



## **ENERGY EFFICIENCY IMPROVEMENTS TO THE PRIVATE RENTED SECTOR**

The Private Rented Sector (PRS) Energy Efficiency Regulations will improve the energy efficiency of domestic and non-domestic privately rented properties across England and Wales.

### **What will the regulations require?**

- From April 2016, residential private landlords will not be able to unreasonably refuse consent to a tenant's request for energy efficiency improvements where Green Deal finance or subsidies are available to pay for them.
- From April 2018, private domestic and non-domestic landlords will need to ensure that their properties reach at least an E EPC rating, or have installed those improvements that could be funded using available Green Deal finance or subsidies available to pay for them, before granting a tenancy to new or existing tenants.

These requirements will apply to all private rented properties – including occupied properties – from April 2020 in the domestic sector, and from April 2023 in the non-domestic sector.

The regulations fulfil a duty in the Energy Act 2011 to improve the energy efficiency of privately rented properties.

### **What will the regulations mean for me as a tenant or landlord?**

#### **More control of energy bills and warmer homes**

- Up to 1 million domestic tenants in the private rented sector may be helped by the regulations, which is likely to grow over time as people move from property to property. The regulations are another way Government is helping consumers take control of energy bills and have warmer, more energy efficient homes.

#### **Tackling fuel poverty**

- Improving the energy efficiency of domestic privately rented property is important in tackling fuel poverty. Fuel poor households privately renting an F or G EPC rated home would need, on average, to spend around £1,000 more per year on energy to heat their homes properly compared to typical homes. This compares to around £390 for those in EPC bands E and above.

#### **More energy efficient properties**

- Investing in their properties will benefit landlords as they will own more energy efficient properties that should be warmer and more attractive to tenants.



Landlords will be required by law to have improved the energy efficiency rating of the properties they let to at least a Band E from April 2018. But we're clear there should be no upfront costs for them to do this, and the regulations provide safeguards to ensure this is the case.

### **Funding improvements**

- We have a range of funding and financing options, such as Energy Company Obligation and the Green Deal that will help support residential landlords and tenants make improvements before the regulations apply. Landlords and tenants can find out if they are already eligible for Government support schemes, such as the ECO, by contacting the Energy Saving Advice Service (ESAS) today on 0300 123 1234 or visiting [www.gov.uk/greendeal](http://www.gov.uk/greendeal).
- What's more, from April 2016, tenants will be able to request consent from their landlord to make the property they rent more comfortable, and easier and cheaper to keep warm, and the landlord cannot unreasonably refuse.

### **Where stakeholder views considered when developing the regulations?**

A public consultation was carried out between 22 July and 2 September 2014 which sought views across England and Wales on the detail of the regulations. Feedback received during the consultation about the regulations was carefully considered. All points raised by stakeholders have been taken into account when considering the final regulations design.

The Private Rented Sector (PRS) Energy Efficiency Regulations have been laid in Parliament. A press notice has been issued and is available [here](#).

The full response to the domestic consultation has been published [here](#) and the non-domestic consultation response is [here](#). The consultation responses include a summary of views received on the consultation and the Government's decisions on how the regulations will operate. The regulations will be confirmed once they have been approved by Parliament and been made into law.

### **Key Facts**

- In 2012, the domestic private rented sector in England and Wales had 4.2 million households, representing 18% of the housing stock.
- The non-domestic private rented sector has around 1.2 million hereditaments comprising 66% of the non-domestic stock (by value).
- Nearly one in ten properties fall below an "E" EPC rating in the domestic sector and nearly one in five in the non-domestic sector.