

## Response ID ANON-W5A2-V3SJ-5

Submitted to **Domestic private rented sector minimum level of energy efficiency**  
Submitted on **2018-03-13 17:01:55**

### Introduction

#### 1 What is your name?

**Name:**

Ruth London

#### 2 What is your email address?

**Email:**

fuelpovertyaction@gmail.com

#### 3 What is your organisation?

**Organisation:**

Fuel Poverty Action

### Consultation Questions

**Question 1 Do you agree with the policy proposal under consideration here to introduce a landlord contribution element where funding is unavailable to ensure improvements to Band F and G properties can be delivered (unless a valid exemption applies)? This would be subject to a cost cap.If you do not agree, what are your objections, and how do you recommend the energy efficiency minimum standard should be achieved, given the current funding climate?**

Not Answered

**Please provide reasons and evidence where available to support your views. :**

We agree with the contribution but not with the cap.

We welcome the proposal to end landlords' exemption from meeting the EPC E rating if it would cost them money upfront. It is outrageous that existing legislation has for so long been rendered virtually useless by this exemption, especially since the demise of the Green Deal. Nearly half (45.7%) of households in privately rented F and G rated properties are living in fuel poverty. Whatever the size of their portfolio, landlords are running a business. They therefore need to meet minimum standards in order to operate in the private rented sector. Landlords have had a long period of notice, and improvement should be required on a short deadline. Homes not fit to live in are not fit to be rented out.

We do not believe there should be a cap on what landlords have to spend to meet the standard. In most cases the owners of F and G rated properties are making a killing on homes that are not fit for habitation, often in many other ways as well.

**Question 2a Do you agree that a cost cap for improving sub-standard domestic private rented property should be set at £2,500? If you do not agree, what would be the most appropriate level to set the threshold?**

I do not agree with this proposal

**Please provide reasons and evidence where available to support your views. :**

We do not believe there should be any cost cap on the requirement to prevent a rented home destroying the health and welfare of those who live there. However, if there IS to be a cap, £2,500 is ridiculously low, and an unjustifiable climb-down from the originally suggested £5,000. It is not slum landlords, but tenants who require protection.

By the Government's own impact assessment, average annual household bill savings will be £95, under the £2,500 cost cap , while they would be £188 under a £5,000 cost cap - almost double. The figures given by Richard Harrington in an answer to a recent parliamentary question on savings for improving EPC ratings are even more significant: £510 per year for households moving from F to E, and £990 per year for households moving from G to E. To lose such substantial and life-saving benefits -- and the benefit in carbon savings -- year after year, for the sake of a one-off saving to landlords would be inexcusable.

**Question 2b Do you agree that a cost cap for improving sub-standard domestic private rented property should be set inclusive of VAT?**

Not Answered

**Please provide reasons and evidence where available to support your views. :**

**Question 3 Do you agree that a cost cap should not take account of spending on energy efficiency improvements incurred prior to 1 October 2017? If you do not agree, what would be the most appropriate way of taking account of previous spending on measures which have failed to raise a property above EPC F or G?**

I agree with this proposal

**Please provide reasons and evidence where available to support your views.:**

**Question 4 Do you agree with the proposal that where a landlord contributes to the improvement, the cost cap threshold should be inclusive of any funding which can be obtained through a 'no cost' finance plan (including a Green Deal finance plan), Supplier Obligation Funding (for example, ECO: Help to Heat or a successor scheme), or energy efficiency grant funding from a Local Authority or other third parties?**

I do not agree with the proposal

**Please provide reasons and evidence where available to support your views.:**

**Question 5 Do you agree that it is not necessary to place a regulatory duty on energy suppliers, or their agents, to provide landlords with cost information relating to the value of energy efficiency improvements made to the landlord's property through a supplier obligation?**

Not Answered

**Please provide reasons and evidence where available to support your views.:**

**Question 6 Where a landlord is intending to register a 'high cost' exemption, should the landlord be required to provide three quotes for the cost of purchasing and installing the measures, in line with the non-domestic minimum standards?**

Yes

**Please provide reasons and evidence where available to support your views.:**

**Question 7 Do you agree with the proposal to limit the validity of any 'no cost to the landlord' exemptions (under Regulation 25(1)(b)) registered between October 2017 and the point at which a capped landlord contribution amendment comes into force? If you do not agree, what are your objections and how do you recommend that the minimum standard regulations be amended to ensure the energy efficiency improvements are delivered to such properties which might otherwise be left unimproved once the amended regulations came into force?**

I agree with this proposal

**Please provide reasons and evidence where available to support your views.:**

Updating this legislation is long overdue, and both tenants and the climate have been the losers. Making this work now is the responsibility of the government, which has created the problem by failing to act before now.

**Question 8 Do you have views on whether the consent exemption under Regulation 31(1)(a)(ii) should be removed from the minimum standard regulations or retained?**

**Please provide your views and support these with reasons and evidence where available.:**

**Question 9 Do you have any comments on the policy proposals not raised under any of the above questions?**

**Please provide your views and support these with reasons and evidence where available.:**

It is essential to spell out very clearly, to avoid any possible confusion or abuse of the new measures, that they in no way remove or modify the HHSRS requirement for landlords to ensure that all their homes are healthy and not hazardous. It must be stated explicitly – and, crucially, publicised -- that in relation to HHSRS it would be no defence for a landlord that they had an 'exemption' from the Energy Efficiency Regulations; and also that if the authority undertakes Work in Default to remedy a hazard, the works are undertaken at the owner's expense and costs are recoverable, if necessary by placing a charge on the property.

This should be clear whatever the property's EPC rating – i.e. including E or above. Many if not all band E properties will have Category 1 Excess Cold Hazards and hence present a significant threat to tenants health. The process of producing EPC ratings is in need of improvement, and in any case, whatever the EPC, residents may in fact be suffering from dangerous cold, damp, and/or mould.

HHSRS needs to be strengthened and fully, proactively enforced, and not in any way undermined.

Enforcement of standards, from heating to structure and the quality of new builds, depends heavily on local authorities, whose role has been severely undermined by cuts in funding. Last week the National Audit Office reported that local authorities, which get four-fifths of their funding from the Treasury, have lost 49.1% of this funding since 2010, causing spending on regulation and safety to be cut by over 30% as of 2015. Resulting disasters include both fires, and thousands of deaths from fuel poverty every winter. Now the revenue support grant to councils is due to fall much further, from £7.2bn in 2016-17 to £2.3bn 2019-20, and one council has already in effect declared bankruptcy. Neither Environmental Health nor Trading Standards officers can function without funding. And without enforcement, regulations mean little.

Not only Environmental Health Officers but tenants must have access to clear, specific and unambiguous information about their rights to a warm home, including from well-informed, well-funded law centres and advice agencies. Tenants need legal aid and security of tenure in privately rented properties to make it realistic for them to take action and bring their own homes up to standard.

We believe the standard should be upgraded to "C" without delay: the levels of fuel poverty, and excess winter deaths in the UK are inexcusable. The system of going back to the same property repeatedly to upgrade it little by little is also inherently inefficient, and compounds the waste of resources produced by targeting one home while leaving its neighbours untouched.

**Question 10a Do you have any evidence or comments regarding the consultation impact assessment (including views on any of the assumptions we have made to support our analysis), which could inform the final stage impact assessment.**

**Please provide your views and support these with reasons and evidence where available.:**

It is shocking that in their cost-benefit analysis, the Government decided not to take into account either the increase in the value of the landlord's property, or the increased ability of tenants to meet their bill payments, as a result of energy efficiency works. This omission introduces a bias against deciding against a cap on spending, or implementing a higher cap that would save lives .

**Question 10b Do you have any evidence or information on the potential for these proposals to impact on the PRS market, including any potential for landlords who are required to act by the minimum standard regulations to pass through costs to tenants after making improvements to their properties?**

**Please provide your views and support these with reasons and evidence where available.:**

We do not believe these necessary improvements would have a significant effect on rents, which are fundamentally determined by what the market can get away with.

However, we do know of some situations where bringing homes up to E standard would require a major investment that the landlords in question really could not afford. We are thinking in particular of centuries-old stone buildings in the countryside, where the owners are not primarily landlords but small-holding farmers. These rural properties can be freezing cold, and are frequently heated at great expense by oil or coal, leaving residents in fuel poverty and causing serious risk to their health. The solution is not to exempt the properties or cap the necessary spending but to ensure that legislation is accompanied by targeted financial support from the government to bring these properties – part of the UK's national heritage -- up to a living standard fit for the 21st century, where their owners are genuinely not able to do this.

**Question 10c Can you provide any evidence on the likely costs associated with the compilation of evidence in advance of registering an exemption on the PRS Exemptions Register?**

**Please provide your views. :**