A Minimum Energy Efficiency Standard for Private Rented Homes: We need tough, enforceable regulations to protect our most vulnerable citizens

A joint statement supported by:























































- Regulations must be introduced without delay to give certainty to landlords and tenants alike
- The minimum standard must be clearly specified as being EPC Band E in all cases
- Exemptions to the regulations must be kept to an absolute minimum

### **Background**

The private rented sector (PRS) is a rapidly growing part of the housing market. Of the 22.8m households in England in 2011, 4 million were privately rented (17.5% of the English housing stock). This was an increase of 1.6 million in only six years – and is the highest level since the early 1990s.

Compared with the other housing sectors, the PRS has the highest proportion (11%) of the most energy inefficient homes (those in EPC Bands F and G). By comparison, less than 2% of social housing is F & G rated. This inefficient housing contributes directly to very high levels of fuel poverty – in 2011 nearly half the households living in privately rented F & G homes were in fuel poverty. In addition, each year it costs the NHS £145 million to treat people made ill by living in these homes. Living in a cold home doubles the risk of respiratory disease in children and quadruples the risk of multiple mental health problems in teenagers.

After a widely supported civil society campaign, in 2011 the Government recognised the need for these properties to be improved and the lives of tenants living in them to be made warmer and healthier. The 2011 Energy Act placed a duty on the Secretary of State to introduce a minimum standard for private rented housing from April 2018 at the latest. Despite the level of the standard not being specified on the face of the Act, throughout its passage through Parliament Ministers repeatedly indicated that they expected the standard to be set at EPC Band E.

# Delaying the regulations will make it harder for landlords to comply

In January 2013, DECC established an advisory working group with a remit to advise Ministers on the detail of the regulations that will be needed to bring the minimum standard into force. It was expected that the group would conclude its work by last summer, that a public consultation would then be issued and that the regulations would be laid in Parliament in late 2013 or early 2014. Instead, in March 2014 the consultation has still not appeared and the regulations are likewise delayed. This delay is highly regrettable since we – along with the responsible landlords' associations – have consistently called for the regulations to be laid promptly to give landlords as much time as possible to improve their properties ahead of the standard coming into force.

### Success of the regulations should not be dependent on success of ECO and the Green Deal

The Energy Act requires landlords to make "relevant energy efficiency improvements" and states that these include improvements that can be financed by the Green Deal and Energy Company Obligation (ECO). It does not require the "relevant improvements" to bring the property up to Band E in every case. However, the Act *does* give the Government power to specify Band E in regulation, along with further eligible financing mechanisms. In our view these powers must be exercised in order to make the standard both robust and enforceable. It cannot be right that landlords are only required to do everything that the Green Deal or ECO can pay for. There is no certainty that ECO will

even exist beyond 2017, while the improvements that can be financed by the Green Deal will change over time as fuel prices, costs of measures and tenants change.

#### Unlesss Band E is specified as the minimum standard, the regulations will be difficult to enforce

We are also concerned that unless Band E is specified in the regulations, the minimum standard will be virtually unenforceable and some of our most vulnerable citizens will therefore continue to live in homes that make them ill. Unless Band E is clearly stipulated, it will lead to an administrative nightmare. Tenants won't know whether or not the F or G rated property they are being offered is illegal, or is in fact compliant with the regulations as the landlord has done everything to it that could be funded by the Green Deal or ECO. And it is impossible to see how local authorities will be able to police and enforce the minimum standard if they have to try to prove in every instance whether an F or G rated property has been sufficiently improved to be legally let or whether in fact the landlord is in breach of the law.

#### Wide-ranging exemptions would drive a coach and horses through the minimum standard

Finally, while there will clearly need to be some exemptions from the standard (e.g. listed buildings), it is important that these are kept to a bare minimum – otherwise the regulations will be too complex to understand and easy to evade. For instance there has been heavy lobbying by some vested interests for all pre-1919 buildings to be exempted from the regulations. However, with no fewer than 65% of F & G rated privately rented homes having been built before 1919, this kind of blanket exemption would drive a coach and horses through the minimum standard.

## Signed by:

Advice4Renters

Age UK

All-Party Parliamentary Fuel Poverty & Energy

**Efficiency Group** 

Association for the Conservation of Energy

**Camden Federation of Private Tenants** 

**Carbon Action Network** 

Centre for Sustainable Energy

Chartered Institute of Environmental Health

Child Poverty Action Group

Citizens Advice

**Electrical Safety First** 

**End Fuel Poverty Coalition** 

**Energy Bill Revolution** 

**Energy Saving Trust** 

**Energy Solutions** 

Friends of the Earth

**Future Climate** 

**Generation Rent** 

National Energy Action

National Pensioners Convention

**National Union of Students** 

North West Tenants & Residents Assembly

People and Planet

Shelter

10:10

**UK Green Building Council** 

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