

# Your ESOS phase 3 compliance checklist & preparation tips for ESOS phase 4

*Act now: Deadline approaching for phase 3 ESOS compliance – 6th August*

Time is running out! The deadline to submit your notification of compliance for ESOS phase 3 is fast approaching on the 6th August. If you haven't appointed a lead assessor yet, it's not too late – we've got you! Trident has you covered every step of the way to meet the compliance deadline.

Remember, the qualification thresholds and date have not changed. ESOS still applies to all organisations (and their corporate groups) that were classed as large undertakings on 31 December 2022. For phase 3 onwards, ESOS includes additional compliance stages, including an ESOS action plan and annual progress updates.

Follow our checklist to navigate the steps for phase 3 compliance efficiently and cost-effectively. Ensuring compliance not only fulfils your legal obligations but can lead to reduced energy costs and improved sustainability.

## Here is your comprehensive checklist for ESOS phase 3 compliance:



### 1. Determine eligibility

Check if the organisation qualifies as a large undertaking:

- Employs 250 or more people, or
- Has an annual turnover exceeding £44 million and an annual balance sheet total exceeding £38 million



### 2. Appoint a lead assessor

Engage a registered ESOS lead assessor to oversee compliance and sign off the final report.



### 3. Measure energy consumption

Collect data on total energy consumption for a 12-month reference period including the Phase 3 compliance date of 31st December 2022:

- Include energy used in buildings, industrial processes, and transport
- Ensure data covers at least 95% of the total energy consumption



### 4. Identify areas of significant energy consumption

Carry out energy audits to identify cost-effective energy-saving measures. Determine areas that account for at least 95% of total energy consumption:

- Buildings
- Processes
- Transport



## 5. Conduct energy audits

Carry out energy audits for areas of significant energy consumption:

- Use site visits to gather detailed information
- Identify cost-effective energy efficiency recommendations
- Ensure audits are compliant with the minimum standards set by the scheme



## 6. Consider alternative compliance routes

Evaluate if other schemes can be used to cover some or all of the ESOS requirements:

- ISO 50001 certification
- Display Energy Certificates (DECs)
- Green Deal Assessments



## 7. Report compliance

Prepare an ESOS report:

- Document energy consumption data, audit findings, and the energy action plan
- Include recommendations for energy-saving measures
- Ensure the report is reviewed and signed off by the lead assessor



## 8. Director sign-off

Obtain director sign-off:

- Review the ESOS report with a director.
- Ensure the director formally approves and signs off on the compliance documents.



## 9. Notify the environment agency

Submit a notification of compliance to the environment agency by the 6th August 2024:

- Provide details of the lead assessor
- Confirm that the audits have been completed and findings reviewed



## 10. Develop an energy action plan

Create an energy action plan based on audit findings:

- Outline specific actions to achieve energy savings
- Set targets for energy reduction
- Prioritise actions based on cost-effectiveness and impact
- Assign responsibilities and timelines for each action

The action plan must be signed off by a board-level director (or equivalent) and submitted via the compliance notification system by 5th December 2024. Following submission of the action plan, you must submit an annual progress update against your action plan commitments in the 2 subsequent years.



## 11. Keep records

Maintain thorough records of:

- Energy consumption data
- Audit findings and recommendations
- Energy action plan
- Compliance reports and notifications
- Records should be kept for at least the duration of the following compliance phase



## 12. Implement recommendations

To improve energy efficiency and reduce costs, act on cost-effective energy-saving opportunities identified in the audits and outlined in the energy action plan.



## 13. Review and update procedures

Regularly review energy consumption and efficiency measures:

- Ensure continuous improvement in energy management
- Prepare for future ESOS phases and other energy compliance requirements

By following this updated checklist, you will be well-prepared to achieve compliance with ESOS phase 3, including the new requirement for an energy action plan and the necessary director sign-off.

# Get prepared for phase 4

*Upcoming changes are anticipated but have yet to be announced*

## Key dates

Qualification date: 31 December 2026

4-year compliance phase: 6 December 2023 – 5 December 2027

Compliance date: 5 December 2027

The headline change to the ESOS scheme from phase 3 onwards is the introduction of a mandatory energy reduction action plan designed to ensure energy assessments lead to tangible improvements in energy performance. For the first time, ESOS brings in an annual reporting requirement. Large undertakings must annually report against their action plans by the 5th of December each year leading to the Phase 4 assessment by the 2027 deadline.

There is potential for phase 4 to focus heavily on net zero. ESOS phase 4 may require organisations to consider their net zero commitments and identify the necessary actions to achieve them. This could involve creating a Carbon Reduction Plan (CRP) and reporting to meet ISO 50002 or EN 16247 auditing standards.

**Sign up for our newsletter to stay updated on the latest developments and ensure your organisation is well-prepared for ESOS phase 4. You'll receive regular updates, expert advice, and practical energy management and compliance tips. Alternatively, you can [book a call with one of our experts](#) for personalised guidance and support.**

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and stay ahead with our expert  
resources and support.**

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