



Minimum Energy Efficiency Standards (MEES) in the non-domestic Private Rented Sector

CIAT Membership Briefing – June 2026 – Applicable to England & Wales only

1. On 18 June, the Government published its interim response to 2019 and 2021 consultations on strengthening minimum energy efficiency standards (MEES) for privately rented commercial (non-domestic) properties in England and Wales. *N.B., this is separate to recent consultations on MEES in the private rented accommodation sector.*

2. This is only an interim response, meaning some details have yet to be provided. However, Government has made clear that strengthened standards will require certain privately rented commercial properties to achieve an energy efficiency of EPC B, a significant uplift from the current minimum standard of EPC E.

Key changes

3. From 2031, non-residential buildings over 1,000 m² that are let on a commercial basis, will be required to achieve an energy rating of EPC B. Smaller buildings will remain subject to the current EPC E minimum standard. Separate standards apply for private rented accommodation.

4. Government estimates that this new requirement will save tenants up to £360 million per year, as well as reducing overall energy demand.

5. A proposed interim milestone of EPC C from 2027 will not be taken forward. Given the significant time since these changes were proposed, such an interim milestone would likely have little benefit at this point, so focussing on the 2031 requirement seems proportionate.

6. Existing flexibility mechanisms, including the 7-year payback test and exemptions, will remain in place. Government intends that this will ensure that only practical, affordable and cost-effective changes are required.

Next steps

7. Government will provide further details in their full response in due course. This is likely to include more details on transitional timelines and any period of dual running.

8. In this interim response, Government has not commented on how energy efficiency ratings will be calculated. However, significant concerns about the two main methodologies used for calculating energy efficiency for non-domestic buildings (the Simplified Building Energy Model (SBEM) and Dynamic Simulation Modelling (DSM)) were raised through the 2023 Future Homes & Buildings Standard Consultation. Government has indicated, in response to that consultation, that it intends to conduct a “comprehensive review” of these methodologies in 2026, so it is highly likely that the EPC B requirement will be based on an updated calculation methodology when it is introduced in 2031.

9. Nonetheless, CIAT recommends that, where members and affiliates are involved in the development or retrofit of non-domestic properties intended for commercial rent, they work with clients to target performance of EPC B or above, as this should ameliorate the need for substantial further works in future (while also bringing more immediate cost and emissions savings).

CIAT, June 2026. For more information, contact externalaffairs@ciat.global.