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The webinar included a dedicated Q&A segment where attendees had the opportunity to ask the expert assessor panel questions directly. This session provided valuable insight into implementation challenges, assessment criteria, and how to navigate the NABERS process for your building.

What challenges did the scheme face in Australia Assessors when the voluntary scheme was first introduced?

The introduction of NABERS in Australia presented a valuable opportunity to standardise building performance measurement and drive energy efficiency improvements across the property sector. However, the scheme's early implementation revealed some challenges:

1. Perceived Conflict of Interest in Assessments

Assessors acted as both neutral Assessors and promoters of the scheme, creating a perceived conflict of interest at times where their role promoting NABERS benefits may have undermined the credibility and objectivity of ratings.

2. Inconsistency in Rating Rigor

The informal use of ratings initially for competitive positioning resulted in a lack of standardised assessment protocols early on, leading to inconsistent data being used to influence business decisions.

3. Marketing advantages for Early Adopters

Big property players gained an early advantage by adopting NABERS voluntarily improving their performance before mandatory disclosure, allowing them to set benchmarks and lead the way from the beginning. The early voluntary phase failed to achieve broad industry engagement.

What do Building Owners expect from NABERS Assessments, and how can Assessors effectively manage these expectations?

Building owners typically approach NABERS assessments with clear expectations regarding both deliverables and actionable insights. Most expect to receive not only a



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formal certificate documenting their building's rating, but also a comprehensive report that explains their results and provides a pathway forward.

In Australia the evidence shows that:

- Even property owners with limited sustainability engagement respond positively once they understand their relative performance within the market.
- Best practice is to provide improvement opportunity reports across all performance levels, including high-performing 6-star buildings.
- Quantifying performance creates accountability and motivation, driving continuous improvement efforts regardless of a building's starting position.
- Building owners increasingly expect assessments to include interpretive guidance and actionable recommendations, not just raw ratings.
- Performance data is shifting from being viewed as static measurements to being understood as diagnostic tools that inform strategic decision-making.
- Assessments now serve as catalysts for performance optimisation rather than endpoint evaluations.

What are the cost vs benefit for annual NABERS Assessments?

The financial case for NABERS assessments becomes clear when viewed against the actual returns. For most building owners, the assessment cost is minimal relative to the asset value.

The Australian experience provides compelling evidence that the benefits substantially exceed costs. Building owners who undertake repeated NABERS ratings have achieved an average 35% reduction in energy consumption over nine years. When this energy saving is calculated over time, it generates returns that far exceed the whole cost of multiple assessments. In financial terms, capitalising these savings demonstrates that repeated ratings represent an absolute return on investment.



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In practical terms, the financial benefit of NABERS assessments, whether through direct energy savings, occupancy advantages, or asset value enhancement, substantially outweighs the cost of the assessment itself.

What challenges do assessors typically face in the UK industry?

Building performance rating schemes depend not only on robust assessment methodologies, but also on the ability of assessors to navigate practical and commercial obstacles.

Attracting clients

The primary barriers to client acquisition centre on risk aversion and cost concerns. Building owners may hesitate to become early adopters of rating schemes, uncertain about backing a voluntary framework. Beyond initial adoption, the prospect of recurring annual costs of conducting and renewing ratings year after year, may deter cost-conscious owners from engaging with the scheme.

Rating Buildings

Assessors encounter practical obstacles when conducting ratings themselves. Documentation gaps present a significant challenge, with floor plans, metering schematics, and validation certificates often difficult to obtain, particularly current versions. This incomplete information may compromise rating accuracy and delay assessment timelines.

How should Assessors engage with potential NABERS UK clients?

Effective client engagement requires assessors to move beyond a transactional approach and instead position themselves as strategic advisors who understand the broader business case for ratings. Rather than just offering the assessment service, assessors must also articulate the benefits that NABERS UK assessments deliver.

Successful engagement has included:

• Educating building owners on how NABERS UK works, what it measures, what financial value it can generate. Assessors who invest time into explaining the



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- scheme, contextualise results with industry benchmarks, and demonstrate the financial case for investment have received increased uptake of assessments.
- Sharing successful case studies that have achieved energy reductions, improved rental income, or enhanced occupancy through NABERS performance, has persuaded prospective clients.
- Acknowledging upfront costs and recurring annual expenses while promoting the overall financial value of NABERS helps frame ratings as an investment than an expense.

How does the Use of Green Energy within buildings affect ratings (i.e. When they have 100% renewable electricity and gas)?

NABERS UK rewards green and renewable energy, but the impact on the rating depends on where and how it is generated:

- On-site generation (e.g. solar, PV etc.)
 Energy produced and consumed within the building boundary reduces the quantity of energy imported from the grid or gas network. As a result, the metered utility consumption decreases, leading to an improved rating. On-site renewables are therefore recognised directly in the assessment.
- Procured green tariffs (e.g. 100% renewable electricity or green gas contracts): These do not improve the NABERS rating. The scheme measures actual operational energy demand, not the contractual source or carbon intensity of supply.

In short, NABERS UK rewards energy efficiency and on-site generation, not market-based procurement claims. <u>On-site Renewable Electricity Generation Systems</u>.



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What specific areas of the rules have proved difficult to apply in the UK context?

Section 7 of Metering and Consumption has certainly been the biggest challenge so far. Meters need to be validated by the standard methodology requiring validation of certificates. Rarely are meter validation certificates or remote meter reading system validation records immediately available, and so clients will need to instruct an electrician to complete the work, potentially delaying the rating.

Currently, due to the known challenge of this area, there is a relaxation on the rule for the first rating, so that more building owners can begin their journey with NABERS UK. CIBSE Certification has confirmed on extension period for the use of discounted methodology of section 7.4.4.1 until 31 Dec 2026; within this period, discounted methodology can only be used for the first assessment on any existing building.