

ECOAPPROACH

# MEES explained

## What MEES means for landlords and property owners

A short guide to the Minimum Energy Efficiency Standards · England and Wales · Updated September 2026

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# 1 — Does MEES apply to you?

The Minimum Energy Efficiency Standards (MEES) apply to private rented property in England and Wales, both domestic and commercial, where an EPC is legally required.

## How to check if MEES applies

**1**

**Is the property in England or Wales?**

**2**

**Is it privately rented, not owner-occupied?**

**3**

**Is an EPC legally required?**

If the answer to all three is yes, MEES applies to your property.

## Which properties are covered

### Domestic

- Assured shorthold tenancies
- Assured tenancies
- Regulated tenancies
- Domestic agricultural tenancies

### Commercial

Most office, retail and industrial leases where an EPC is required when the property is marketed for sale or rent.

An EPC is needed when you market a property for sale or rent, start a new tenancy, carry out major construction or modification works, or when a certificate expires. EPCs are valid for 10 years.

## Usually outside the rules

- Listed buildings where works would unacceptably alter their character
- Leases of 99 years or more
- Lettings under 6 months with no right to renew
- Buildings that don't need an EPC under other legislation

**WARNING** The government intends to bring listed buildings within scope, so don't rely on this exemption long term.

# 2 — Today's rules

## The current minimum is EPC E

| Property type | New lets and renewals | All qualifying tenancies |
|---|---|---|
| **Domestic** | 1 April 2018 | 1 April 2020 |
| **Commercial** | 1 April 2018 | 1 April 2023 |

From those dates, letting an F or G-rated property is unlawful unless a valid exemption is on the PRS Exemptions Register.

## The £3,500 cost cap for homes

Domestic landlords must install all "relevant energy efficiency improvements" up to a cap of £3,500 including VAT. If the property is still below E after that, you can usually register an "all relevant improvements made" exemption.

Commercial properties have no fixed cap. Improvements are judged on cost-effectiveness and payback instead.

**DID YOU KNOW?**

All funding counts towards the cap, including grants. A £1,500 local authority grant plus £2,000 of your own money meets the £3,500 cap. Funding can come from government grants, local authority schemes, energy supplier obligations such as ECO4, and green finance.

## Where to start with improvements

**1**
**Insulation**
Loft and cavity wall

**2**
**Heating**
Condensing boilers

**3**
**Glazing**

**4**
**Lighting and controls**

Loft insulation can reduce heat loss by up to 25%. Condensing boilers run at 90%+ efficiency, compared with 70% for older units.

# 3 — What's changing by 2030

On 21 January 2026, as part of its £15 billion Warm Homes Plan, the government confirmed that all privately rented homes must reach the equivalent of EPC C. The secondary legislation is expected in 2027.

**EPC C**
for all domestic privately rented homes by 1 October 2030

**£10,000**
cost cap per property, including VAT

**£30,000**
maximum fine per property, up from £5,000

**£5,400**
average cost per property, per the government's impact assessment

## What the reform means

- The deadline covers new and existing tenancies alike.
- The £10,000 cap is down from £15,000 in the original consultation. For homes valued under £100,000, the cap is 10% of the property's value.
- Eligible spend from 1 October 2025 counts towards the cap.
- Once the cap is spent and the home still isn't at C, a cost-cap exemption is expected to last 10 years.
- For commercial property the direction is the same, but no dates or thresholds have been confirmed.

## A new way of measuring EPCs

The Home Energy Model (HEM) will replace the Standard Assessment Procedure. As of March 2026 it's expected in the second half of 2027. Homes holding an EPC C under current metrics before 1 October 2029 are treated as compliant until that certificate expires.

**From 2025**
Eligible spend counts towards the cap

**2027**
HEM launch and secondary legislation

**30 Sept 2029**
Legacy EPC system retires

**1 Oct 2030**
EPC C, or a valid exemption, is mandatory

# 4 — Exemptions and penalties

## MEES exemptions

| Exemption | Duration | Key requirement |
|---|---|---|
| **All relevant improvements made** | 5 years | All qualifying measures installed up to the cost cap |
| **High cost** | 5 years | Cheapest improvement exceeds the cost cap |
| **Wall insulation** | 5 years | An expert confirms wall insulation would cause damage |
| **Third-party consent** | Varies | Consent refused or unobtainable |
| **Property devaluation** | 5 years | Improvement would reduce value by more than 5% |
| **New landlord** | 6 months | Recently acquired property |

To register, create an account on the PRS Exemptions Register, select the property, choose the category, upload your evidence and confirm. Data generally can't be edited after you submit it.

## Current penalties

| Property type | First breach | Repeat or serious breach |
|---|---|---|
| **Domestic** | Up to £5,000 | Higher penalties possible |
| **Commercial** | Up to £50,000 | Up to £150,000 |

*From 2030, the maximum domestic fine rises to £30,000 per property.*

## How enforcement works

Local authorities can issue compliance notices up to 12 months after a suspected breach, and you'll typically have 28 days to respond. Penalty notices can be served up to 18 months after the breach.

You can usually request a review within 28 days, then appeal to the First-tier Tribunal (General Regulatory Chamber). The landlord stays responsible for compliance, even when an agent manages the property.

# 5 — Next steps

Plan phased upgrades well before 2030. Here's where landlords and investors should start:

1. Commission EPC reviews for your properties.
2. Track eligible spend from 1 October 2025.
3. Budget around £5,400 per property, and more for hard-to-treat homes.
4. Prioritise F and G-rated properties.
5. Factor the 2030 deadline and the pre-2029 EPC C rule into acquisition and lease decisions.
6. Watch for the HEM launch and the 2027 legislation.

This guide reflects the position as of September 2026. The 2030 rules are not yet law and may change, so check the latest guidance on gov.uk before making financial or legal decisions.



## Contact us to see how we can help you

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