

Property Owners: go green or be fined

BY STEVEN MOORE



AS part of the UK's commitment to the EU directive imposed for Energy Performance of Buildings, from April 2006, a revision to the Building Regulations came into force. The aim is to achieve an annual saving of 1,000,000 tonnes of carbon by increasing the energy efficiency in all UK buildings.

As a result, from April 6 2008, landlords and property owners will be required by law to provide an Energy Performance Certificate (EPC) for commercial buildings they are constructing, leasing or selling over 10,000m².

This will extend to buildings over 2,500m² on July 1 2008. However, from October 1 2008, all buildings over 50m² will have to comply with the regulations. Public authorities and Government buildings will also be required to produce Display Energy Certificates from October 1 2008.

Non compliance will result in failure to complete conveyancing or potential action by the Trading Standards Office which includes fines of up to £5,000.

An EPC is provided once the interior building has been evaluated by a qualified energy assessor. Furthermore, an EPC will be required for any individual part of a building where a separate heating/cooling system is operational. Once in place, these

Certificates require displaying for public viewing and are renewable every ten years.

Aside from this new piece of legislation, owners of residential and commercial property should be fully aware of the inherent risks they have as property owners.

There are the commercial considerations of any property owner such as tenant relationships, upkeep of the premises, loss of tenants (and a resultant loss of rental income), collection of rents, lease arrangements/agreements. The list of such risks can go on indefinitely.

Additionally, there are the insurance implications i.e risk of fire, flood, storm and other insurable aspects of damage that may occur. In addition to the physical damage that the property may be susceptible to, there are the potential financial losses property owners are faced with which include loss of rental income following damage to the property. Such exposures are generally covered under a specific Property Owners Insurance Policy tailored to the specific needs of the property owner.

How can we help?

Taylor Patterson Corporate Insurance provides a comprehensive service by arranging bespoke policies that take into



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consideration the risks faced by property owners. In relation to EPC requirements, Taylor Patterson provide external consultancy services for assessments in order to obtain the required certification.

Further assistance is also available in the form of numerous energy efficiency services which could also help to reduce outgoing costs on services which are operated throughout properties.

For more information on Energy Performance of Buildings or Property Owners Insurance, please contact Steven Moore on 01772 555073 or by email steven.moore@taypat.co.uk