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TECHNICAL BULLETIN

The Energy Performance of Buildings (Scotland) Regulations 2025:
Update to the Scottish Government EPC Reform Consultation

October 2025

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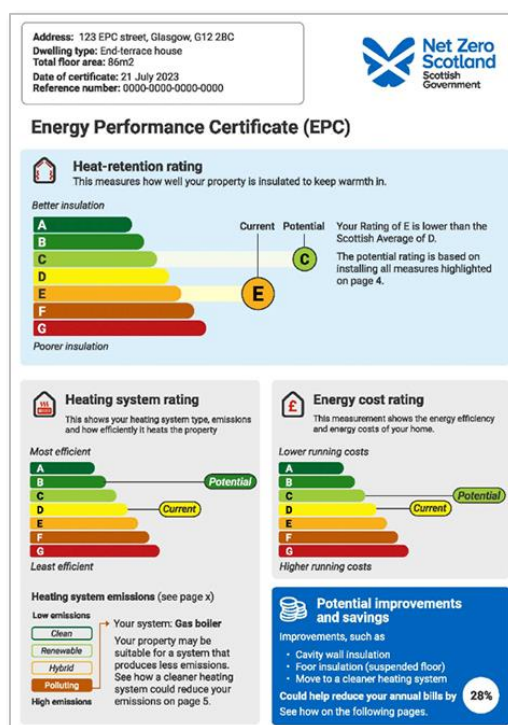
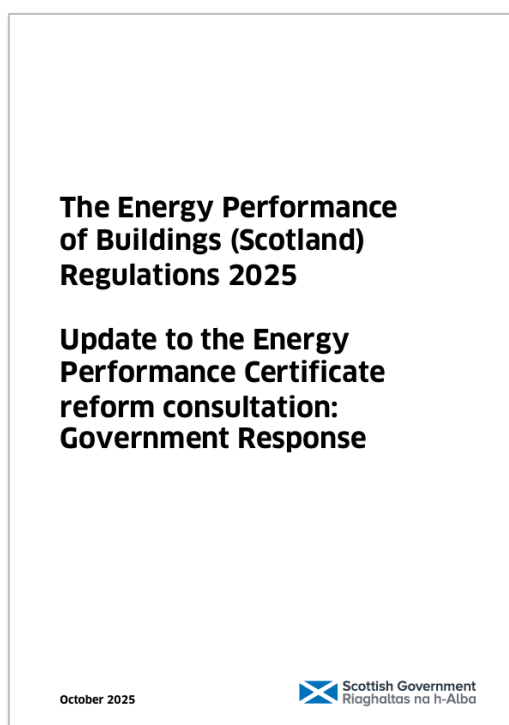


Overview

The Energy Performance of Buildings (Scotland) Regulations 2025: Update to the Scottish Government EPC Reform Consultation

The Scottish Government has officially laid the new **Energy Performance of Buildings (Scotland) Regulations 2025** in the Scottish Parliament, with the regulations confirmed to come into effect on **31st October 2026**.

The reforms represent the most significant shake-up of Energy Performance Certificates (EPCs) in Scotland in over a decade, aiming to provide clearer, more meaningful information for property owners and occupiers, and to better support Scotland's journey to net zero.





EPC Reform Consultation

At the start of the year the Scottish Government set out proposals to reform EPCs. The plan introduced a new three-metric rating system for domestic EPCs which included: Heat Retention, Heating System, and Energy Cost, replacing the single headline rating currently used.

The reforms aimed to provide clearer, more meaningful information on a building's energy performance, with EPC validity reduced from 10 years to 5 years (both domestic and non-domestic), a new certificate design, and the launch of a digital EPC platform to show how different upgrades could affect a property's performance.

Stronger quality assurance and oversight of accreditation schemes and energy assessors were also proposed, with initial changes for non-domestic buildings expected at a later stage.

Reform Proposals

The Scottish Government has now laid the legislation in Parliament, confirming the reforms will take effect on **31st October 2026**. No major changes have been made to the original EPC Reform proposal/outcome released early in the year; however, Carbon Futures has identified the following key updates:

- New regulations will come into force on 31st October 2026.
- The Home Energy Model (HEM) will be introduced as the calculation methodology to replace SAP.
- A new cloud-based EPC Register will form the basis of storing digital EPCs.
- All EPCs issued under the 2008 Regulations will cease to be valid and a new EPC meeting the requirements of the 2025 Regulations will be required for all properties from October 2026.

The new Regulations will also introduce the following new and updated provisions:

- A new rating system for domestic buildings
 - Heat Retention Rating (reflecting fabric energy efficiency)
 - Heating System Rating (covering type, emissions and efficiency)
 - Energy Cost Rating (an updated version of the existing Energy Efficiency Rating).



- A new rating system for non-domestic buildings:
 - Energy Performance Rating
 - Energy Use Rating
 - Direct Emissions Rating
- A new Property Report which will set out potential improvement measures that could improve the energy efficiency and lower the energy costs of the building; and which will set out information on potential alternative heating systems which could reduce emissions (and their potential installation and running costs).
- Reducing the validity period of EPCs from 10 to 5 years to ensure consumers have more up-to-date information.
- Introducing strengthened operational governance arrangements for EPC assessors and Approved Organisations through new accreditation scheme requirements (including new onsite audit and inspection requirements) to enhance quality assurance for consumers.
- Amending EPC lodgement fees to £6.00 for domestic certificates and £15.50 for non-domestic certificates, to ensure that they can cover the costs of providing the technical and operational infrastructure (EPC Register, calculation methodologies, onsite audit and inspection) to support the EPC regulations and which provide benefit to consumers.
- Updating the requirements on disclosure of energy performance data.



Next Steps

The Scottish Government intends to bring the new Regulations into force on 31 October 2026 – this is to give all stakeholders who are impacted, sufficient time to prepare for the changes.

It also takes account of the UK Government's intention for the new Home Energy Model and new cloud calculation-based EPC Register to be ready as the basis for issuing the new EPCs by October 2026.

By working to align as far as possible on the timetable for bringing new reforms into force across the UK, both governments are working to support the continued operation of the EPC assessor market, which operates across the UK and is covered by some of the provisions of the UK Internal Market Act 2020.

Transitional Provisions

During stakeholder engagement and impact assessments accompanying the new Regulations, the Scottish Government has identified the need to mitigate potential negative impacts on particular parts of the property market.

They have therefore made provisions within the new Regulations (Regulation 38) for transitional arrangements.

Buildings for Sale or Let

In line with current legislation, a valid EPC and property report will still be required to be provided both when a building is advertised for sale or let (to prospective buyers or tenants) and when it has subsequently been sold or let (to the buyer or tenant).

The Scottish Government wants to minimise the risk of any disruption to the smooth functioning of the property market. Therefore, transitional arrangements will provide a one year grace period for properties being sold or let.

These transitional arrangements on buildings for sale or let cover **all existing domestic and non-domestic buildings**, other than short term lets, particular large non-domestic buildings frequently visited by the public, and newly constructed buildings (see below).

The Regulations specify a one year 'relevant period' within which the transitional arrangements apply:



- The relevant period is, at maximum, one year, from 31 October 2026 to 31 October 2027, but ends earlier if a property is sold or let before 31 October 2027.

The transitional provisions in Regulation 38 therefore allow that:

- between 31 October 2026 and 31 October 2027, properties being sold or let may continue to use **either** valid EPCs and recommendation reports issued under the 2008 Regulations **or** valid EPCs and property reports issued under the 2025 Regulations.

But they also restrict the length of the one-year transition period for properties sold or let within that one-year period, in the event that they are sold or let again:

- an EPC and recommendation report issued under the 2008 Regulations may be used for the sale or let of a property after 31 October 2026, but if a property is sold or let again within the one-year transition period, a new-style EPC and property report issued under the 2025 Regulations will then be required.

Regulation 38 specifies a clear backstop date for the end of the transition:

- after 31 October 2027, only the new-style EPC and property report issued under the 2025 Regulations will be allowed for sale or for let.

In practice, from 31 October 2026 onwards, when a building owner commissions a new EPC, assessors will only be able to **issue** new-style EPCs meeting the requirements of the 2025 regulations, but if an old-style EPC meeting the requirements of the 2008 regulations is still valid during the transition period, it can still be **used** until the end of the transition period, or completion of the sale or let whichever comes first (i.e. the old-style EPC can be downloaded from the EPC Register and used in a property transaction).

Short Term Lets

Short term let properties will have a full one-year grace period in which to obtain a new-style EPC. This means that:

- between 31 October 2026 and 31 October 2027, short term let properties may continue to use either valid EPCs and recommendation reports issued under the 2008 Regulations or valid EPCs and property reports issued under the 2025 Regulations.



- after 31 October 2027, only the new-style EPC and property report issued under the 2025 Regulations will be allowed for the letting of a building as a short term let.

New-Build Construction

Developers of new buildings **completed on or after 31 October 2026** will be required to give a copy of a valid EPC and property report that meets the requirements of the 2025 Regulations to the owner of the building within seven days of submitting a completion certificate to a local authority verifier.

As with other parts of the property market, the Scottish Government will engage with developers of new buildings and with local authorities to ensure that they understand the new requirements of Regulation 6 before the new Regulations come into force.

IMPORTANT NOTICE

At present, we believe the timeline of this reform will impact the production of EPC, as well as predicted EPC ratings, of all new-build construction projects that are currently programmed to achieve practical completion on or after 31st October 2026.

Please note, this change only relates to the production of EPCs in Scotland. It is our understanding that SAP will continue to be used as the methodology for demonstrating compliance with Section 6 (Energy) and Section 7 (Sustainability) of the Domestic Technical Handbooks.

In relation to compliance, the current timeline for upcoming proposed changes to Section 6 (Energy) is due to come into effect from 2028.

As soon as further guidance is released by the Scottish Government, we will provide our clients with additional information and guidance ahead of the regulations coming into force in October 2026.



Further Information

More details on the proposed EPC Reform can be found on the Scottish Government website via the following link:

<https://www.gov.scot/publications/energy-performance-buildings-scotland-regulations-2025-update-government-response-epc-reform-consultations/>

Contact Us

As this reform will likely have an impact on the production of EPCs for current and future projects already in development, our team are working closely with our Accreditation Scheme Provider and the Scottish Government to obtain further details and information.

As soon as we have further information to share with you, we will issue a further update.

In the meantime, if you have any queries or would like to discuss this further, our team will be happy to arrange a meeting. Please feel free to get in touch:

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