Bridging the landlord-tenant divide:
Improving the energy performance of rented buildings

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Multiple players affect the performance of tenanted buildings, *including:*

BASE BUILDING	***OCCUPIERS***
Developer	*Fitout teams*
Owner and investors	*Occupier organisations*
Letting agents	*Letting agents*
Managing agents	*Occupiers' managers*
FM organisation	*FM organisations*
Maintenance contractors	*Maintenance contractors*
Energy suppliers	*Energy suppliers*

Plus other suppliers, agents, advisors, ICT etc. …

Removing the blindfolds:
Energy performance hasn't been visible
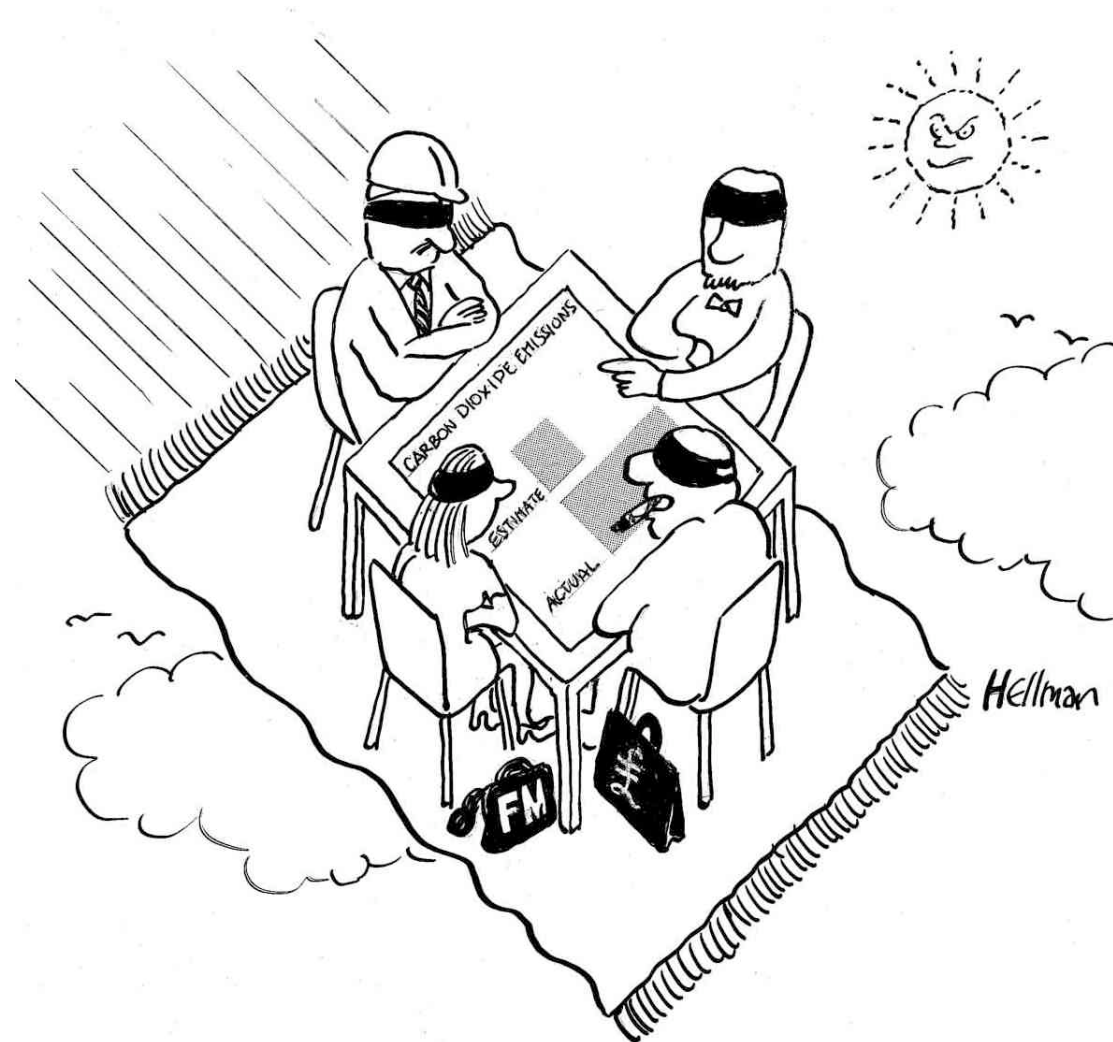
Various angles of approach

IS IT ABOUT BUILDINGS?

- Landlord's services
- Tenant's own energy uses, *not all directly building-related.*
- Whole building energy use, *but it be managed as a unit?*
- Complexes, *e.g. shopping centres, business parks.*

And/or PORTFOLIOS, converging onto buildings?

- Property owners *(sole, investors, REITs, pensions …).*
- Managing agents.
- Occupier organisation or business units.
- Service firms: FM, maintenance, HVAC, ICT, Catering …

Many crossovers between portfolios, but the players' different business drivers have made it difficult to address energy use.

Bringing things together:
Multiple dimensions

- Contractual - *e.g green leases, FM contracts.*
- Technical - *making performance visible.*
- Economic - *valuing better performance.*
- Social - *working together to improve things.*
- Operational - *getting things to happen:*
  - *Cultural, changing attitudes and practices.*
  - *Management, for base building and occupiers:*
    avoid waste, identify obstacles, target improvement.
- Investment, *particularly at opportunity points*
  e.g. build, refurb, fitout, purchase, alter, renew.

Multi-tenanted buildings:
Energy comes from different places

Energy use by landlord's services is usually only reported in service charge accounts, and as money, not energy.
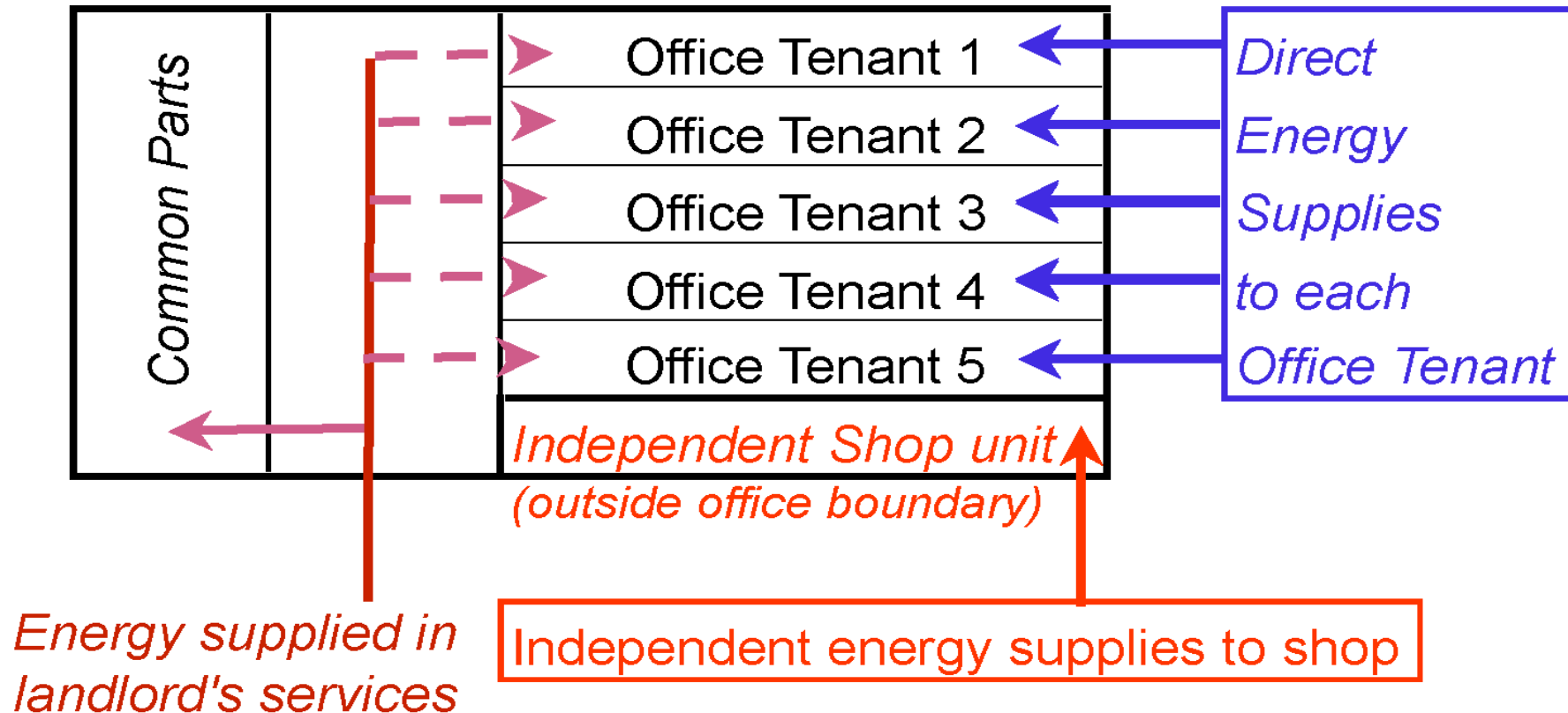
One brick in the wall:
the Landlord's Energy Statement (LES)

- Open-standard format for office landlords to report annual energy use and associated items of interest to tenants *(e.g. alongside the annual service charge accounts),* and for other purposes.

- Accompanied by the *Tenant's Energy Review (TER*).

- Helps to motivate everybody to improve, *rather than put the responsibility any one player, who will have only limited influence.*

- Tenants with a LES can add in their fuel bills and prepare a *Display Energy Certificate* on the same basis as for self-contained buildings.

- Potential in other sectors and to provide data to coordinate with other initiatives *(e.g. CRC, the Carbon Reduction Commitment).*

- *Developed by BPF and a group of members* with UBT.*

- *Sponsored by the Carbon Trust.*

- *Advisory group includes government, CIBSE, BCO, and Upstream.*

- *Go to* **www.les-ter.org**

* Broadgate Estates, Hammerson, Hermes, Land Securities, PruPIM, St Martin's, Standard Life, Workspace.

LES Format
www.les-ter.org

- Reports and benchmarks thermal, electrical and total weighted annual energy use, plus CO_2 emissions.

- Identifies effects of on-site renewable generation.

- Reports year-on-year performance improvement.

- Allows offsite measures etc. to be recorded alongside.

- Further technical detail on page 2.

- Free Excel software available.

- Compatible with other methods.

- Accompanied by guidance documents on how to improve energy performance.

Five steps for improvement
here starting with landlord or managing agent

STEP 1 Take stock
- Are you in control of the building, the systems and the data?

STEP 2 Start planning
- Make sure somebody is responsible for managing energy in each building.
- Identify scope for initial improvements *(DIY and/or with help)*
- Draft a longer term energy plan.

STEP 3 Make initial savings
- You should now have a list of things you can start on.
- Try to do the low-cost ones *(e.g. tuning-up)* and monitor the results.
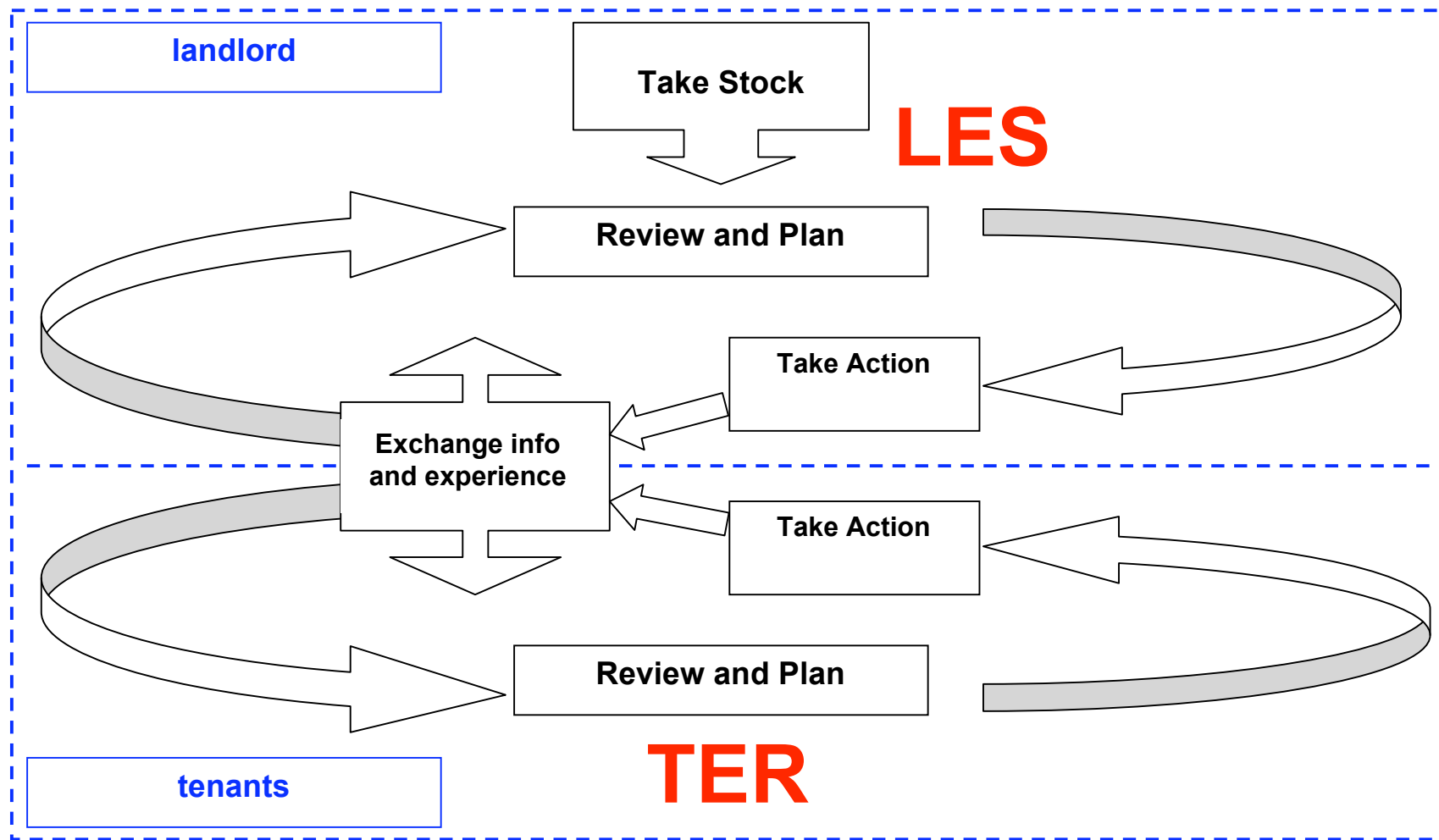
STEP 4 Work with tenants
- Discuss the current situation.
- Encourage tenants to understand and improve their own energy use.

STEP 5 Make improvement routine
- Identify opportunities for joint action *(operational and technical).*
- Continue routine monitoring and feedback.

LES-TER: interacting improvement cycles, *with spin off into parent and other organisations*

LES in use

A range of uses

- Single building - reporting to tenants.
- Single building –year on year performance.
- Single building – data for "experts" and Energy Certificates (DECs)
- Portfolio management – peer to peer *(or near-peer).*
- Industry performance – statistics, benchmarks, best practice.

Format

- Reporting standard.
- Spreadsheet tool - assists data collection, XML link to databases.
- Supporting documents add detail, *e.g. electricity demand profiles*

Uptake

- Trialled on a few buildings. Portfolios now gearing up.
- Named in CLG guidance to Display Energy Certificates.
- Interest from other sectors with landlord-tenant divides, e.g. retail.

The most important factor:
Collaboration around meaningful data

We need to engage everybody
and establish virtuous circles
of continuous improvement,
taking care not to spend our *(now much
scarcer)* money on the wrong things.

www.les-ter.org
www.usablebuildings.co.uk

Coming soon:
Half-hourly demand profile guide

Power Efficiency Ltd