



Annual Report

England and Wales

EPBR Scheme Annual Report 2025

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Kaizen Certification Ltd, EPBR Scheme Annual Report 2025, England and Wales

1. Introduction

1.1 Welcome from the Managing Director

Welcome to Kaizen Certification Ltd.'s third annual report for our Energy Performance of Buildings Register (EPBR) scheme activity in England and Wales. This report covers the period 1 January 2025 to 31 December 2025.

Publication and Availability:

This annual report is published on the Kaizen Certification Ltd website (www.kaizencertification.co.uk) and is freely available to members, stakeholders, and the public. Hard copies are available upon request. This publication fulfils our obligation under the Scheme Operating Requirements (SOR) Level 1, Section 1.1.1.i, and Level 2, Section 1.1.2, to produce and publish annual reports on our activities.

1.2 Overview of Kaizen Certification Ltd.

Kaizen Certification Ltd. was founded to elevate the standards of energy assessment in the UK. Guided by the principle of "Kaizen," meaning "change for the better," our organisation strives for continuous improvement in accreditation processes, assessor support, and overall service quality. With a comprehensive suite of accreditation strands, we are committed to supporting energy efficiency and sustainability goals nationwide.

1.3 Mission and Vision

Our mission remains steadfast: to champion energy efficiency and sustainability through rigorous standards and unwavering quality. Our vision for the future includes embracing advanced technologies, such as AI-driven tools, to ensure our members remain at the forefront of the industry. We look forward to a future where all UK buildings maximise energy efficiency, contributing to the nation's net-zero ambitions.

1.4 Acknowledgements

This report is a reflection of Kaizen Certification's dedication and resilience. While we do not have specific acknowledgements this year, we continue to appreciate the trust and support of our members and industry stakeholders.

2. Year in Review

2.1 Key Milestones Achieved in 2025

During the reporting year we maintained stable scheme delivery across our active strands, strengthened internal controls around onboarding and surveillance, and focused on keeping member guidance practical and usable. We also reviewed the emerging timetable for the Future

Homes Standard and the Home Energy Model so we can plan process and software updates with minimal disruption to members and clients.

Across OCDEA, NDEA and DEC, we kept our focus on consistent member support, proportionate surveillance, and strong data quality controls, so that assessments lodged on the register remain accurate, defensible, and audit-ready.

2.2 Impact of External Factors on Operations

Key external regulatory and methodological developments during 2025 that influenced scheme operations included:

- Future Homes Standard direction, including the June government announcement that rooftop solar PV will be included by default on most new build homes in England, and that the Future Homes Standard would be published in autumn.
- Home Energy Model progress, including publication of the government's response to the HEM consultation and continued development work towards implementation alongside the Future Homes Standard.
- Energy Performance of Buildings regime reform activity, including the closing of the government consultation on wider EPB reforms in February and ongoing work on potential EPC and register improvements.
- Methodology transition planning, including government communications on RdSAP 10, SAP sunset arrangements, and alignment with the Home Energy Model.

These developments increased the importance of audit-ready evidence, clear member guidance, and robust quality assurance, particularly for new-build compliance activity and scheme surveillance.

2.3 Highlights of Our Year

During 2025, Kaizen Certification delivered the following outcomes:

- Regulatory readiness: Tracked policy and methodology direction, including the Future Homes Standard and HEM timeline, and mapped the impacts on scheme processes and member guidance.
- Member support: Prioritised fast, practical support for members, aimed at reducing rework and helping assessments be right first time.

2.4 Financial Viability and Stability

Kaizen Certification Ltd demonstrates its financial viability through the following measures:

Financial Performance 2025:

- Core operations were funded through membership fees and audit income.

- Financial controls and reconciliations were maintained to support timely and accurate reporting.
- The business maintained appropriate reserves to support operational continuity.
- No material changes to the business model were required during the reporting period.

Companies House Compliance:

- Annual financial accounts for the year ending 30 November 2025 will be filed with Companies House by the statutory deadline.
- These accounts are publicly available and demonstrate the company's financial stability
- MHCLG has ongoing access to view these accounts as required under SOR 1.1.3.

Operational Resilience:

- The company maintains a Business Continuity Plan which is designed to support continuity in the event of disruption.
- Operational resilience measures include backup systems, alternative working arrangements, and data protection protocols
- The plan is tested annually and updated as required

This annual report fulfils the requirement under SOR 1.1.1.i to produce and publish annual reports demonstrating financial viability and operational activities.

3. Our Scheme Strands

3.1 Overview of Covered Strands (NDEA, DEC, OCDEA)

Kaizen Certification Ltd operates accreditation scheme strands in England and Wales across OCDEA, NDEA (Levels 3 to 5) and DEC. OCDEA continues to be delivered using SAP10 while the sector prepares for implementation of the Future Homes Standard and the Home Energy Model. We have maintained a focus on clear, auditable evidence standards and consistent technical support so members can deliver compliant assessments in a changing policy environment.

Our accreditation strands include:

- Non-Domestic Energy Assessments (NDEA): Supporting Levels 3, 4, and 5 for commercial properties.
- Display Energy Certificates (DEC): Supporting operational ratings and public building transparency requirements.
- On-Construction Domestic Energy Assessments (OCDEA): Operational for SAP10 lodgements.

3.2 Accreditation Process

- Our accreditation process remains robust, with no significant structural changes in 2025. Members continue to benefit from a streamlined application process, induction support, and ongoing technical guidance. We also maintain clear escalation routes for audit outcomes, complaints, and corrective actions.

3.3 Activities and Services Provided

Throughout 2025, we focused on reliable scheme delivery across NDEA, DEC, and OCDEA. We prioritised the accuracy and usability of our tools, timely support for members, and clear communication of register and evidence expectations. Where appropriate, we signposted members to relevant guidance and maintained a consistent approach to quality assurance.

4. Operational Performance

4.1 Membership

Membership remained modest and focused during 2025. The table below summarises active membership by strand as at 31 December 2025.

Membership levels by strand (England and Wales)

Strand	Active members (year end)
OCDEA	5
NDEA Level 3/4	1
NDEA Level 5	0
DEC	0

4.2 Lodgements Overview

Lodgements and surveillance audit summary (England and Wales, 1 January 2025 to 31 December 2025)

Strand	Lodgements	Minimum audits required (2%)	Audit % (minimum)
NDEA Level 3 /4	9	1	11.11%
NDEA Level 5	0	0	0.00%
DEC	0	0	0.00%
OCDEA	8306	167	2.01%

4.3 Quality Assurance and Audit Findings

Surveillance audits are carried out in line with the Scheme Operating Requirements. Audit volumes are planned to meet or exceed the minimum 2% requirement per strand, and are targeted using a combination of random sampling and risk-based selection. The lodgement and minimum audit figures for 2025 are shown in the table above.

4.4 Disciplinary, Suspension, Revocation, or Complaint Activity

No disciplinary actions, suspensions, revocations, or formal complaints were recorded during the reporting period.

5. Challenges and Solutions

5.1 Managing the move towards the Future Homes Standard and HEM

The main operational challenge during 2025 was managing change while keeping scheme delivery predictable. The direction of travel for the Future Homes Standard and the ongoing development of HEM increased the need for clear version control, evidence expectations, and member support, especially where projects span regulatory milestones or use different calculation approaches.

5.2 EPB Register reforms and evolving EPC metrics

Wider reforms to the Energy Performance of Buildings regime, including potential changes to EPC metrics and register outputs, continued to develop through 2025. We monitored published consultations and emerging policy detail so we can adjust scheme processes, surveillance focus, and member communications at pace when requirements are confirmed.

5.3 Keeping surveillance proportionate as volumes change

Audit planning remains sensitive to lodgement volumes, which can fluctuate. We addressed this by maintaining a surveillance approach that meets or exceeds minimum SOR thresholds, while using risk-based triggers to focus resource where it has the greatest impact on consumer protection and data quality.

6. Financial Overview

6.1 Summary of the 2025 Financial Year

Revenue in 2025 was primarily driven by membership fees and lodgement activity across our active strands. We maintained a stable operating position through disciplined cost control and ongoing investment in maintaining scheme delivery and customer support capability.

6.2 Investments in Software

Investment during 2025 focused on maintaining and improving our SAP10 tooling, strengthening operational resilience, and progressing preparation work for future HEM-aligned delivery.

6.3 Plans for Financial Sustainability

Looking forward, our focus for financial sustainability is to:

- Maintain a lean operating model while protecting service quality and compliance.
- Invest selectively in HEM-aligned capability and automation that improves member experience and auditability.

7. Looking Forward

7.1 Objectives for 2026

- Progress HEM-aligned capability in line with the emerging regulatory framework, including readiness planning, testing, and member communications.
- Grow and retain membership by providing reliable tooling, clear guidance, and proportionate, well-run quality assurance.

7.2 OCDEA Development

With OCDEA established for SAP10, our next focus is to maintain a smooth experience for members during the transition period, including any HEM-related changes. We will prioritise clear processes, predictable support, and audit-ready evidence standards.

7.3 Industry Positioning

Our priority remains delivering a dependable, compliant service with modern tooling and clear support. We will continue to monitor industry direction, engage constructively with stakeholders, and focus on practical improvements that reduce friction for members while maintaining quality and consumer protection.

8. Appendices

The appendices provide additional information and resources to complement the main content of our annual report. Here, you will find a glossary of terms used throughout the document, contact information for Kaizen Certification Ltd., and a summary of regulatory compliance and scheme standards.

8.1 Glossary of Terms

NDEA (Non-Domestic Energy Assessor): Professionals accredited to assess and produce energy performance certificates for non-domestic buildings.

DEC (Display Energy Certificate): Certificates showing the actual energy usage of a building, the Operational Rating, and ways to improve it.

OCDEA (On-Construction Domestic Energy Assessor): Assessors accredited to evaluate and produce energy performance certificates for new domestic buildings.

CPD (Continuous Professional Development): Ongoing education and training to enhance professional skills and knowledge.

SAP (Standard Assessment Procedure): The UK government's methodology for assessing and comparing the energy and environmental performance of dwellings.

HEM (Home Energy Model): The government's planned methodology for assessing the energy performance of homes, intended to replace SAP over time.

Quality Assurance Framework: A set of policies, procedures, and standards designed to ensure service quality meets or exceeds customer expectations.

8.2 Contact Information

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Tel: 0330 223 6278

Email: hello@kaizencertification.co.uk

Website: www.kaizencertification.co.uk

For enquiries regarding accreditation, training, or any other services, please do not hesitate to contact us. Our dedicated team is here to assist with any questions you may have.

8.3 Key regulatory developments and public reference sources

The following public sources were used to inform the regulatory context described in this annual report:

Future Homes Standard, rooftop solar for new builds (DESNZ / MHCLG government news release, 6 June 2025): <https://www.gov.uk/government/news/rooftop-solar-for-new-builds-to-save-people-money>

Home Energy Model, replacement for SAP, and government response (DESNZ, October 2025): <https://www.gov.uk/government/consultations/home-energy-model-replacement-for-the-standard-assessment-procedure-sap> and <https://assets.publishing.service.gov.uk/media/68dd03238c1db6022d0c9f82/home-energy-model-government-response.pdf>

SAP and RdSAP updates and timing (gov.uk guidance updated May 2025): <https://www.gov.uk/guidance/standard-assessment-procedure>

Energy Performance of Buildings regime reform consultation (MHCLG / DESNZ, consultation and outcome pages):

<https://www.gov.uk/government/consultations/reforms-to-the-energy-performance-of-buildings-regime/reforms-to-the-energy-performance-of-buildings-regime> and
<https://www.gov.uk/government/consultations/reforms-to-the-energy-performance-of-buildings-regime/outcome/reforms-to-the-energy-performance-of-buildings-regime-partial-government-response>

Scheme Operating Requirements (EASOB) used during the reporting period: Level 2 SORs v1.13 (20 June 2025) and Level 1 SORs v1.5.