

# Welcome to the Retrofit Webinar Series:

Minimum Energy Efficiency Standards (MEES) for Domestic Landlords



Agenda	
Time	Speaker
12.30pm	<b>Welcome &amp; Domestic Emissions in Camden</b> Abigail Roberts, Sustainability Officer
12.40pm	<b>Minimum Energy Efficiency Standard</b> Michela Borzoni, Environmental Data Officer
12.50pm	<b>Camden Grants for Landlords</b> Abigail Roberts, Sustainability Officer
12.55pm	<b>Government changes to MEES</b> Dave Princep, RPS Consultant, LLAS/ATLAS Chair
1.10pm	<b>Question and Answer session</b>
1.30pm	<b>Webinar Ends</b>

Thursday 29 April 2021, 12.30 – 1.30pm

# Retrofit Webinar Series

Making homes warmer, cheaper to heat and more energy efficient

The '**Retrofit Webinar Series**' is aimed at residents, businesses, landlords and community groups to help provide information and tools for citizens to tackle the **retrofit challenge** and help make Camden a **zero-carbon borough by 2030**.



# Domestic Emissions in Camden

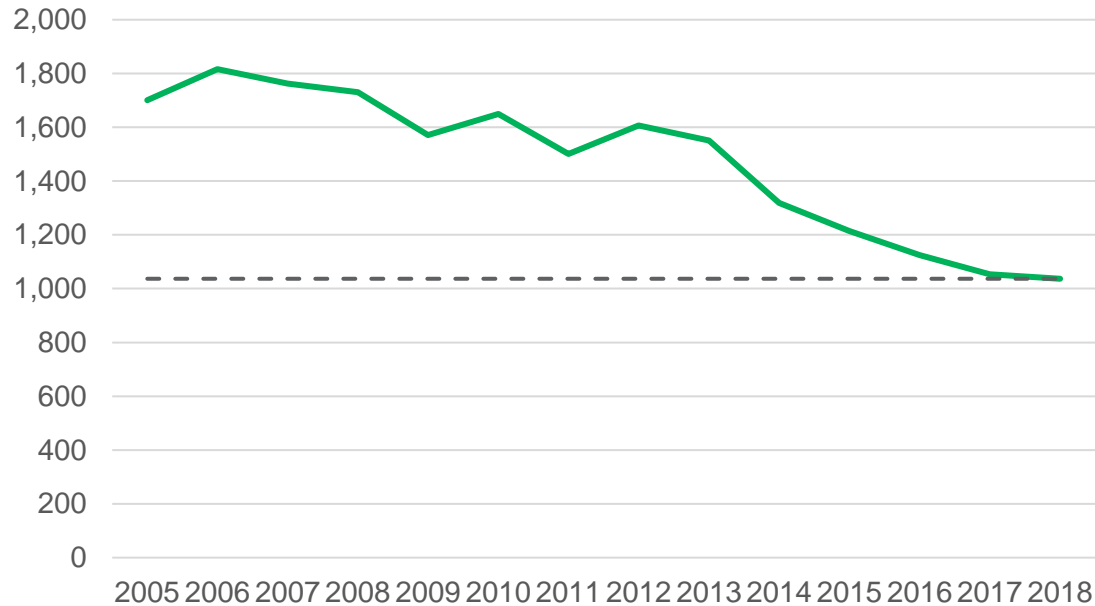


Abigail Roberts,  
Sustainability Officer

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# Borough-wide emissions / decarbonisation

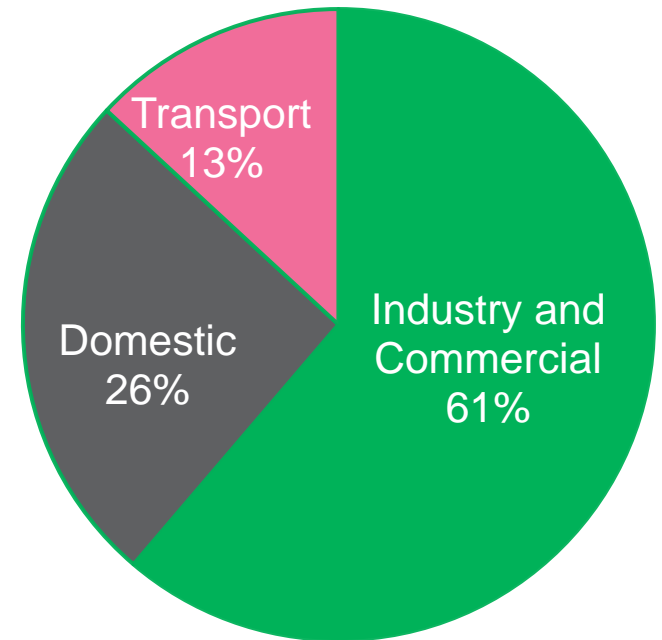
**Emissions now 37% below 2010 levels**



**Camden's borough-wide emissions**

87%

of CO<sub>2</sub> emissions arise from energy usage in buildings

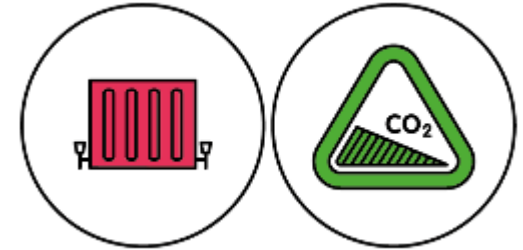


**2018 – Whole Borough CO<sub>2</sub>e emissions (BEIS) based on fuel consumption**

# Domestic Emissions in Camden

Of the **26 per cent** of emissions owing to homes in Camden:

- Approx. 100,000 dwellings (75% flats)
- 32% are privately rented ~31,721 homes

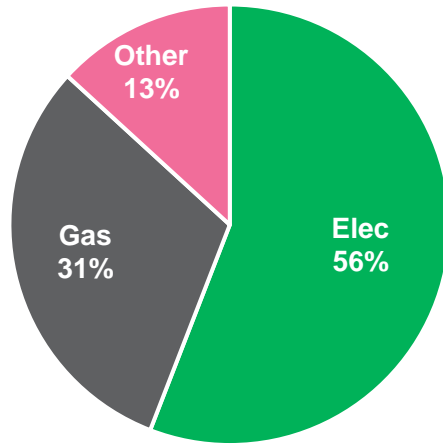


By 2030 the emissions associated with heating and hot water using a gas boiler could be up to **85%** of a household's emissions

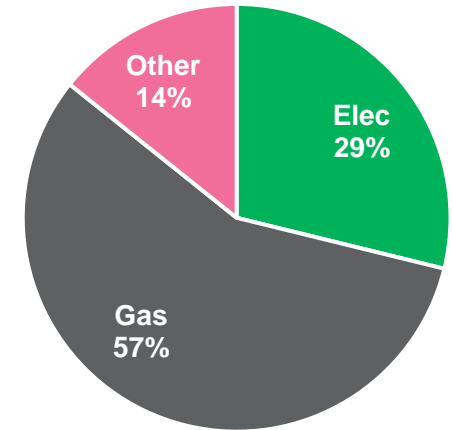
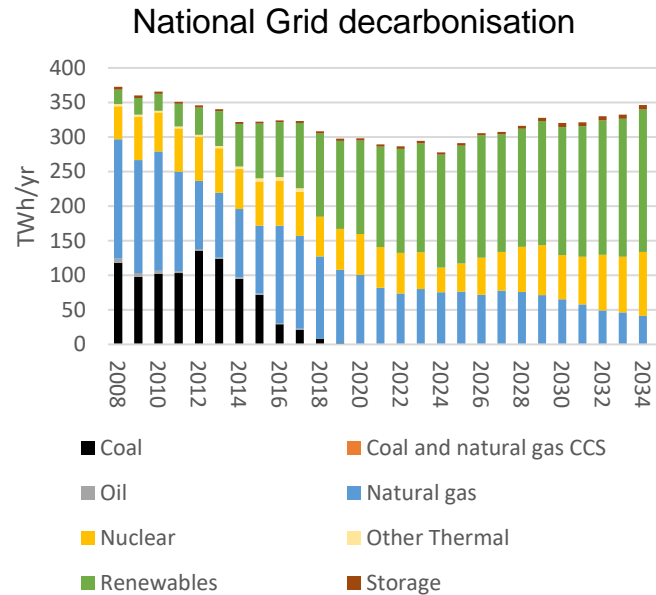
$\frac{3}{4}$  of UK homes were built before 1985 before the introduction of standards for insulation and energy performance

Retrofitting buildings can be challenging due to the age of housing stock and the high proportion of flats

# Decarbonising heat in buildings



CO<sub>2</sub> emissions by fuel use  
2005



CO<sub>2</sub> emissions by fuel use  
2030

- **Electrification of heat e.g. replace boilers with heat pumps**
- **Increase energy production from renewables**
- **Improve energy efficiency of buildings**
- Reduce heating demand

Where landlords come in...

Where tenants come in...

# Climate Action Plan

A zero carbon ambition for the borough

In 2020, deliver a Retrofit Summit for residents, businesses and community groups to develop our understanding of the retrofit challenge.

In 2020-21, collaborate with private landlords and housing associations develop a programme to ensure all rented homes in the borough (including council housing stock) out-perform the Minimum Energy Efficiency Standards defined by government.

## ZERO CARBON CAMDEN BY 2030

**People** - Everyone who lives, works, studies and visits the borough will be well informed and actively contribute to tackling the climate crisis in all aspects of their lives.



**Places** - Camden's public spaces will encourage and enable healthy and sustainable travel choices and promote biodiversity.



**Buildings** - Camden's buildings will be energy efficient, comfortable and fit-for-purpose for a zero carbon future.



**Organisations** - All organisations in Camden will operate responsibly and embed tackling the climate crisis throughout their operations.

**Camden Climate Change Alliance**



In 2021, review and extend the Camden Climate Fund to provide financial support for energy efficiency improvement and renewable energy and heat deployment with a focus on the fuel poor and community groups.

In 2020, establish a panel of experts and local stakeholders to design a new retrofit policy and programme for Camden addressing the competing priorities of issues such as energy efficiency, heritage and other Local Plan priorities. Any policy development would inform and be informed by emerging regional work on retrofit.

# What is MEEES?

Minimum Energy Efficiency Standard explained



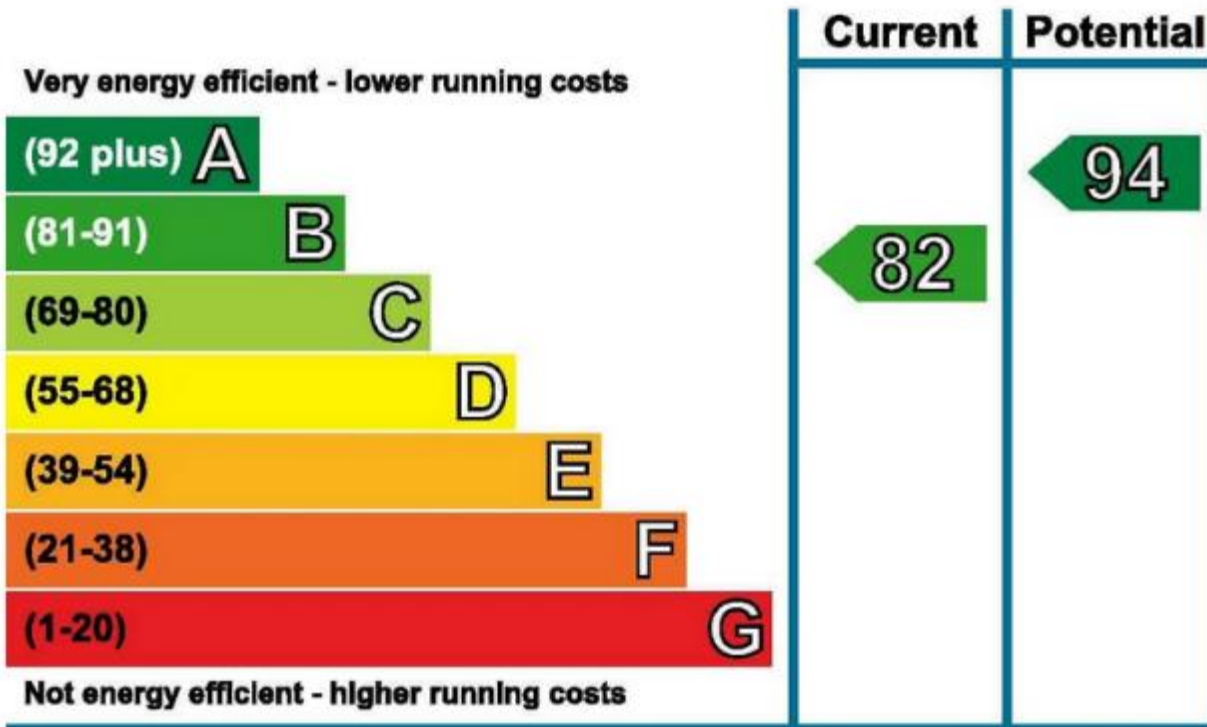
Michela Borzoni,  
Environmental Data Officer

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# What is an EPC?

## Energy Efficiency Rating



*An EPC, or Energy Performance Certificate, indicates the energy efficiency performance of a property on a scale of A – G.*

*In 2020, the average EPC rating in England and Wales is D or a rating of 60*

# EPC Ratings in Camden

EPC Rating	Number of Homes	Percentage of total number of homes
A	48	0.05 %
B	9739	10.44 %
C	33,374	35.79 %
D	35,104	37.67 %
E	11,708	12.56 %
F	2580	2.77 %
G	698	0.75 %

The table above captures all EPCs in Camden, not just those within the private rented sector, therefore it is expected that the number of non-compliant homes in Camden is a higher value.

<sup>1</sup>Based on data from 2020 from the Ministries of Housing, Communities and Local Government

<sup>2</sup>Some Camden properties do not have an EPC certificate

# What is MEES

- From 1 April, 2020, if your property is:
  1. let on a domestic tenancy (e.g. assured or regulated tenancy)
  2. legally required to have an EPC rating

it must have an EPC rating of E and above, unless a valid exemption is in place.

- Landlords are required to spend a maximum of £3,500 (including VAT) on energy efficiency improvements.
- MEES is not applicable for unoccupied properties, however as soon as the property is tenanted the property must have an EPC rating of E or above unless an exemption is registered.

# Sample Recommendations and Funding

Recommended measures	Indicative cost	Typical savings per year	Rating after improvement
Room-in-roof insulation	£1,500-£2,700	£837	E39
Internal or external wall insulation	£4,000-£14,000	£195	E45
Solid floor insulation	£4,000-£6,000	£122	E49
Increase hot water cylinder insulation	£15-£30	£142	E54
Draught proofing	£80-£120	£18	D55
Low energy lighting	£20	£21	D56
High heat retention storage heaters / dual immersion cylinder	£1,200-£1,800	£319	D67
Solar water heating	£4,000-£6,000	£57	C69
Replace single glazed windows with low-E double glazed windows	£3,300-£6,500	£123	C73
Solar photovoltaic panels	£5,000-£8,000	£287	B83

## Third Party Funding streams

- Help to Heat (ECO)  
<https://www.simpleenergyadvice.org.uk/pages/energy-company-obligation>
- Green Deal Finance  
<https://www.gov.uk/green-deal-energy-saving-measures>
- Renewable Heat Incentive (RHI)  
<https://www.ofgem.gov.uk/environmental-programmes/domestic-rhi>

# Exemptions and Enforcements

## Types of Exemptions

- All relevant improvements
- High cost
- Wall insulation exemption
- Third party
- Property devaluation
- Recently become a landlord

*It is the landlords responsibility to ensure an exemption has been registered accordingly. Local authorities reserve the right to investigate any breaches and serve compliance notices for non-compliance.*

## Enforcement proceedings

1. Compliance notice  
↓
2. Financial penalty (of up to £5,000) issues by the local authority

Reason for penalty	Penalty amount
Renting out a non-compliant property for less than 3 months	£2,000
Renting out a non-compliant property for 3 months or more	£4,000
Providing false or misleading information on the PRS Exemptions Register	£1,000
Failure to comply with a compliance notice	£2,000

# Camden Grants for Landlords

Signposting to financial support

- Landlord energy efficiency and insulation grant
- Camden Climate Fund
- Empty property grant



Abigail Roberts,  
Sustainability Officer

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# Landlord energy efficiency and insulation grant

Maximum Grant Amount	Criteria
£1,500	Per 1 bedroom or bedsit let
£3,000	Per 2 bedrooms let
£4,500	Per 3 or more bedrooms let
£15,000	Per building
<i>Whichever is the lesser amount</i>	

## Eligibility:

- Properties rated D, E or F **only**, prior to works commencing
- Member of the [London Landlord Accreditation Scheme \(LLAS\)](#)

## Eligible works:

- Loft insulation, flat roof insulation
- External cavity walls, solid walls
- Floor insulation

Further information here: <https://www.camden.gov.uk/grants-loans-landlords#kwas>

# Camden Climate Fund



Funded by Camden's carbon offset payments to provide funding support homeowners and landlords install renewable energy measures to:



- Help reduce bills
- Cut carbon emissions



## Household fund

- Match-funding up to £1,500 (to cover up to 50% of the costs)
- Renewable measures: solar PV and solar thermal
- Available until end of June 2021

## Domestic Energy Efficiency Fund

***\*New\*** launching summer 2021 to replace household fund*

- Match-funding up to £5,000 (to cover up to 50% of the costs)
- Energy efficiency measures: insulation, heat pumps, solar thermal

Further information here: <https://www.camden.gov.uk/camden-climate-fund>

Finding a contractor / installers: <https://www.trustmark.org.uk/>



# Empty Property Grant

Grant Amount	Criteria
£15,000	Per 1 bedroom or bedsit dwelling
£30,000	Per 2 bedroom single household dwelling
£40,000	Per 3 bedroom or more single household dwelling
£80,000	Per building
<i>Whichever is the lesser amount</i>	

## Eligibility:

- Property must have been empty for 12 months
- Member of the [London Landlord Accreditation Scheme \(LLAS\)](#)
- Landlords are also expected to sign a nomination agreement to the council for 3 years

Further information here: <https://www.camden.gov.uk/grants-loans-landlords#hfzr>

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***PROPOSED MINIMUM ENERGY EFFICIENCY STANDARDS  
IN DOMESTIC PRS  
2025***

**DAVE PRINCEP** BSC, LLB, MCIEH



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# TIDAL WAVE of

- EVIDENCE
- POLICY
- NECESSITY



# CURRENT ENERGY EFFICIENCY REGS

## PRS MINIMUM ENERGY EFFICIENCY STANDARDS (MEES)

### ENERGY EFFICIENCY (PRIVATE RENTED PROPERTY) (ENGLAND AND WALES)

#### REGS 2015

- Illegal to rent out a property unless rated EPC Band E or above
  - unless have entered one of “exemption” on public database

An EPC must be required by law for Regs to apply

#### Exemptions (renewed after 5 years)

- High Cost (works would cost >£3,500)
- Any necessary consents refused (e.g. freeholder, planning etc.)
- All “relevant works” completed but still below B and E
- Property likely to be devalued by >5% -RICS surveyor (e.g. room size reduction)
- New landlord (only 6 months exemption)



# GOVERNMENT'S PROPOSAL

## PRS MINIMUM ENERGY EFFICIENCY STANDARD (MEES)

Govt preferred options in consultation document issued in Sept 2020:-

- Raising minimum EPC ratings for private rented homes to B and C (*from Band E*)
  - New tenancies from 2025
  - Existing tenancies from 2028
- Increasing the landlord maximum investment cap to £10,000 a property (from £3,500) – incl VAT
- When improvement works necessary then “fabric first” – i.e. improving the building’s insulation & structure before heating or electrical systems
- Maximum fixed penalty charge to rise from £5,000 to £30,000



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# GOVERNMENT'S PROPOSAL

## PRS MINIMUM ENERGY EFFICIENCY STANDARD (MEES)

- Establish new database for all rented properties to show if each property is compliant or any exemptions
  - Cost £30 per property
  - *National registration scheme???*
- Encourage increased enforcement
  - Enable Councils to inspect properties
  - Increased penalties
  - Give tenants power to request improvements when landlord is non-compliant
  - Require a post improvement (new) EPC when energy improvement works completed
  - Allow Councils to use bulk data of EPC databases for prosecution purposes



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# GOVERNMENTS PROPOSAL

## PRS MINIMUM ENERGY EFFICIENCY STANDARD (MEES)

- Agents & Online Platforms (OP) to only advertise compliant properties.
- Landlord must provide valid EPC to agent /OP before marketing
- Give tenants right to “request” energy improvements where premises in breach
- Give tenants ability to demand redress (*damages*) where premises in breach
- Terms for Exemptions to remain the same – i.e. last 5 years, 3 quotes for cost exemption etc.



# GOVERNMENTS VIEW SEEKING PRS MINIMUM ENERGY EFFICIENCY STANDARD (MEES)

- Seeking views on
  - Should new EPC be obtained when old EPC expires.
  - Should listed buildings or buildings in conservation areas be require to have an EPC
  - What “support” PRS can provide in role out of smart meters
  - Whether Regs will need further tightening in time (*as 23% PRS will be exempt*)
  - If cost cap were £15,000 & terms tighter - (*indicating may happen in future?*)
    - *metrics*
    - *use Trustmark contractors only*





# SOME OF ISSUES WITH PROPOSALS

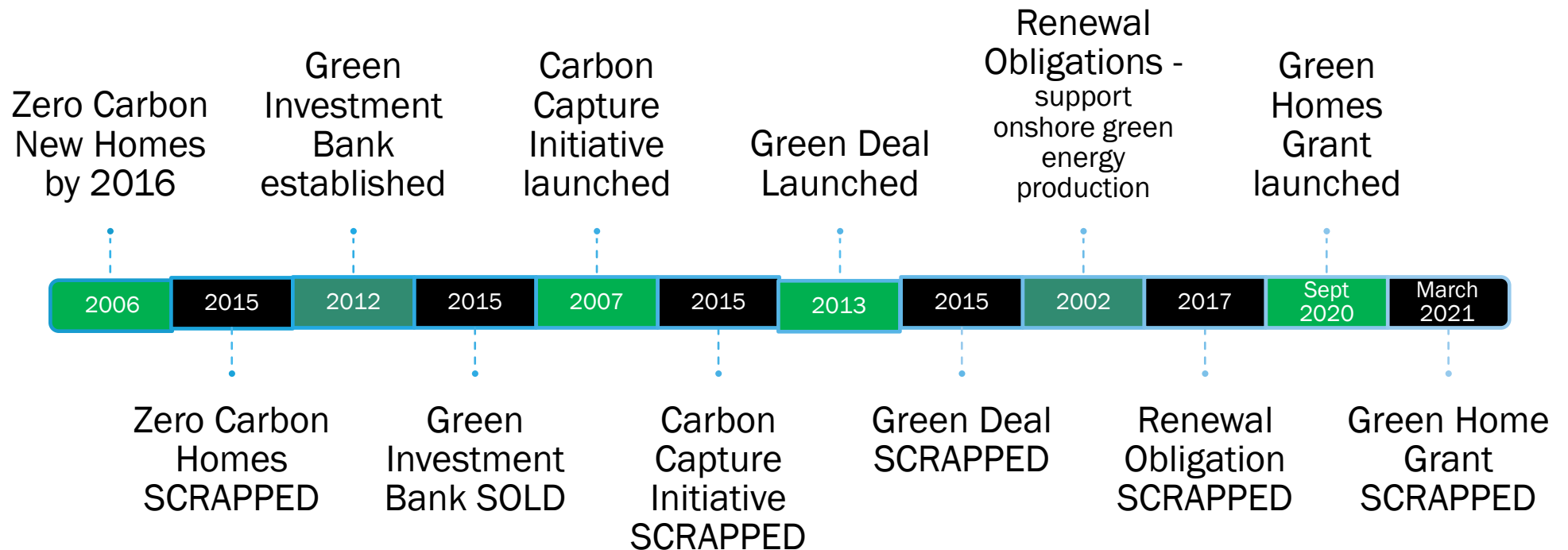
67% of PRS properties below EPC Band C ~ 3m households non-compliant (~ 13% of housing stock)

- ❑ Sufficient Contractors?
- ❑ Funding
- ❑ Sufficient time?
  - Carry out works during void periods
- ❑ EPC rating heavily influenced by fuel costs.
  - Counter intuitive to “encourage” gas heating over electric when overarching aim is reduce impact of Climate Change
- ❑ Accuracy of EPCs.
- ❑ Exemption time limit of 5 years maximum – then renewal necessary
  - Example (if £10k max spend per 5 yrs). EPC recommended works include
    - external wall insulation £9000,
    - solar heating £8,000 &
    - double glazing £5,000.

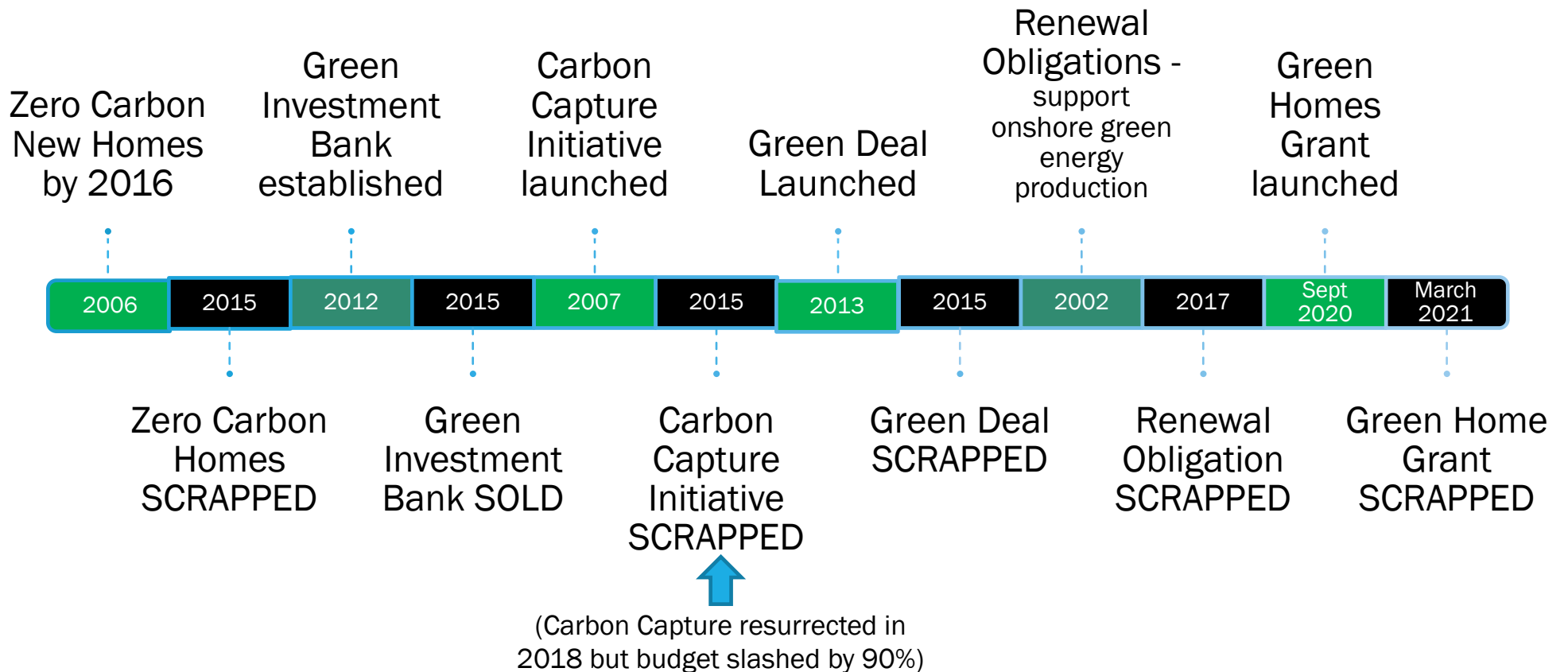


ALL works would have to be carried out over 10+ years. Would be entitled to 2 exemptions over the 10 years due to £10k cap per 5 year period

# GOVERNMENTS' HISTORY ON APPROACH TO GREEN INITIATIVES!



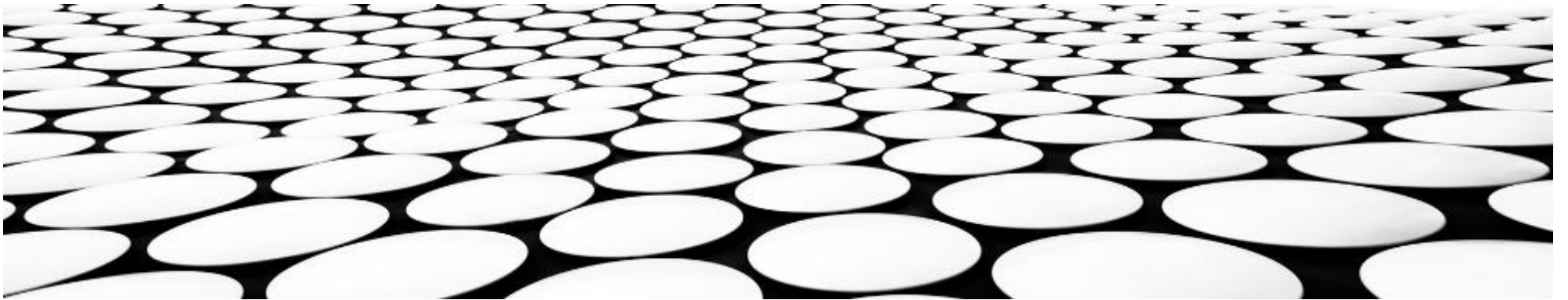
# GOVERNMENTS' HISTORY ON APPROACH TO GREEN INITIATIVES!



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# Thanks You

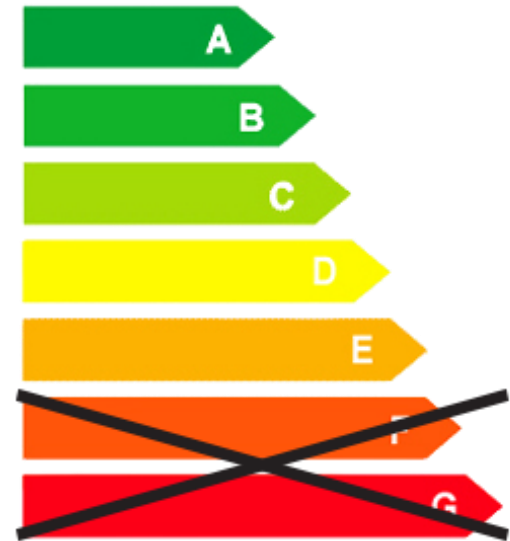
Dave Princep



# Question & Answer Session

# Closing Remarks

- Reducing emissions from the UK housing stock is incredibly challenging
- PRS accounts for 32% of Camden's housing stock, therefore landlords have an important role to play
- EPC E minimum in Private Rented Sector
- Further changes on the horizon with more ambitious EPC ratings for landlords
- Foster proactive vs. reactive approach with landlords in Camden
- Funding support and resources available



# Useful Resources for Landlords



<https://www.gov.uk/guidance/domestic-private-rented-property-minimum-energy-efficiency-standard-landlord-guidance>



Your Guide to  
Energy Efficiency in the  
Private Rental Sector



[https://www.elmhurstenenergy.co.uk/uploads/Domestic MEES Guide 2019.pdf](https://www.elmhurstenenergy.co.uk/uploads/Domestic_MEES_Guide_2019.pdf)

**Energy  
Saving  
Trust**



<https://energysavingtrust.org.uk/minimum-energy-efficiency-standards-private-rented-sector/>



<https://www.nrla.org.uk/resources/energy-efficiency>

# Thank you for joining

Keep up to date with our upcoming webinars via the Retrofit Webinar Series webpage:

<https://www.camden.gov.uk/energysavingtips#zuua>

#RetrofitWebinarSeries