



ESOS PHASE 3

WHAT YOU NEED TO KNOW



What is ESOS?

Energy Savings Opportunity Scheme (ESOS) is a mandatory government reporting scheme that applies to large UK companies in an aim to boost the energy efficiency of UK businesses across their buildings, transport and processes. Any qualifying business that meets certain thresholds must audit a proportion of their energy usage to help identify find cost-effective ways to cut consumption.

The scheme runs in four-year phases, and we are currently in phase 3 with a **deadline date of 5th December 2023**. With this countdown to the compliance date, here is how your organisation can get ready and how Knight Frank can help.



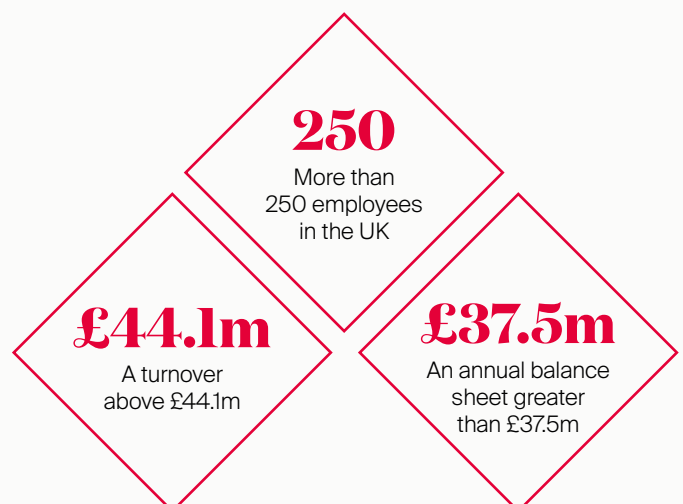
“ This scheme applies to large UK companies in an aim to boost the energy efficiency of UK business across their buildings, transport and processes. ”

What are the qualifying standards & does ESOS impact my organisation?

ESOS applies companies in the UK that meet the certain criteria on 31st December 2022, and you will need to comply if you have:

- More than 250 employees in the UK
- A turnover greater than £44.1m or a balance sheet over £37.9m
- Your company is part of a larger organisation, which falls into any of the above

Whole corporate groups also qualify if at least one UK group company meets these measures.



So, my company qualifies, What do I do now?

ESOS is a multi-staged assessment - from measuring energy use to Environment Agency reporting and record-keeping. Working with Knight Frank as a trusted ESOS Lead Assessor can help navigate the process and ensure your submission fully complies with ESOS guidance.

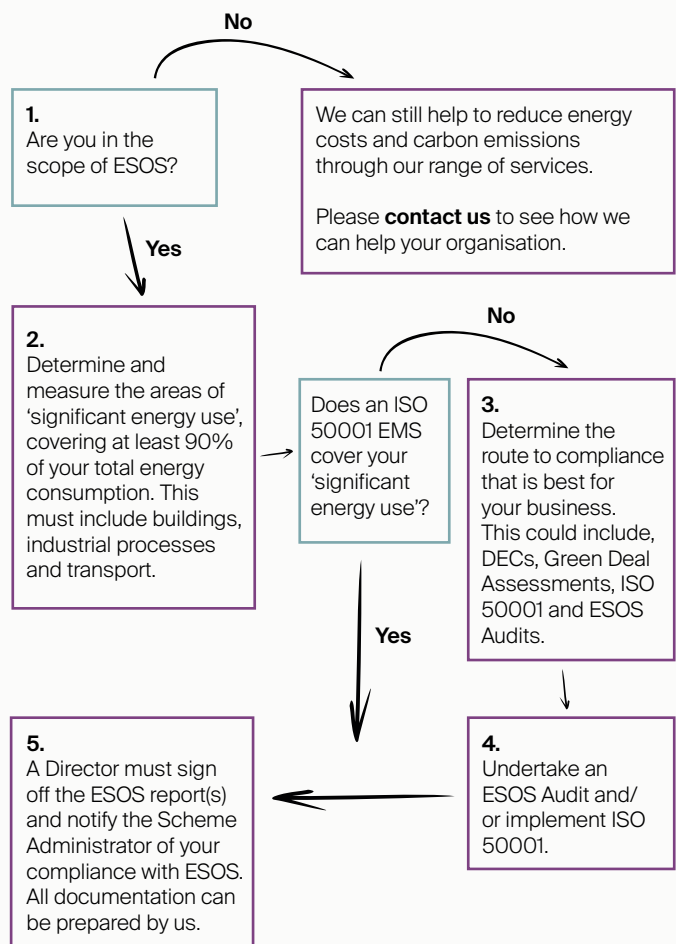
Throughout your review we will help you collate data for your building, transport, and process energy use, analysing the data and reviewing your portfolio. We will carry out your building's energy surveys, produce the ESOS survey reports and ensure you can maximise the benefits of the scheme through conducting the ESOS review, verification and sign off.

What are the penalties for not complying with ESOS?

There can be significant penalties for not correctly complying with ESOS and they can increase overtime.

- Failure to notify the Environment Agency, for example, can lead to an initial penalty of up to £5,000 and a daily fine of up to £800 for each working day of non-compliance
- Making a false or misleading statement could lead to fees of up to £50,000

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How can Knight Frank help?

Knight Frank can provide a full ESOS compliance service including:

- Advice upon the legislation and its implications for your business
- Assess company and energy data to determine your ESOS requirements including portfolio benchmarking and potential ESOS scope of works
- Produce a bespoke ESOS Schedule of works including asset specific ESOS level energy audits, Transport reviews and process reviews to identify cost-effective ways to cut consumption
- Asset specific ESOS level energy audits will include costed investment grade proposals included estimated carbon and financial savings
- Become more than just compliant by tailoring the energy audits and reports to target high risk assets on a Net Zero pathway
- Compile your corporate summary report and evidence pack with identified energy and carbon savings across a portfolio and present to board level members for sign off
- Submit notice of ESOS compliance to the Environmental Agency
- **Deadline date of 5th December 2023**

To find out more visit:

ESG Consulting page

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