

Press release: Energy upgrades for coldest privately rented homes to save billpayers £180 a year

- Landlords to be required to install energy efficiency measures in homes with the lowest energy performance ratings
- upgrades expected to save tenants an average of £180 a year on their bills
- part of the government's commitment to eradicating fuel poverty and reduce carbon emissions

Tenants living in some of the coldest homes in England and Wales are set to benefit from amended regulations requiring landlords to install energy efficiency measures, Energy and Clean Growth Minister Claire Perry announced today.

Since April this year, landlords who own some of the coldest privately rented homes have been required to improve these properties with energy efficiency measures where support is available to cover the costs. The new measures, announced today following a [public consultation](#), will go further requiring landlords to contribute to the cost of upgrades.

During 2019, properties with an Energy Performance Certificate (EPC) rating of F or G, the lowest 2 energy efficiency ratings available, must be made warmer by landlords before they can be put on the rental market for new tenancies. This is expected to cost £1,200 on average and will affect 290,000 properties, which represents around 6% of the overall domestic market.

These changes are expected to save households an average of £180 a year while reducing carbon emissions and potentially increasing property values with analysis showing the cost to the landlord would be more than offset by the increase in property value.

Energy and Clean Growth Minister Claire Perry said:

While the vast majority of landlords take great pride in the properties they own, a minority still rent out housing that is difficult to keep warm. Upgrading these homes so they are more energy efficient is one of the most effective ways to tackle fuel poverty and help bring down bills for their tenants, saving them £180 a year.

Everyone should be protected against the cold in their own home and today's announcement will bring this reality closer.

Housing Minister Heather Wheeler MP said:

I strongly welcome these new measures, which will help improve the coldest homes, protecting tenants whilst also saving them money.

This builds on our on-going work to crack down on the small minority of rogue landlords and drive up standards in the Private Rented Sector, including through our reviews of health and safety standards and carbon monoxide alarm requirements in the home.

Excess cold is by far the largest preventable cause of death in the private rented sector. It is estimated by the World Health Organisation that 30% of avoidable winter deaths are due to people living in cold homes. These can be prevented if people were kept warm during the winter months.

Most landlords will be unaffected by the changes as their properties are already compliant. Where upgrades are necessary, the average cost to improve an F or G rated property to a band E is expected to be around £1,200 – far below the upper ceiling being brought forward under new regulations. Examples of measures include: installing floor insulation, low energy lighting or increasing loft insulation. If upgrades will cost more than £3,500, landlords will be able to register for an exemption.

Today's measures will come into force during 2019 and will affect around 200,000 landlords, some of whom will still have access to a [variety of funding schemes](#). This includes support from the Energy Company Obligation scheme and local grants to bring their properties up to the required standard. These measures will help to ensure the housing and energy market works for everyone by bringing greater fairness to energy costs and making renting fair and more transparent for all.

The announcement comes weeks after the first ever [Green GB Week](#) which challenged governments, businesses and civil society to rise to the challenge of reducing greenhouse gas emissions to avoid the stark and sobering risks of climate change to health and global prosperity while the UK moves to a cleaner, greener economy.

Notes to Editors:

1. When the amended regulations come into force, to register a 'high cost' exemption where the property cannot be improved to a band E for £3,500 or less, the landlord would be required to submit three installer quotes.
2. Current regulations, which came into force on 1 April 2018, require landlords of privately rented domestic and non-domestic properties in England or Wales to ensure their properties reach at least an Energy Performance Certificate (EPC) rating of E before granting a new tenancy to new or existing tenants. Today's announcement applies to domestic properties.

3. For privately rented homes in breach of the regulations, local authorities can use enforcement measures or issue a fine which is capped at £5,000. Local authorities also have powers to issue a publication penalty which would see the details of a landlord breach published on the PRS Exemptions Register.