

Consultation Response

Improving the energy performance of privately rented homes

Department for Energy Security and Net Zero

May 2025

lisabel.miles@ageuk.org.uk

All rights reserved. Third parties may only reproduce this paper or parts of it for academic, educational or research purposes or where the prior consent of Age UK has been obtained for influencing or developing policy and practice.

Age UK

7th Floor, One America Square
17 Crosswall
London
EC3N 2LB
T 0800 169 87 87 F 020 3033 1000
E policy@ageuk.org.uk

www.ageuk.org.uk

Age UK is a charitable company limited by guarantee and registered in England (registered charity number 1128267 and registered company number 6825798). The registered address is 7th Floor, One America Square, 17 Crosswall, London, EC3N 2LB.

About this consultation

This consultation seeks views on the Government's proposal to amend the 2015 private rented sector energy efficiency regulations.

The current standards require properties to be at an energy performance certificate E or above in order to be let out, unless a valid exemption applies. The Government is considering options to raise energy efficiency standards and are seeking stakeholder views on the approach to new private rented sector standards.

Key points and recommendations

- Age UK welcomes the Government's strategy to improve the energy efficiency of the private rented sector and reduce fuel poverty amongst private tenants.
- The number of people ageing in the private rented sector is predicted to more than triple over the next twenty yearsⁱ and the savings to fuel costs in an energy efficient home are substantial.
- However, as the consultation document sets out 55% of privately rented homes in England in 2022 were below EPC C so this will affect a large number of homes and with different interests at play, there are likely to be issues at an individual level.
- The metrics supporting MEES should be flexible so that they can deal with advances in technology and allow pragmatic solutions on a case-by-case basis. The aim should be to embed underlying principles - reducing fuel poverty, not increasing heating costs under any circumstances, improving the living experience of tenants, maximising the impact of resources – rather than stipulating particular measures.
- Some older renters will find managing the disruption of works difficult and there is concern about increased evictions, finding alternative accommodation while work is done, higher rents for improved properties and the costs associated with accommodating works.
- Age UK would like to make sure that the detail of the potential issues that might arise as retrofit work is done is considered and support put in place to ensure that the roll out of upgrades works on a case-by-case basis.
- Longer-term we need to ensure that the Government's objective to build 1.5 million homes includes accessible, adaptable, affordable homes for older renters who currently have an extreme shortage of suitable options. The Rent Better report into the Scottish private rented sector, funded by the Nationwide Foundation, concluded that real security particularly for lower income renters ultimately comes from knowing that you can find somewhere else to live if you have to.ⁱⁱ 70% of older renters currently say that if they had to move, they would find it difficult to find a new home.ⁱⁱⁱ

About Age UK

Age UK believes every older person should be included and valued. We're working locally, nationally and internationally to change the way we age. Together with our partners, we're changing the day-to-day experience of getting older through essential services and local support. We transform older people's wellbeing in the ways that matter most to them – whether that's getting online or getting more active. Our specialist, impartial advice helps change older people's worries into answers. And our friendship services change loneliness and isolation into comfort and connection. We campaign to put older people at the heart of public policy and shift the way ageing is treated and represented.

Introduction

Age UK welcomes the Government's strategy to improve the energy efficiency of the private rented sector and reduce fuel poverty amongst private tenants. The impact of cold homes on older people is well known and recent data from an Age UK survey conducted in January shows the extent of the problem:

- 62% of private renters over the age of 66 are worried about being able to heat their home.
- 55% of private renters over the age of 66 are worried about paying the household energy bill.
- 34% of private renters over the age of 66 say that their home is cold all of the time or most of the time.^{iv}

The number of people ageing in the private rented sector is predicted to more than triple over the next twenty years^v and the savings to fuel costs in an energy efficient home are substantial. A two-bed flat with an EPC rating of A costs £503 to heat pa. The same property with the Government's proposed new target of EPC C costs £1,360 and with the existing requirement of EPC E the cost is £2,735.^{vi}

Energy efficiency retrofit is also likely to be a catalyst for other home improvements as some landlords include more general work in upgrades. With 30% of private rented households over the age of 65 living in a home which is non-decent, these measures could make a considerable difference to standards within the private rented sector.^{vii}

However, as the consultation document sets out, 55% of privately rented homes in England in 2022 were below EPC C so this will affect a large number of homes and with a number of different interests at play, there are likely to be issues at an individual level.

The target of EPC C aims to address fuel poverty and also reduce carbon emissions. The tenant and landlord may prefer different approaches to upgrades.

A heat pump may be the most carbon efficient solution, for example, but in some instances results in higher bills and can involve considerable disruption to the tenant. In some cases, radiators need replacing and all rooms therefore making good. The payback on internal or external wall insulation, as set out in the Government's guidance on MEES compliance for domestic landlords, is estimated at between 20 and 70 years.^{viii} Internal insulation brings the walls in by about six inches reducing the size of a room. The choices to be made on a case-by-case basis can be difficult and in some instances the tenant and landlord will benefit from different solutions.

The metrics supporting MEES should be flexible so that they can deal with advances in technology and allow pragmatic solutions on a case-by-case basis. The aim should be to embed underlying principles - reducing fuel poverty, not increasing heating costs under any circumstances, improving the living experience of tenants, maximising the impact of resources – rather than stipulating particular measures.

The Warm Homes programmes run by Age UK suggest that managing the disruption is likely to be a big issue for older people. Many older people opt for lower-level interventions rather than more substantial works. As one CEO of a local Age UK explained, people sometimes feel that there is enough going on day to day and substantial additional work feels overwhelming even if the longer-term benefits are evident. Some older people may find it difficult to move furniture for example or manage builders in their home. Scams are an issue. Some local Age UKs working on energy efficiency programmes say that they prefer a local authority backed scheme with a named trusted trader. Older people can find it hard to identify who to allow into their homes.

In some instances, it will not be possible to live around the works and tenants will have to move out. A recent survey conducted by Age UK showed that nearly three quarters of people over the age of 75 thought it would be difficult to move home and 29% said that they could not move even with help.^{ix}

Many older people will be concerned about finding somewhere else to go, worried about whether they will be able to return after works are done and particularly concerned about higher rents for an upgraded property.

Age UK would like to make sure that the detail of the potential issues that might arise as retrofit work is done is considered and support put in place to ensure that the roll out of upgrades works on a case-by-case basis.

The Fairer Private Rented Sector policy paper published by DLUHC in June 2022 sets out differential standards among landlords. 30% are thought to demonstrate good practice; 24% mixed compliance, 35% as meeting the legal requirements and 11% have lower compliance and awareness.^x Guidance will help in many cases, but we will also need to see some mandatory protection, better enforcement, hand holding for those who need it and funding to provide support.

Longer-term we need to ensure that the Government's objective to build 1.5 million homes includes accessible, adaptable, affordable homes for older renters who currently have an

extreme shortage of suitable options. The Rent Better report into the Scottish private rented sector, funded by the Nationwide Foundation, concluded that real security particularly for lower income renters ultimately comes from knowing that you can find somewhere else to live if you have to.^{xi} 70% of older renters currently say that if they had to move, they would find it difficult to find a new home.^{xii}

Consultation questions

1. Do you agree with the government's preferred position of using new alternative Energy Performance Certificate (EPC) metrics following EPC reform as the basis for higher Minimum Energy Efficiency Standards (MEES) for privately rented homes?

Yes.

2. Government would welcome views on options for setting future MEES against a combination of new EPC metrics. Do you agree with government's preferred approach of having a requirement to meet a primary standard set against the fabric performance metric and then a secondary standard set against either the smart readiness metric or heating system metric, with landlord discretion on which secondary metric their property meets?

Any measure needs to balance flexibility with ensuring a reduction in fuel poverty and net zero. It is important that any changes lower heating bills for tenants rather than increase them, which needs to be a baseline standard for all upgrades.

As things stand, a fabric first approach seems sensible, reducing the amount of energy required as a priority. However, the payback on some fabric measures can be low. Government guidance on MEES compliance for domestic landlords cites a pay back of between 20 and 70 years on internal and external insulation. Internal insulation also reduces the size of a room and can be disruptive.^{xiii} So we need flexibility to ensure a pragmatic solution in particular circumstances.

Flexibility is also needed to accommodate technological and market changes. If electricity prices were lower, heat pumps would do more to alleviate fuel poverty and may, for example, offer a better use of resources than some fabric initiatives.

The aim should be to engrain underlying principles - reducing fuel poverty, not increasing heating costs under any circumstances, improving the living experience of tenants, maximising the impact of resources – rather than stipulating particular measures.

4. Do you have any alternative suggestions for how government could utilise new EPC metrics as the basis for MEES, such as a single metric approach (for example, fabric or cost based?) Please provide a rationale with your answer.

See above.

12. Should government apply the PRS MEES Regulations to short-term lets? Please explain your answer.

It is important to retain supply in the private rented sector. Changing longer term lets into short term ones to avoid MEES upgrades should not be an attractive option for landlords. Energy efficiency should extend to all homes but how to achieve this needs to be considered in context of a wider strategy for holiday lets, tourism and balancing different needs. This is particularly important in rural areas where economies can be fragile and changes in a small number of lets can have a significant impact.

14. Do you think the current MEES exemptions available to landlords are suitable?

The consent exemption needs enforcing and guidance. In most instances, a tenant does not need to give a landlord access to a property for improvements and so a landlord can use the consent exemption where the tenant refuses access and the works cannot be carried out. For an older person who might find the disruption difficult this exemption is important. However, some kind of oversight and enforcement is needed to ensure that this clause is not misused, and tenants are aware of their rights. It may be that a tenant who is initially reluctant to give consent may be happy to do so if they are given appropriate support. See below on the need for properly resourced enforcement on PRS standards and support for vulnerable tenants navigating the process.

17. Is there any additional information or evidence you would like to provide on either the effectiveness of the existing PRS regulations 2015 and guidance, or interactions with other policies?

GUIDANCE

Given the number of properties which are going to be upgraded, it is important that landlords and tenants are aware of their rights and responsibilities and what is expected in certain circumstances. The current guidance deals with enforcement, exemptions, funding, measures to be taken and other factors but there is nothing on the process or interaction between tenants and landlords.

There are a number of issues that are likely to arise and best practice guidance and clarity about what is expected in certain circumstances would be helpful. Lessons can be learnt from the move to EPC E and retrofit within the social housing sector. However, EPC E applied to around 7% of privately rented homes in England and 1.2% of homes in Wales. The move to EPC C applies to 55% of PRS homes in England and 52% in Wales so the scale of the programme is significantly greater.^{xiv}

Considering case studies from the Age UK Information and Advice line, feedback from local Age UKs and the Warm Homes programmes some of the potential issues to concern older people are:

- Builders coming to homes without proper warning. No single point of contact. Concerns about trusted traders and scams.

- How to move furniture, clear up and clean after works, making good where there has been disruption and managing the project.
- Living around the disruption. How to find alternative accommodation if it is necessary to move out. Projects over running and plans having to change.
- Whether rent is still payable through the disruption. Who pays for electricity bills if builders use electricity. Breakages. Who would pay for alternative accommodation and moving costs.
- What rights a tenant might have to return to the property after work has been done and whether their rent will increase as a result of the upgrades. How this will play out against any savings from reduced energy bills.
- How to work new systems particularly smart features.
- How to find support. Who to turn to if problems arise and where necessary how to find mediation services and redress.
- How moving interacts with housing benefit, care packages and other support structures.

It is obviously easier if works are done between tenancies when a property is empty but this needs to be balanced against increasing evictions. Unless the £15,000 cost cap is uprated with inflation, there is a financial incentive to delay upgrades, and we may see a substantial proportion of upgrades happen towards the end of the period. This will reduce the supply of rented properties in a market which is already tight.^{xv} Finding alternative accommodation won't be easy and so how tenants and landlords manage the process will be important.

PROTECTION FOR VULNERABLE TENANTS

In some areas, the protection will need to go beyond guidance and be incentivised or mandatory. The landlord groupings identified by the Fairer Private Sector policy paper from June 2022 suggest 11% with lower compliance and 35% meeting the legal requirement but less likely to respond to guidance. Obligations under the new Renters Rights bill and registration with the landlord database should push more landlords into the higher compliance categories but there will remain a segment of the market where standards have to be mandatory to be effective.

SUPPORT/HAND HOLDING/FUNDING

Some vulnerable tenants are going to need significant assistance to manage this retrofit programme, and people will need to be signposted to support.

Given how stretched existing resources are, separate ring-fenced funding will be needed to support tenants, and landlords need to be more aware of what grants are available. A recent report by Independent Age found that only 38% of landlords in England were aware of existing grants and programmes available to improve the EPC rating of their properties. Only 8% had used grants. Additional research done by Citizens Advice found that 93% of landlords polled had not heard of ECO or HUG.^{xvi}

INTERACTION WITH OTHER POLICIES

The number of older people living in the private rented sector is set to rise substantially. The Pensions Policy Institute suggest that if current trends continue 17% of those in retirement in 2041 will live in the private rented sector, 1.7 million households, 1.2 million more than in 2023.^{xvii}

There is already a significant shortage of private rented homes that are suitable for our ageing population. Some older people need specific features such as few steps up to a front door, grab rails or a shower rather than a bath. Only 12% of private renters over the age of 75 have level access to their home.^{xviii} Getting adaptations in the private rented sector is not easy and finding affordable, accessible housing in good condition and in the right location is difficult. Older people are forced to compromise, and, in time, these factors have consequences for health, poverty, loneliness, isolation and dependence on formal care for daily help.

Retrofitting half of the PRS is an opportunity to improve the accessibility of our housing stock. However, achieving this will require landlords and builders to be aware of what is required, and guidance and support may need to be available to help meet the requirements.

Many walls that have been insulated internally, for example, are not strong enough to carry weight or take a grab rail. The grab rail can only be attached to a baton which sits behind the plaster at certain points on the wall. These may or may not be in a suitable place and where they are not, the wall would have to be taken down, reinforced and then the grab rail installed. Few landlords having spent £15,000 on insulation would be happy to do this.

A strategy to set out the interaction of retrofit with accessibility should be set out in advance so that we make the best use of the money spent on upgrades.

Age UK has been calling for stronger wording in the Decent Homes standard so that all renovation takes greater account of accessibility. Much can be done without additional cost. It is about recognising the issue.

ENFORCEMENT

Proper enforcement of standards will be key. We urgently need greater resources for local authority enforcement teams who are struggling with their existing workload. Older renters find it difficult to contact local authorities or relevant bodies, and cases can get lost in the system. The Government's June 2022 report into local authority enforcement found it to be largely reactive and relying on tenants to complain. It pointed to some teams with very limited capacity who could only be described as "firefighting" and most teams narrowly focused on fulfilling statutory duties.^{xix}

This retrofit programme is likely to increase the number of cases which need to be considered and must be separately financed. Older renters who may be less able to

upload images, push their own cases forward and may be fearful of the impact on their relationship with their landlord. They need proactive enforcement.

The exemption process, in particular where a tenant is deemed to have withheld consent, needs proper checks. When they first assessed their exemption register, Cornwall council found that 60-70% of exemptions were invalid.^{xx}

ⁱ [202311-the-uk-pensions-framework-final2.pdf](#)

ⁱⁱ [Wave-2-Final-Report-AE030522-for-publication.pdf](#)

ⁱⁱⁱ [Hidden renters: The unseen faces of the rising older rental wave | Independent Age](#)

^{iv} Age UK survey January 2025 conducted by Opinium

^v [202311-the-uk-pensions-framework-final2.pdf](#)

^{vi} [What's the average UK energy bill? | Property news](#)

^{vii} [English Housing Survey: Private rented sector, 2020-21 \(publishing.service.gov.uk\)](#)

^{viii} [Domestic private rented property: minimum energy efficiency standard - landlord guidance - GOV.UK](#)

^{ix} Age UK survey January 2025 conducted by Opinium

^x [A fairer private rented sector - GOV.UK](#)

^{xi} [Wave-2-Final-Report-AE030522-for-publication.pdf](#)

^{xii} [Hidden renters: The unseen faces of the rising older rental wave | Independent Age](#)

^{xiii} [Domestic private rented property: minimum energy efficiency standard - landlord guidance - GOV.UK](#)

^{xiv} UK government, 2018, English Housing Survey; Rent Smart Wales, Energy Performance Dashboard, updated January 2025

^{xv} [Rental Market Report: March 2025 - Zoopla](#)

^{xvi} [Turning the dial](#)

^{xvii} [202311-the-uk-pensions-framework-final2.pdf](#)

^{xviii} [HOUSING-ASSOCIATIONS-AND-HOME-ADAPTATIONS-small.pdf](#)

[EHS20-21 Older People s Housing - Ch2 - Tables.ods](#)

^{xix} [Local authority enforcement in the private rented sector: headline report - GOV.UK](#)

^{xx} [E3G-Report-Improving-living-standards-private-renters-England-Wales.pdf](#)