systems, use energy from the sun to warm water for storage in a hot water cylinder or thermal store. The system works all year round and in the summer, it should provide around 90% of your hot water requirements, dropping to around 25% in the winter.

Indicative cost:
£4,000-£6,000

Typical savings
per year:
£57

Rating after
improvement:
C - 69

2 Replace windows with low-E double glazed windows

Older windows could actually be responsible for up to 40% of the heat loss in your property, so it's a great idea to install high-performance glazing. You'll want to go for energy-efficient double or triple glazed windows. New double glazing could help to boost your property's EPC score by five to ten points.

Indicative cost:
£3,300-£6,500

Typical savings
per year:
£123

Rating after
improvement:
C - 73

3 Replace your boiler

Your central heating system is the foundation of your property's EPC rating. Depending on the age of the existing boiler, switching to a newer, condensing model can significantly improve your rating.

Indicative cost:
£2,200-£3,000

Typical savings
per year:
£339

Rating after
improvement:
C - 74

4 Low energy lighting

In the UK, lighting accounts for around 15% of a typical household's electricity bill. By installing energy-efficient lighting like LED light bulbs you can save money and improve your EPC rating.

Indicative cost:
£20

Typical savings
per year:
£21

Rating after
improvement:
D - 56

5 Room-in-roof insulation

A property that is not properly insulated will lose around 25% of its heat through the roof alone. When it comes to your roof, always ensure your loft is insulated adequately to 270-300mm, and if you have a loft, there is a system for insulating this area too.

Indicative cost:
£1,500-£2,700

Typical savings
per year:
£837

Rating after
improvement:
E - 39

6 Internal or external wall insulation

Around one third of the heat loss from most homes is through the walls. Houses pre-dating the 1950s are considerably less efficient at keeping heat due to having solid walls with no cavities. Whether your home has cavity or solid walls, insulating them can improve your EPC rating to around 25% in the winter.

Indicative cost:
£4,000-£14,000

Typical savings
per year:
£195

Rating after
improvement:
E - 45

Other measures you can take

Our guide is not exhaustive and there are definitely a few more measures you can take that will improve the energy performance of your dwelling. To help you decide what is best for your property cost, here is a list of recommended measures, how much they will cost, and the typical amount of savings you will make each year.

Recommended measures	Indicative cost	Typical savings per year	Rating after improvement
Solar photovoltaic panels	£5,000-£8,000	£287	B - 83
Draught proofing	£80-£120	£18	D - 55
High heat retention storage heaters / dual immersion cylinder	£1,200-£1,800	£319	D - 67
Solid floor insulation	£4,000-£6,000	£122	E - 49
Increase hot water cylinder insulation	£15-£30	£142	E - 54

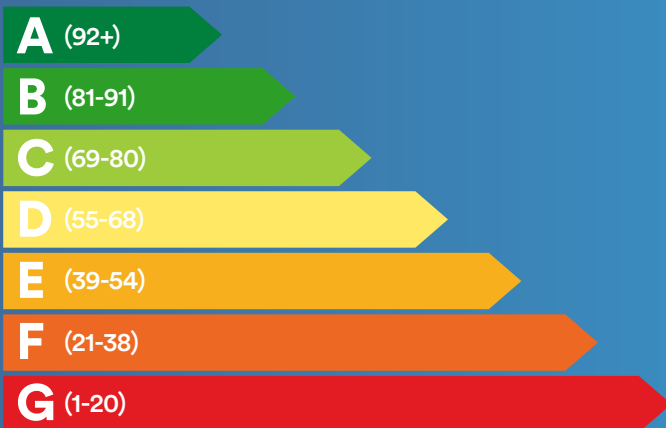
Source: www.gov.uk

What next? You'll need a new EPC rating

Once you have made your energy efficiency improvements, you will need to re-assess your EPC rating and get a new Energy Performance Certificate.

The property is then given a rating of between A and G. The more energy-efficient a property, the closer to A in the alphabet the rating will be.

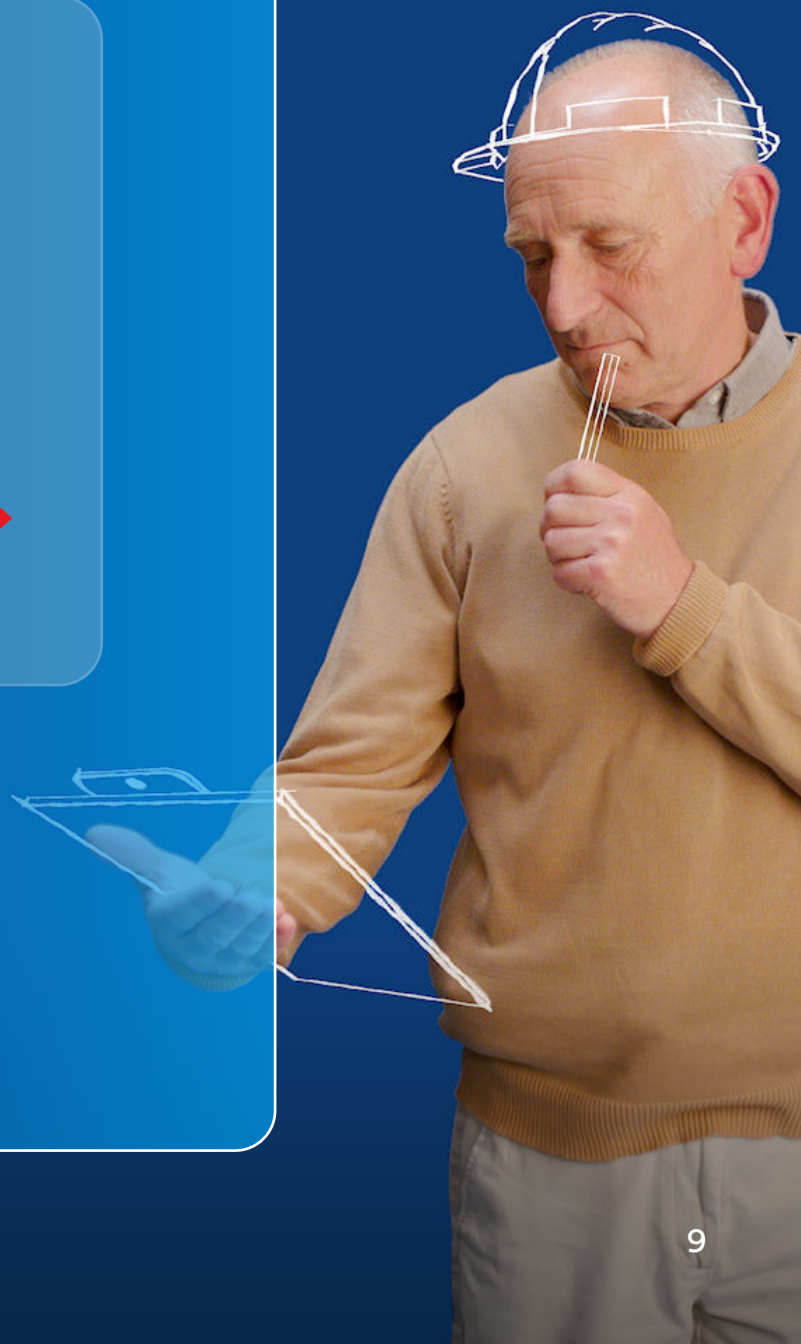
VERY ENERGY-EFFICIENT – LOW RUNNING COSTS



NOT ENERGY-EFFICIENT – HIGHER RUNNING COSTS

An EPC report is issued alongside the rating which provides energy-saving suggestions on ways to improve your property's rating.

You will need to appoint an accredited assessor to carry out the EPC inspection. They will give your property an energy efficiency score as well as a score for CO2 emissions. Once issued, an EPC rating is valid for 10 years.



Funding improvements to your property

If you're thinking about renovating a property to rent out, you'll probably need a loan to finance it.

There's no one-size-fits-all solution for a refurbishment loan. It all depends on your personal circumstances, as well as the value and nature of the work you would like to carry out.

How we can help

Our Newable Finance team are ideally positioned to help, we provide EPC funding to help landlords like you refurbish their properties to ensure you beat the deadline.

With the lack of skilled labour in the market, and the increasing cost of borrowing, our specialist advisors can find you the most competitive deal on the market from a range of finance solutions.

Once you have refurbished your property, we can advise you on an exit strategy, and source you a Green Mortgage, which is much cheaper than a traditional buy to let mortgage.

Get in touch with our team 24/7 at newable.co.uk/EPC

About us

We are on a mission to help landlords get the best financial advice and service.

- ✓ We provide outstanding levels of client service, 24/7.
- ✓ With hundreds of years of combined experience, our advisory team will work with you to find the best finance for your needs, providing advice on your portfolio.
- ✓ With our quick finance, outstanding communication and free independent advice, you can trust us to get you the most competitive deal on the market.

Don't just hear it from us

Customers rated us 4.9/5 on independent customer feedback site Trustpilot.

[Read our reviews](#)

 Trustpilot



Rated Excellent

Get in touch today to see how Newable Finance can help you with funding EPC improvements.

 newable.co.uk/EPC

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