

MINIMUM ENERGY EFFICIENCY STANDARDS -

A Guide for **Landlords** and **Letting Agents**



What are the Minimum Efficiency Standards?

Since 1 April 2020, the Energy Efficiency (Private Rented Property) (England and Wales) Regulations 2015 made it unlawful to rent out a domestic property with an Energy Performance Certificate (EPC) rating of F or G - unless a valid exemption has been registered on the Private Rented Sector (PRS) Exemptions Register.

The regulations cover all relevant properties in the private rental sector, even where there has been no change of tenancy. Newport City Council has a duty to enforce these regulations.

Minimum Energy Efficiency Standards (MEES) were introduced by The Energy Efficiency (Private Rented Property) (England and Wales) Regulations 2015, establishing the minimum level of energy efficiency for new and existing tenancies in the private rental sector. This is currently an E rating.

RECENT CHANGES...

• Since April 2018

It has been unlawful to rent out a residential premises that does not reach a minimum energy efficiency standard of 'E' on a **new** tenancy.

• Since April 2019

Landlords of domestic properties with an EPC rating below 'E' must carry out up to £3,500 worth of works to improve their energy efficiency - even if they **cannot** obtain third-party funding to meet the costs.

• Since April 2020

It has been unlawful to let **any** residential property that has an EPC certificate lower than an 'E'. This applies to a new or existing tenancy.

This does not apply to rooms let by resident landlords, some HMOs, and some listed buildings.

Why were the regulations introduced?

The regulations were introduced to improve the energy efficiency of housing in the private rented sector - with the aim of reducing greenhouse gas emissions and tackling climate change.

They also provide advice to tenants to help them make their homes more thermally efficient. This is particularly helpful for vulnerable people and/or those on low incomes, so that they can live more comfortably in their homes and in a healthier environment with lower energy bills.

What is an EPC?

An EPC gives a property an energy efficiency rating. Properties rated as A are the most energy efficient and those rated G are the least efficient.

The certificate contains information about the type of heating system and typical energy costs. It also gives recommendations about how energy use could be reduced, thus lowering running costs.

Properties with a rating of between A – E are currently compliant and properties that have an EPC rating of either F or G (as shown on a valid EPC for the property) are non-compliant.

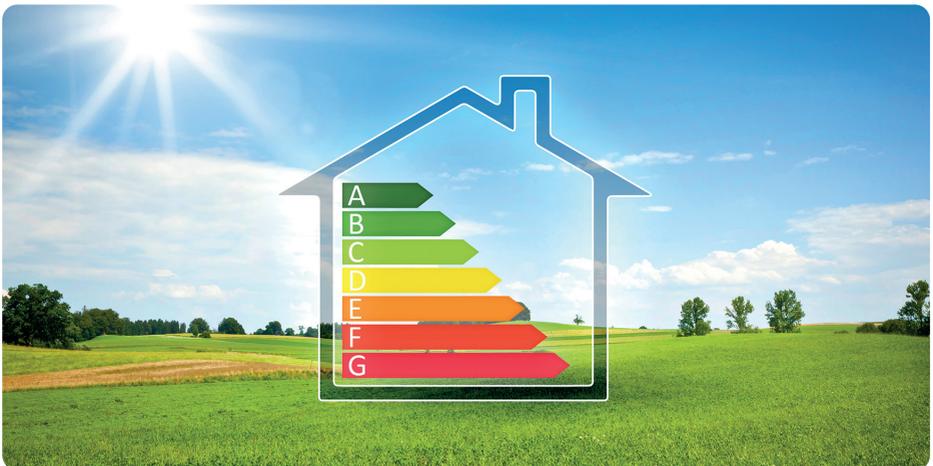
Landlords of non-compliant properties must **NOT** continue to market or let the property until it is improved to an EPC rating of E or above. Tenants must also be given a copy of the EPC.

Improvements can include:

- Boiler renewal or other heating and hot water upgrades such as air source heat pumps.
- Installation of radiator thermostats.
- Upgrade and installation of loft insulation.
- Installation or renewal of cavity wall insulation.
- Installing energy efficient light bulbs.
- Internal and/or external wall insulation.

EPCs are valid for 10 years (unless a new valid certificate is commissioned within this time) and must be provided by the owner of a property, when it is rented or sold.

In the event of significant changes to a property, landlords can commission a new EPC.



Renting out a property

Potential tenants who are considering renting a property should check the EPC, as this is likely to reveal what sort of energy bill costs might apply.

EPCs are not required for the following types of rented accommodation:

- Bedsits or room lets where there is a shared kitchen, toilet and/or bathroom (e.g. a property where each room has its own tenancy agreement).
- A room in a hall of residence or hostel.



Landlord responsibilities

If you are a private landlord, you **must** either:

- ensure your rented properties have a valid EPC with a minimum 'E' rating or
- register a valid PRS exemption on the PRS exemptions register.

Failure to do either of these is a breach of the regulations.

Exemptions

There are some exemptions from the Minimum Energy Efficiency Standard. Landlords (or their agents) must apply for an exemption as soon as possible in order to remain compliant. This will then be recorded on the PRS Exemptions Register.

What exemptions apply?

There are specific exemptions that landlords may apply for. **Six exemptions** which can be registered are:

1. **Where improvements up to the value of £3,500 (inc. VAT) have been made but the property still cannot achieve an E rating.**
2. **High cost exemption - where the cheapest improvement works exceeds £3,500 (where no low cost measures are available).**
3. **Wall insulation isn't suitable.**
4. **Third party consent has been denied - i.e. local planning authority, freeholder etc.**
5. **Property devaluation.**
6. **Six-month temporary exemption for a new landlord.**

Exemptions are time-limited and most expire after 5 years. Unlike an EPC, which stays with a property, exemptions are linked to the landlord who registered the exemption. Therefore, if there is a changeover of landlord a new exemption must be registered.

For guidance and information about exemptions visit the Government website:

[www.gov.uk/government/publications/
private-rented-sector-minimum-energy-efficiency-standard-exemptions](http://www.gov.uk/government/publications/private-rented-sector-minimum-energy-efficiency-standard-exemptions)

Registering an exemption

Exemptions can be registered on the PRS exemptions register website at

<https://prsregister.beis.gov.uk>

The role of Newport City Council

Trading Standards Officers have a range of tools to help identify and address MEES compliance in the city. Officers will identify non-compliant properties and engage with landlords and letting agents to seek an improvement that will raise the property to at least an EPC band 'E'.

Penalties

If the council confirms that a property in Newport is (or has been) let in breach of the Regulations, it can serve a financial penalty up to 18 months after the breach and/or publish details of the breach for at least 12 months.

The maximum penalties are applicable per property and per breach of the Regulations.

These are:

- Up to £2,000 and/or publication penalty for renting out a non-compliant property for less than 3 months
- Up to £4,000 and/or publication penalty for renting out a non-compliant property for 3 months or more
- Up to £1,000 and/or publication for providing false or misleading information on the PRS Exemptions Register
- Up to £2,000 and/or publication for failure to comply with a compliance notice

Maximum fine per property is **£5,000** in total.

The overall aim of the council's duty is to ensure compliance with the **Minimum Energy Efficiency Standard** for private rented properties. This will help reduce the number of tenants exposed to excess cold, reduce fuel poverty and improve the energy efficiency standards of accommodation in the private rental sector.

By working with landlords and letting agencies we can reduce the number of fixed penalty notices and/or prosecutions where non-compliance remains.

For advice and support contact Newport City Council, Trading Standards team at epc@newport.gov.uk or call **01633 656656**.

What is next for MEES?

The Government is looking at further improvements to energy efficiency in the private rented sector, including potentially increasing the minimum standard to EPC band C for new tenancies from 2025, and all tenancies from 2028.

For more information read the consultation document on the UK Government's publishing service website:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/946175/prs-consultation-2020.pdf

Useful information

- Energy Savings Trust - <https://energysavingtrust.org.uk>
- Find your home's EPC and efficiency rating - <https://find-energy-certificate.digital.communities.gov.uk>
- Government guidance on EPCs - www.gov.uk/buy-sell-your-home/energy-performance-certificates
- Green Energy Deal - www.gov.uk/green-deal-energy-saving-measures
- Newport City Council - www.newport.gov.uk/housing (*information for landlords*)
- Newport City Council - Safe, Warm & Secure - www.newport.gov.uk/documents/Housing-documents/Information-leaflet-landlord-and-developer-loans.pdf
- Nest | Eligibility www.nest.gov.wales/en/eligibility
- Simple Energy Advice - www.simpleenergyadvice.org.uk

