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REPORT MARCH 2025

HOW TO IMPROVE LIVING STANDARDS FOR MILLIONS OF PRIVATE RENTERS IN ENGLAND AND WALES

DESIGNING A FAIR AND EFFECTIVE ENFORCEMENT STRATEGY

JAMES DYSON





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About E3G

E3G is an independent think tank working to deliver a safe climate for all.

We drive systemic action on climate by identifying barriers and constructing coalitions to advance the solutions needed. We create spaces for honest dialogue, and help guide governments, businesses and the public on how to deliver change at the pace the planet demands.

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SUMMARY

Around 7 million private renters, including 1.3 million children, live in 2.8 million poor quality privately rented homes in England and Wales. Enforcement of existing standards is undermined by a lack of resource, weak and fragmented legislation, inaccurate data and restrictions accessing it. For renters living in some of the worst homes to benefit from both stronger rights and improved energy efficiency standards, the government will need to fund and reform the existing system for enforcing standards in the sector.

This report sets out how to design an enforcement system which can fairly and effectively implement the higher standards delivered by the Renters' Rights Bill 2024, and the government's proposals to raise the minimum energy efficiency standard required of homes in the private rented sector (PRS) to the equivalent of Energy Performance Certificate (EPC) C.

Through interviews with 30 stakeholders and analysis of available data and recent research, we learned that:

- > Housing standards teams can enforce standards fairly and effectively.
- > Local councils lack the funding to protect private renters.
- > Legislation and enforcement duties for energy efficiency standards are weak.
- > Data to identify substandard PRS homes is inaccurate and inaccessible.
- > Retrofit support is incomplete and there are challenges specific to retrofitting apartments and flats.
- > Tenants are generally afraid to challenge landlords, and increased confidence in protection will take time.

Based on these findings, we make five sets of recommendations which, if carried out, would significantly improve enforcement of existing and proposed PRS standards.



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Recommendations

The five reforms needed, at national and local levels – but all initiated by the national governments in England and Wales, are to:

1. Introduce a mandatory English national landlord register and ensure Rent Smart Wales is an effective partner to local enforcement.
2. Fund the custodians of local standards via a flat fee levied when a property is listed and re-listed on the national landlord register.
3. Reform legislation to simplify and tighten the options for local enforcement against non-compliant PRS homes.
4. Commit to a five-year strategy for grant support for landlords with low-income tenants and solutions for retrofitting apartment blocks.
5. Empower tenants to take action and close loopholes which leave them vulnerable when landlords make property improvements.



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INTRODUCTION

New safety and energy efficiency standards for homes in the private rented sector (PRS) are central to the government's strategy to increase economic growth and improve people's quality of life. If fully implemented, new standards promised by the government will inject £17.5 billion of investment into local supply chains, make the indoor environment healthier for around 7 million renters, including 1.3 million children, and reduce average energy bills in the sector by £240 a year.¹

These benefits will only be felt if government delivers a fresh strategy to encourage, support and enforce compliance. Compliance with standards already in place is weak, so action will be needed to implement higher standards.

We conducted 30 interviews with stakeholders working on the frontline of enforcing standards in the PRS at national and local levels. The interviews revealed a consistent story, where professionals work to the best of their ability with limited funding and resources to apply the law. They emphasised the great numbers of poor-quality homes which the new standards will improve in their local area, but that funding a more effective enforcement framework will be crucial to implement standards.

In designing a new approach to enforcement, it is preferable, in terms of both cost and simplicity, for landlords to engage with PRS standards voluntarily. However, voluntary compliance will only work if there is also a meaningful threat of enforcement; this will be made simpler if decency and energy efficiency standards are considered jointly in the development of new legislation and by enforcement teams. Councils already have the skills to manage enforcing these standards in a way which is sensitive to tenants, landlords and local conditions.

To provide councils with the funding, data and tools needed to encourage compliance and prosecute rogue landlords, an English national landlord register should be set up, and the existing Welsh register adjusted. In tandem, local retrofit schemes must be designed to cater for PRS homes, particularly flats. Finally, engaged tenants should be empowered to ask for redress if their rented home is below standard.

¹ UK government, 7 February 2025, **Improving the energy performance of privately rented homes: consultation document**



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CHAPTER 1

WHY HIGHER STANDARDS FOR PRIVATELY RENTED HOMES ARE NEEDED

The government is right to set out on a programme of improvements which will lower millions of tenants' energy bills and improve their quality of life. Millions of tenants will benefit from more secure tenure delivered by the Renters' Rights Bill 2024. The proposals to raise the minimum energy efficiency standard required of homes in the PRS to the equivalent of Energy Performance Certificate (EPC) C by 2030 are also welcome.² However, changes to the law will only be felt by renters with a new system for enforcement at national and local levels.

Issues with the current state of the sector

Fuel poverty is on the rise

The PRS has a disproportionately high number of homes in poor condition and rising levels of fuel poverty. Since 2010, fuel poverty rates in England fell in owner occupier homes and social rent homes, but in the PRS, fuel poverty *increased* from 19% to 24%.³ In England and Wales, over 2.8 million PRS homes have an EPC below C; upgrading all of them will save tenants on average £240 a year in energy bills.⁴ New standards and a system to enforce them is the only way to lower fuel poverty and lower renters' bills.

Unsafe and unhealthy homes

Homes in the PRS are also unsafe, leading to injuries or ill health, such as falls on unsafe stairs and health conditions which are exacerbated by damp and mould.⁵ Looking just at home safety in England,⁶ around 620,000 PRS homes, or 1.5

² Consultation published by the UK government, 7 February 2025, [Improving the energy performance of privately rented homes: consultation document](#)

³ UK government, [Fuel poverty statistics](#), updated September 2024

⁴ UK government, December 2023, [English Housing Survey 2022 to 2023: headline report](#)

⁵ Citizens Advice, February 2023, [Damp, cold and full of mould](#)

⁶ Welsh data is not collected, see Senedd Research for the Welsh parliament, [Everything we don't know about housing in Wales](#), updated December 2024



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million tenants, live with the most dangerous types of health hazard. These, including black mould and freezing temperatures, cost the NHS at least £290 million per annum.⁷ The true cost is likely to be far higher: research shows 10% of the UK population experiences mould frequently, and a further 19% occasionally.⁸ Councils interviewed for this report fail most homes they inspect on the grounds of safety and decency, suggesting the true cost of poor housing to the NHS and wider economy is much higher than the official data suggests.

Insecure tenure for a more vulnerable population

The PRS is also notoriously insecure after a legacy of weak renters' rights. It is far less regulated than social housing, and decades of weak rights mean tenants know challenging their landlord to fix issues and bring their homes up to standard is risky:⁹ only 1 in 20 renters who complain to the council about poor conditions get protection from a revenge eviction.¹⁰

Low-income groups, particularly women and migrants, are the worst affected by poor standards and discrimination in the sector.¹¹ Moreover, the sector includes nearly 1 million people living with a long-term health condition.¹² In a previous briefing, we evaluated how the previous 2023 Renters' Reform Bill would have affected implementing a higher energy efficiency standard.¹³ Stronger renters' rights and more effective enforcement will be crucial to ensure higher energy standards for privately rented homes are implemented fairly.

The PRS is not benefiting from electrification

From a social perspective and to reduce emissions, the PRS needs policies to ready homes for an electric future. So far, people living in flats – many of which are rented out – have not had fair access to the benefits of decarbonisation, for instance by participating in community energy projects.¹⁴ In home retrofit, support for the PRS is incomplete and there are challenges around coordinating improvements to apartment buildings. As a result, PRS homes are also underrepresented in the number of homes which are supported by the main national energy efficiency programme, Energy Company Obligation 4.

⁷ BRE, 2023, [The cost of poor housing in England by tenure](#) (PDF)

⁸ Warm This Winter, 27 December 2023, [Millions at risk from mould in cold damp homes crisis](#)

⁹ Citizens Advice, July 2024, [Through the roof: rising rents, disrepair, and evictions](#)

¹⁰ Generation Rent, 25 November 2019, [Private renters denied protection from revenge eviction](#)

¹¹ UK CaCHE, 2022, [Housing challenges faced by low-income and vulnerable privately renting households](#)

¹² UK government, December 2023, [English Housing Survey 2022 to 2023: headline report](#)

¹³ E3G, July 2024, [A warmer, fairer private rented sector](#)

¹⁴ Regen, 6 December 2024, [Community energy for a just transition: breaking the stereotype](#)



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A policy which incentivises home electrification across all housing sectors is needed, both for this government to meet carbon budgets and to bolster UK-based heat pump manufacturing and installation. Switching to electric heating will require changes in over two thirds of homes, such as topping up insulation or installing a hot water tank.¹⁵ Early and strategic decarbonisation in the PRS will deliver a fairer and cheaper transition to net zero; this in turn will consolidate the UK's position as a global leader in the fight against climate change.

Supporting landlords to upgrade their properties will unlock further advantages: for instance, renters with electric heating can then benefit from smart tariffs and consistent heating temperatures. In certain cases, their homes may allow for electric vehicles to be charged and solar panels to be installed. Improvements and changes to homes which get them ready for net zero heating are starting now. Renters shouldn't be locked out of improvements while social rented and owner-occupier homes benefit from new technology.

Existing and proposed standards and enforcement

Requirements for homes in the PRS

The following apply to PRS homes in England and Wales:

- > The Housing Health and Safety Rating System (HHSRS), a methodology used to assess whether a home is fit to live in according to the Housing Act 2004.
- > The Minimum Energy Efficiency Standards 2015 (MEES 2015) regulations, requiring all rented properties to have met at least EPC E by 2018.
- > The Energy Performance of Buildings Regulations 2012 (EPB 2012), prescribing when a landlord must present a valid EPC.
- > Selective Licensing programmes, which councils can implement when they identify severe issues with PRS homes.¹⁶

The Renters' Rights Bill 2024 will introduce another layer to home safety and decency, by requiring PRS homes to meet the Decent Homes Standard (DHS).

The actual situation on the ground

In England, hundreds of thousands of PRS homes fall below these standards yet are rented out, the situation is slight better in Wales:

¹⁵ Childs, L. et al., 2025, **Predicting the heat pump readiness of existing heating systems in the UK**

¹⁶ UK government, December 2024, **Selective licensing in the private rented sector** (England)



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- > In England, 13% or 620,000 rented homes fail the HHSRS assessment.¹⁷
 - > In 2023, more than 140,000 privately rented homes in England and Wales had an EPC of F or G, or 2.7% of all rented homes.¹⁸
 - > In percentage terms, that situation is slightly better in Wales: between 2016 and 2024, the number of rented properties with an EPC of F or G has remained stable at around 1.3%.¹⁹

Enforcement is being hampered

Standards for housing are enforced locally by councils' environmental health teams, supported by trading standards. Their purpose is to maintain decent levels of safety and fairness in homes and businesses. Cuts to resourcing of both services mean they focus their capacity on fulfilling statutory duties and on only the most serious infringements. As a result, laws are not enforced so legislation designed to make people safer and healthier is ineffective in meeting its aims.

Lagging behind our European neighbours

The government should take confidence from the fact that other EU neighbours see the benefits of improving their PRS. The average European home is already far more affordable to heat than UK homes.²⁰ Even so, many are looking to introduce still higher standards:

- > In the Netherlands, the plan is to ban renting landlords from renting out inefficient homes in social housing from 2028 and all rental homes from 2030.²¹ Starting this year (2025), homes in this category get "penalty points" which limit the amount of rent that can be charged.²²
- > In France, the government is implementing a progressive ban on renting out the worst-performing dwellings (the so-called "decency decree").²³
- > In Wallonia, Belgium, it is now illegal to put an inefficient dwelling up for rent (since January 2025). From July 2026, new owners of inefficient buildings will have to improve their property within five years of acquisition.²⁴

¹⁷ Data is not available for Wales. BRE, 2023, [The cost of poor housing in England by tenure](#) (PDF)

¹⁸ UK government, December 2023, [English Housing Survey 2022 to 2023: headline report](#)

¹⁹ Rent Smart Wales, [Energy Performance Dashboard](#), updated January 2025

²⁰ tado°, 20 February 2020, [UK homes losing heat up to three times faster than European neighbours](#)

²¹ Atrienis, 11 April 2023, [Vanaf 2024 strafpunten voor energielabels E, F en G?](#)

²² NOS, 21 November 2024, [Aantal huurwoningen stabiel](#)

²³ French government, 8 March 2023, [Location et gel des loyers des passoires énergétiques](#)

²⁴ Mosal Immo, 27 October 2023, [Le Gouvernement wallon acte la fin des passoires énergétiques](#)



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How the PRS can be made warmer and fairer

New legislation is leading the way

The Renters' Rights Bill 2024 will strengthen renters' rights and require PRS homes to comply with the DHS. Stronger rights will also help implement the higher minimum energy efficiency standard (MEES), set in motion by the 2025 consultation on new energy efficiency in PRS homes.²⁵ Yet what is needed most of all is a suitable enforcement system to fairly and effectively monitor that the new standards are being met.

But fair and efficient enforcement will be key

As enforcement funding has been cut – alongside that for other local services – the system has become a postcode lottery. It is predominantly reactive, able to tackle only the most severe threats to tenants' health.

In terms of energy efficiency, standards are rarely enforced in both England and Wales due to funding constraints for local enforcement officers, weak legislation pertaining to energy efficiency, and inaccurate data to identify rogue landlords.

Without a change and investment in the enforcement system to implement the new legislation, renters will not see a change in the quality of their homes, improvements to their health or a fall in their energy bills.

This report offers a way forward

The conclusions in this report are based on 30 interviews E3G conducted with stakeholders working on the frontline of enforcing PRS standards at national and local levels.

The interviews revealed a consistent story, where professionals work to the best of their ability with limited funding and resources to apply the law. They emphasised the great numbers of poor-quality homes which the new standards will improve in their local area, but that funding a more effective enforcement framework will be crucial to implement standards.

²⁵ UK government, 7 February 2025, **Improving the energy performance of privately rented homes: consultation document**



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CHAPTER 2

WHAT THE RESEARCH REVEALED

This chapter sets out our research findings, focusing on the strengths, shortcomings and gaps in the existing approach to enforcing standards in the PRS. The findings can be summarised as follows:

1. Housing standards teams can enforce standards fairly and effectively.
2. Local councils lack the funding to protect private renters.
3. Legislation and enforcement duties for energy efficiency standards are weak.
4. Data to identify substandard PRS homes is inaccurate and inaccessible.
5. Retrofit support is incomplete and there are challenges retrofitting apartments and flats.
6. Tenants are generally afraid to challenge landlords, and increased confidence in protection will take time.

These findings inform our recommendations for reform in Chapter 3, with detailed tables in Appendix 1. Findings are based on multiple analyses (see Appendix 2 for details). This included a series of semi-structured interviews with officers working in 30 councils across England and Wales and consultation with sector experts and professionals. In recognition of the significant literature already available on PRS, we undertook a review of complementary literature and analysed both English and Welsh housing and public retrofit data.



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Finding 1: Housing standards teams can enforce standards fairly and effectively

Housing standards teams have the expertise to enforce PRS standards. Enforcement is skilled work that can have serious consequences if it is not managed carefully. For example, enforcement must be careful to ensure engaging with the landlord does not result in a retaliatory eviction.²⁶ It requires officers who can both navigate complex tenant–landlord relationships and understand technical information around building regulations and home safety. This research finds housing standards teams are well positioned to carry out MEES 2015. Our findings build a picture of the strengths of housing standards that suggest they will be well placed to enforce new, higher standards in the PRS.

Housing standards teams combine valuable technical with people skills

On a day-to-day basis, housing standards already assess privately rented homes when tenants flag safety risks. Their officers are trained to apply the law while liaising with both landlords and tenants when the relationship between the two parties has broken down. Training and experience are crucial when councils are forced or asked to intervene because the consequences of a mistake are severe. For example, if a council engages a landlord informally without an improvement notice, that landlord can evict the tenant, whether to avoid paying for changes or in retaliation for the tenant having reported substandard conditions.

While currently focusing on the HHSRS and safety issues, housing standards teams' technical skills are readily transferrable to assess a building's EPC. In light of the reforms proposed in the 2024 Energy Performance Certificate Reforms and forthcoming changes to the Home Energy Model, planned for this year, some additional training on energy efficiency will be necessary. But in principle Housing standards could combine safety and energy efficiency assessments, streamlining enforcement and improvement orders issued to the landlord.

Approaches must be tailored to local social and economic circumstances

Different local conditions demand different approaches, and housing standards teams can tailor strategies – as far as capacity allows – to match local conditions, e.g. the quantity and distribution of low-quality PRS homes. They can also tailor how they combine softer methods, such as letters and engagement, and hard ones, such as inspections and penalty notices. Two examples illustrate how different strategies yield results in different contexts:

²⁶ Generation Rent, 25 November 2019, [Private renters denied protection from revenge eviction](#)



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- > One District Council (which could not give permission to be named) has built a strong enforcement team to tackle concentrations of poor-quality privately rented homes. It now has a 25 strong team in environmental health and a track record of enforcing housing standards. As a result, it can pursue a no-nonsense approach to enforcement against non-compliant landlords, where rogue landlords are swiftly served improvement notices and property inspections are used regularly.
 - > Cornwall Council's MEES programme looks to assist landlords to improve the energy efficiency of non-compliant rental properties. Their approach is to start with engagement and provide landlords with a robust package of support, with enforcement as a last resort. As a result, the number of non-compliant PRS properties across the county has fallen by 65% since enforcement began.

Local awareness raising and engagement is needed to reach all tenants and landlords

Recent polling by Citizens Advice found that not all landlords stay up to date with changes to the law: 32% of landlords did not know what level the current minimum energy efficiency standard is set at. Of those who said they did know, 69% selected the wrong answer.²⁷

Housing standards teams can effectively reach landlords, which will be crucial to ensure changes to the law are understood and acted on by landlords. Councils' experience as shared with E3G is that landlords need to be communicated with directly to make them aware their properties no longer comply with the law; once engaged with by the council, the majority want to comply with the standards.

Tenants also have a role to play, and only local approaches can effectively tailor programmes so they reach people from across different communities. For instance, the London Borough of Lewisham has a high proportion of people whose first language is not English. In partnership with Lewisham, South East London Community Energy (SELCE) run a tenant engagement and support programme. The multi-lingual staff at SELCE know some tenants, refugees, for example, may have never seen or heard of an energy bill. Housing standards can undertake engagement which is sensitive to local conditions; this will be needed to implement higher decency and energy efficiency standards.

²⁷ Citizens Advice, November 2024, [Room for improvement](#)



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But more qualified professionals will be needed to enforce standards

Councils repeatedly reported they struggle to recruit to housing standards teams. For example, Oxford City Council's Residential Regulation Team are delivering a comprehensive selective licensing programme and both mandatory and additional HMO (houses in multiple occupation) licensing programmes; however, they have been struggling to hire for roles. The most senior level, an Environmental Health Officer, is required by the Chartered Institute for Environmental Health to have either an undergraduate or postgraduate degree in Environmental Health or have completed an apprenticeship working in an environmental health team. The findings suggest additional support for these career paths will be required.

Finding 2: Local councils lack the funding to protect private renters

Local enforcement of housing standards is crucial to ensure the laws made in parliament improve people's day-to-day lives. But councils interviewed for this research consistently highlighted resource as the key barrier to proactively enforcing existing PRS standards. Many told us their teams are half the size they were in 2010. Nationally, council budgets are set to become increasingly constrained so, without additional resource for core budgets, councils cannot enforce PRS standards without cutting other services.²⁸

Enforcement is restricted to statutory duties and the worst risks to health

As a result, most councils interviewed focus their limited resources on preserving life and avoiding serious injury, such as risks from fire and carbon monoxide (enforced via the HHSRS). That is because they have a clear statutory duty to protect tenants from Category 1 hazards listed in the Housing Act 2004, while the duty to enforce the MEES 2015 regulations is unclear and weak. Indeed, the two sets of regulations are not aligned.

Some councils reported enforcing energy efficiency coincidentally to HHSRS assessments. A significant proportion of poor-quality homes assessed using the HHSRS methodology fail for "excess cold", meaning the council can compel the landlord to install insulation and improve heating.

²⁸ Institute for Government, 22 July 2024, **Fixing public services: Local government**



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The current system of fines is unworkable

Councils can attempt to resource their enforcement teams by levying fines on non-compliant or rogue landlords. However, interviewees repeatedly told E3G that revenue funding from fines is currently an insufficient and unpredictable way to resource enforcement of PRS standards.

First, councils which have undertaken programmes to improve PRS energy efficiency found that the majority of landlords comply with the first notice. For example, the London Borough of Islington (not interviewed) identified and contacted over 1,000 EPC F and G homes; however, they issued only six penalties generating revenue totalling £14,500 before costs – a quarter of a mid-level Environmental Health Officer's annual salary. Councils find engagement and official warnings work, meaning enforcement will have to be funded in the main through revenue, not fines.

Second, even when landlords are issued with fines, councils reported it is still very difficult to recoup funds from them. For instance, some rogue landlords list false addresses which makes identifying them and leveraging funds difficult. Moreover, the current maximum fine of £5,000 does not reflect the work needed before a penalty notice can be issued. Many councils' legal teams are overstretched, and energy performance cases are often not a priority. Sometimes housing standards contract private solicitors to prosecute landlords, which further eats into the revenue generated by a successful penalty.

But fines still act as a useful deterrent

Councils reported fines do have a strong role as a local deterrent, even if they are not a revenue raiser. When just a handful of landlords are reported to have been fined, this encouraged other landlords to address issues pre-emptively.

Councils with comprehensive and active enforcement programmes also found issuing the most severe enforcement notice was necessary to encourage landlords with multiple substandard homes to pre-emptively bring *all* the homes up to standard. When landlords are issued with softer engagement letters, they improve properties one by one as letters arrive, rather than reviewing and improving all their homes after receiving the first letter.



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Finding 3: Legislation and enforcement duties for energy efficiency standards are weak

Resource-constrained housing standards teams are also fighting with one hand tied behind their backs due to shortcomings in the EPB 2012 and MEES 2015 regulations. Very few councils with an active strategy to improve the quality of PRS homes use either regulation. Councils do not use them because they are weak compared to the Housing Act 2004 and do not add a significant benefit to enforcement strategies.

The Housing Act 2004 shows legislation can support enforcement

The strength of the Housing Act 2004 lies in the powers it gives councils and the assessment methodology, the HHSRS. This covers multiple aspects which councils are statutorily obliged to act on, so improvements to decency, safety and warmth can all simultaneously be ordered. The Housing Act has the following strengths compared to MEES 2015:

- > There is no limit on the capital cost of improvements which can be ordered to make a home liveable and decent, while MEES 2015 has a cap of £3,500.
- > Breaches can result in a maximum fine of £30,000; MEES 2015 breaches are capped at £5,000 per property.
- > The statutory duty on authorities to mitigate risks from unsafe housing is much clearer to navigate than their duty to enforce MEES.
- > Enforcers have significant powers, including the power of entry to inspect a property, while MEES 2015 does not have such powers.
- > Its provisions are based on an assessment of the property, which can be ordered by the council. By contrast, MEES 2015 requires the presence of a valid EPC, which the council may not be able to order.

Given that the Housing Act 2004 is a comparatively strong tool for enforcement, councils have limited justification to invest money and capacity in developing a new framework and training to enforce the weaker MEES 2015 regulations.

Councils' statutory duty to maintain PRS energy efficiency is weak

The duty which requires councils to maintain energy efficiency standards is vague and unclear, according to stakeholders interviewed of this research. As



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they point out, this undermines its strength to compel action in a council.²⁹ This in turn makes it difficult for enforcement teams to justify allocating precious resources to enforcement, which means they rarely implement the energy efficiency duty. Duties to maintain safety standards are comparatively clear and specific, which compels councils to fulfil them.

Clear and defined statutory duties are, therefore, powerful tools to compel councils to enforce standards, although any new duties will require sufficient additional resources.

Legislative loopholes prevent enforcement

MEES 2015 can only be enforced for properties with a valid EPC, which millions of homes – around 40% – do not have. However, multiple gaps in the legislation mean in all too many circumstances the council cannot even ask a landlord to present a valid EPC for assessment, as set out in different legislation, the EPB 2012. Long-term lets and HMOs are often exempt from providing a valid EPC, which makes enforcing MEES 2015 for those parts of the PRS impossible. The EPB regime is currently undergoing reform, discussed in the box below, which could close loopholes but will need resource for enforcement.

2024 Reforms to the Energy Performance of Buildings regime

In 2024, government proposed a new trigger point for landlords to provide a valid EPC, that is when the previous EPC has expired. Such a requirement would be like other landlord duties, e.g. building insurance and gas safety certificates. If this requirement were to be implemented as planned in 2026, it could streamline enforcement against landlords. Note the 2024 proposals rule out enabling housing standards to enforce the EPB regulations, which is crucial to also enforcing MEES.

Responsibility for enforcing energy efficiency standards is divided

Under the EPB 2012 regulation, a council's trading standards team is responsible for making sure a landlord presents a valid EPC. However, in reality, it is housing standards, as experts in the sector, who do the day-to-day work of ensuring PRS homes meet standards. As a result, responsibility for some enforcement cases is split between the two teams, which makes the process more difficult.

²⁹ The duty is set out in Section 34(2) of the Energy Act 2011: "An enforcement authority must enforce compliance with the requirements of this Part in relation to properties in its area."



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This is an issue particularly in two-tier councils where housing standards are usually working at the district level and trading standards at the upper, county level. Local government reform in England will gradually phase out two-tier councils, however, reforms will not be completed when the higher energy efficiency standard begins in 2028. In areas that are already unitary, some councils interviewed, such as Lewisham Borough Council, have consolidated responsibility between their trading standards and PRS teams; guidance on how this can be done successfully could and should be shared.

In Wales, recent amendments to the Renting Homes (Wales) Act 2016 have confused the roles of Rent Smart Wales and councils. As a result, it is now not clear in the legislation whether Rent Smart Wales or councils are responsible for enforcement. Enforcement powers and knowledge of local housing conditions remain at the local level, and no interviewees thought that enforcement should be shifted to the national level exclusively in Wales.

The register of exemptions for property improvements is meaningless

Not all homes can reach existing or new energy efficiency standards within the MEES cost cap (currently £3,500). Therefore, a register which lists verified exemptions exists, to be fair to landlords as well as to allow government to evaluate how the policy is progressing. However, this research suggests that, in its current state, the exemptions register is inadequate to support enforcement:

- > Landlords can currently self-register an exemption, with no requirement to lodge any evidence. At the same time, councils do not have the resource, nor any statutory obligation, to check registered exemptions.
- > Landlords often do not understand the regulations. For example, a common misconception is that, if works to make a home compliant with minimum standards cost more than the cost cap, then no work at all is required.
- > As a result, a register can be full of invalid exemptions; when Cornwall Council reviewed their register for the first time, they found 60–70% of exemptions were invalid.
- > Councils must review exemptions individually which is time consuming: for example, councils reported reviewing exemptions submitted for homes which did not even feature on the EPC register.



E3G

Letting agents should be licensed and regulated to drive up standards

Letting agents could help drive up standards by vetting properties before they are marketed; 50% of landlords use one.³⁰ However, relatively weak standards in letting agencies and a lack of resourcing in local regulators (trading standards) mean agents can often list non-compliant properties without consequence.

It is up to government to introduce stricter licensing for letting agents, and eventually for other types of property markets. In October 2024, the government committed to set out a position on the regulation of property agents.³¹ This should follow from the inquiry into this subject by the House of Lords Industry and Regulators Committee.³²

Finding 4: Data to identify substandard PRS homes is inaccurate and inaccessible

Local and national enforcement will be most cost-effective if it can target the worst PRS properties by using accurate data. The data currently available is inaccurate and requires significant manipulation and cleaning to make it usable. A mandatory national landlord register in England would eventually help enforcement teams access the data they need; however, progress in Wales indicates it will take time to fully saturate the database.³³ It took four years for most rented homes to be registered on Rent Smart Wales, though it did not use any financial incentives, only engagement.³⁴

Building on research already undertaken for government

Government has already commissioned two pilot studies of compliance and enforcement of minimum energy efficiency standards in the PRS, both of which were managed by the Centre for Sustainable Energy (CSE), they are explored further in the box below.³⁵ According to this research, the issue lies in the poor quality and coverage of EPC data and in the difficulty of accessing other datasets to cross reference and identify PRS homes.

³⁰ UK government, December 2024, **English Private Landlord Survey 2024: main report**

³¹ Hansard, 28 October 2024, **Property Management Services**

³² UK parliament, Industry and Regulators Committee, 2024, **Inquiry: The regulation of property agents**

³³ Centre for London, 24 May 2023, **Licence to Let: How property licensing could better protect renters** (Chapter 3: Licensing and the national landlord register)

³⁴ E3G analysis of Rent Smart Wales, 2025, **Registration Dashboard**

³⁵ CSE, July 2022, **Compliance & Enforcement of MEES in the Private Rented Sector**. *Both pilots have been completed but only the findings from the first have been published by government.



E3G

CSE Pilots: Testing local enforcement in the PRS

CSE manages a programme where 19 councils across England and Wales were funded to develop and test approaches to enforcement of the PRS MEES 2015 regulations. The lack of accurate data for landlord and property identification made the first stage of enforcement resource-intensive and time-consuming. Councils participating in the pilots tested different approaches to matching datasets which would identify liable properties and landlords.

The pilots also gleaned lessons on gaps in the MEES 2015 regulations for the PRS, on how GDPR limited enforcement and how the structure of enforcement teams could hinder progress. During the pilots, CSE co-produced a toolkit to provide guidance for PRS enforcement which is now available to all local authorities in England and Wales (on the CSE website).

Data protection holds councils back from enforcing energy efficiency standards

Councils have access to a number of different datasets. However, access to them is often restricted, whether by legislation or by council-internal data sharing policies, which can prevent housing standards teams from using data. For instance, council tax, tenancy deposits, Universal Credit and benefits datasets can all be cross-referenced with EPC data to identify liable landlords. However, access to these datasets is restricted by GDPR laws.

Indeed, the largest single dataset on PRS homes is held in the Universal Credit scheme; recipients must list their housing tenure and address; around 30% of all PRS tenants at any time are in receipt of this benefit. The data is held by the department for Work and Pensions, who do not share the data for enforcement. When the national landlord register is introduced, national-level enforcement could cross-reference the Universal Credit data with the register to quickly review whether that third of PRS homes have been registered.

Likewise, access to tax and deposits data is controlled within a council, and most do not permit using it for MEES enforcement, as described in the box below, policies vary between different councils. The picture is complicated because the law allows both datasets to be used for enforcement of standards relating to the Housing Act 2004 (Section 237), but this does not include energy efficiency. This issue is not rectified by the Renters' Rights Bill 2024.



E3G

Data sharing is problematic, between two-tier but also within authorities

One county council's climate change team set out on a project to identify inefficient PRS homes, starting with one district. However, when the county asked the district to share relevant datasets, the latter declined on the grounds of GDPR.

The county council instructed a lawyer to ask the Department for Work and Pensions (DWP) to clarify whether benefits data could be shared between county and district. The DWP clarified it would not be a breach to share the data between the councils, but did not positively endorse the sharing either. After receiving this response from the DWP, the district continued to decline the county access to the data.

This issue is particularly acute in two-tier councils, although the research also heard examples where strict information sharing policies meant data would not be shared even within a unitary authority.

EPC data is inaccurate, but some councils have made it work

EPC data available to councils contains considerable inaccuracies due to the quality of the assessments and the time lag between an EPC expiring and a new one being uploaded. Councils discussed their distrust of EPCs, which they consistently found did not match with properties. In the long term, EPC reform currently being considered could improve both individual EPCs and collective large datasets. However, the reforms will take a while to filter through for any meaningful improvement to help with local compliance and monitoring. National and local enforcement will continue to rely on existing datasets for at least four years after the national register is implemented.

Some councils interviewed, including the London Borough of Newham (as described in the box below) and Cornwall Council, have successfully used EPC data to identify and engage PRS homes below EPC E. Although the approach is not perfect, these councils have shown it can be successful. However, these strategies do require council capacity and policies which allow data sharing between council teams, or councils in two tier areas.



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Successful enforcement of EPC E in Newham

After three years of enforcement from 2021 to 2024, Newham now has no identifiable private rented properties without a valid exemption. Newham cross-referenced EPC and council tax data and sent enforcement notices to landlords, who complied; as a result, properties were improved by either £3,500 or to meet EPC E standards.

Over three years of enforcement, 800 liable landlords were engaged, 180 of whom were sent penalty notices. Compared to other councils, Newham has significant capacity due to introducing borough-wide selective licensing which provides the housing standards team with a source of stable revenue.

Finding 5: Retrofit support is incomplete and there are challenges retrofitting apartments and flats

To make enforcement of the new standards in the PRS both fair and effective, councils interviewed for this research also stressed the need to make accessing retrofit advice and support easier for landlords.

Far more homes will need to be retrofitted

Compared to when the previous target of EPC E was introduced in 2018, the standard of EPC C proposed in the current consultation affects far more properties. EPC E applied to around 1.2% and 7% of privately rented homes in Wales and England respectively.³⁶ The new energy performance standard set out in the 2025 consultation, if confirmed, will apply to a far larger proportion of homes: around 52% and 55% of Welsh and English homes.

Around 2.8 million PRS homes in England and Wales will need improvements to meet the new energy efficiency and safety standards. This will prompt a significant increase in the number of home retrofits undertaken. Every council officer and expert engaged for this research underlined this would require a huge change in their local area. As a result, national government would do well to create a comprehensive system which supports landlords to make the required changes, which should include finance and advice, as well as coordination when works are carried out on apartment buildings.

³⁶ UK government, 2018, [English Housing Survey](#); Rent Smart Wales, [Energy Performance Dashboard](#), updated January 2025



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New standards will increase landlords' interest in grant support

With so many homes in the PRS below the new standard, energy efficiency improvements will require around £17.5bn of investment.³⁷ The current level of private investment in efficiency upgrades is uncertain; best estimates indicate spend on insulation across all housing is around £1bn.³⁸ Therefore, total private investment in energy efficiency across all sectors will need to increase substantially from less than £1bn a year to meet the £17.5bn investment needed and the number of homes retrofitted a year would increase sevenfold.³⁹

Together, the Renters' Rights Bill 2024 and new energy efficiency standards, especially if supported by meaningful enforcement, are likely to increase landlords' interest in any grant support available to support this level of investment required. PRS homes are currently underrepresented in the UK's main fuel poverty alleviation schemes: just 14% of upgrades under the main fuel poverty programme – Energy Company Obligation 4 (ECO4) – go to PRS homes, despite them representing 18% of the housing stock and having disproportionately high levels of fuel poverty.⁴⁰

A higher energy efficiency standard would likely increase landlords' interest in these grants. The terms of the ECO4 grant are currently generous to landlords, and stakeholders argued government should transition from relying solely on grant support for landlords with low-income tenants to making the existing grants go further with landlord contributions and low-interest loans (which require a significantly smaller public subsidy than grants do).

Retrofitting of flats in the UK has decreased significantly

Grant support through ECO has always seen less take-up for treating flats, as illustrated in Figure 1 (see next page). However, when ECO4 began, the number of flats as a proportion of all homes supported declined significantly and more grants went on houses, which were predominantly larger, off-grid homes.

³⁷ E3G analysis of UK government, December 2023, **English Housing Survey 2022 to 2023: headline report**

³⁸ E3G analysis of Office for National Statistics, **Output in the construction industry**, data released January 2025

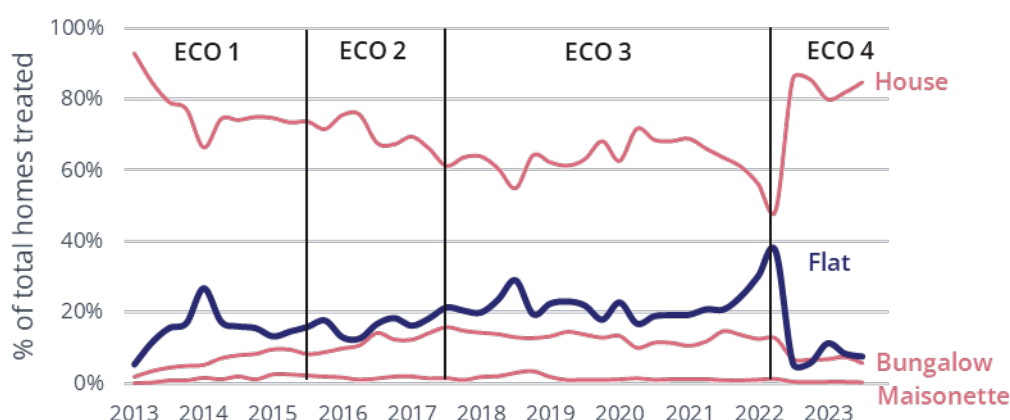
³⁹ E3G analysis of the November 2024 releases of: **Household Energy Efficiency Statistics, Social Housing Decarbonisation Fund Statistics, Green Homes Grant and Home Upgrade Grant Statistics, Boiler Upgrade Scheme Statistics**; E3G analysis of: **UK Autumn Budget 2024** and Office for National Statistics, **Output in the construction industry**, data released January 2025

⁴⁰ UK government, **Household Energy Efficiency Statistics**, data released January 2025



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Types of homes helped under the Energy Company Obligation (ECO)



Source: UK government Household Energy Efficiency Statistics, headline release 2024



Figure 1. Policy design has made it more difficult and less profitable to retrofit flats

Currently, England and Wales have no strategy or policy to support improvements in flats. This will be crucial, as will a legal and social framework for apartment buildings to make collective decisions; this does not exist in England and Wales, although there is one in Scotland.⁴¹

Finding 6: Tenants are generally afraid to challenge landlords, and increased confidence in protection will take time

While councils offer the main avenue to enforce standards in the PRS, in some cases, tenants themselves could be empowered to help enforcement: they are in a prime position to check their properties meet standards and hold their landlord to account if necessary.

The current system for tenants to report issues is not working

The existing routes available for tenants to report substandard conditions are not resourced or require time and expertise many will not have. Tenants can already approach their housing authority to ask landlords to ensure homes meet standards. However, councils' tenant liaison officers are often too busy to help

⁴¹ Energy Saving Trust, November 2024, [Energy renovation of multi-apartment buildings in Europe](#)



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because they are already supporting tenants affected by illegal and no-fault evictions.

Tenants can also seek a Rent Repayment Order (RRO) when their home falls below certain standards, e.g. an HMO is let without a licence. However, the technical knowledge required to identify this, coupled with risk of subsequent eviction or rent hikes, means most tenants cannot realistically challenge their landlord on either of these grounds.

Most tenants are also unaware of PRS energy efficiency standards; in the last year, Essex County Council received 20,000 complaints from tenants, only five of which related to their home's energy efficiency.

Concerns remain even once the Renters' Rights Bill has passed into law

Renters' rights are currently weak so tenants rarely feel they can challenge their landlord over cold and damp living conditions. Though the Renters' Rights Bill will improve this, landlords will still have free rein to increase rents after a contract has expired; this could be used to force tenants out of accommodation after a complaint. Stronger renters' rights will also take time to be understood and felt by tenants even once the bill has become law.

There is also no condition in the government grant schemes which stops a landlord from evicting a tenant (directly via a Section 21 notice or other, or via an unaffordable rent increase), directly after their property has been improved. As more PRS properties are improved to meet the higher standards, this is a risk.



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CHAPTER 3

RECOMMENDATIONS FOR THE GOVERNMENTS OF ENGLAND AND WALES

Based on the research findings we recommend five policies to make implementation of new standards fair and effective. These policies aim to support the most cost-effective and impactful approach to achieving the new standards in PRS homes, using both national and local approaches to enforcement.

The first policy should be to develop a national landlord register for England which will encourage voluntary compliance and help councils identify non-compliant landlords. Crucially, the register should include a levy on landlords to provide a consistent source of revenue for enforcement, during this parliament and beyond. In Wales, the role of Rent Smart Wales needs to be clarified.

Second, funding for the custodians of standards locally, as well as for the register, is key: over the four years from 2026, we estimate local enforcement teams will need around £1bn in additional revenue to step up their efforts to make sure new and existing standards are met. The fee should cover the register's administrative costs as well as local enforcement efforts: for a four-year licence, we suggest a minimum of £200 per rental property should be levied: £150 per property for local enforcement and £50 to fund the national register. Similar funding levels should be continued after 2030 or increased.

Third, to enable housing standards teams to do their jobs effectively, they will also need significant legislative reform. The aim here is to simplify and tighten the options for local enforcement of non-compliant PRS homes.

Fourth, grant funding for landlords which more effectively supports retrofitting of PRS homes is key. To be effective, grant funding should follow a five-year strategy for grant support for landlords with low-income tenants as well as targeted solutions for retrofitting apartment blocks.



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Finally, tenants themselves can play a role in improving the sector, with increased renters' rights and support to use them where needed. Empower tenants to take action and close loopholes which leave them vulnerable when landlords make property improvements.

Detailed policy recommendations in the next section are supplemented by tables in Appendix 1 setting out the practicalities of implementation.

1. Introduce an English landlord register and clarify Rent Smart Wales's role

In England, a mandatory national landlord register would encourage voluntary compliance; it would also give councils data to identify and engage non-compliant landlords; finally, it can be used to levy a consistent revenue source for enforcement. Given its many advantages, the register should be consulted on and designed as soon as is feasible. For how it can be funded see the second recommendation.

Detailed recommendations for this policy are set out in **Table 1** in Appendix 1.

Key principles for designing a national landlord register for England

The government in England should introduce a register run by a national body responsible for activities that are delivered most effectively centrally (e.g. national advertising campaigns for landlords and tenants, sharing data with enforcement teams). Based on the research, design of the landlord register would best be based on the following core tenets:

- > Nationally managed; embedded economic inequality between England's councils and regions means the essential work of maintaining the register would likely be inconsistent if updating it was entirely a local responsibility.⁴²
- > Crucially, the register will need to be integrated with existing national and regional landlord registers and licensing schemes, and fully accessible by – and free to – councils for enforcement purposes. A central body can work across government departments on financial incentives and data sharing, which is more complicated when delivered locally.

⁴² Grant Thornton, 29 February 2024, **Regional inequalities in England weakening councils' financial resilience**



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- > The register needs to be mandatory for landlords, with a strong incentive or sanctions to drive registrations. For example, government could require landlords to present a registration index number when they claim repairs and maintenance costs off their annual income tax bill.
 - > Operationally, the body tasked with the register should prioritise saturating the database. Even if registration will be mandatory, government should anticipate it will take time to saturate the register, as the Welsh experience shows where it took four years. To encourage uptake after launch, requirements to register a property could be flexible (e.g. require only a valid EPC, including below the current standard of EPC E). This is the approach taken in Rent Smart Wales, where an EPC is submitted but not checked.

Reforms to make the most of the Welsh landlord register

In Wales, the government should clarify where responsibility for enforcement of PRS standard lies. Recent changes to the Renting Homes (Wales) Act 2016 have made it unclear where responsibility for enforcement of PRS standard lies: with Rent Smart Wales or with councils.

Based on the findings of this report, responsibility for enforcement should lie with councils, with Rent Smart Wales focusing on data analysis, nation-wide awareness-raising campaigns and sharing best practice with enforcement teams. The option to opt out of the Welsh EPC register should be removed, and data on historic opt outs should be made available to council enforcement teams.



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2. Fund the custodians of local standards via a flat fee levied when a property is listed and relisted on the national landlord register

Local enforcement of PRS standards will be crucial to ensure standards are implemented fairly and effectively, so councils will need to be funded sufficiently.

Detailed recommendations for this policy are set out in **Table 2** in Appendix 1.

Key principles for effective local enforcement

As shown by the research, effective local enforcement will require the following:

- > Councils will need ring-fenced funding of around £1bn over the first four years,⁴³ levied on landlords via a flat fee for each property on the national register. The fee should cover the register's administrative costs as well as local enforcement efforts: for a four-year licence, we suggest a minimum of £200 per rental property should be levied: £150 per property for local enforcement and £50 to fund the national register. Based on current PRS statistics, this would levy around £1bn for enforcement and running the national register.
- > Landlords should also be charged £100 minimum when they register and re-register a property to the MEES exemption register.
- > A clearer and stronger statutory duty for local authorities will help on enforcing MEES *as long as, and only if*, new funding is made available.
- > In addition, the maximum penalties for non-compliance with MEES should be increased. Although revenue raised from such fines is insufficient to start or consistently deliver MEES enforcement, it is a strong local deterrent. Fines should be commensurate with the amount needed to cover the cost of pursuing rogue landlords.
- > Training in how to deliver MEES ought to be offered for housing standards teams, and a drive started to recruit more people into skilled roles in the teams which includes more support for apprenticeships.

⁴³ Estimated using data from interviews with local authority staff, the English Housing Survey (2022 to 2023) and EHN Jobs, 2025, **Search environmental health jobs**. Assumptions include: (1) The cost per Environmental Health Officer, with varying levels of seniority; (2) The proportion of PRS properties below standard which will require enforcement through engagement or prosecution; (3) The revenue which local enforcement teams can generate from fines (which is very minimal); and (4) The administrative cost of a national landlord register.



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3. Reform legislation to simplify and tighten the options for local enforcement against non-compliant PRS homes

Stronger and more consistent legislation will be crucial to encourage voluntary compliance by landlords, help local enforcement create a deterrent and to prosecute rogue landlords where necessary.

Detailed recommendations for this policy are set out in **Table 3** in Appendix 1.

Key reforms to PRS legislation and regulations

As set out in the 2025 MEES consultation, secondary legislation should introduce higher standards for all PRS homes by 2030 backstop and for new tenancies which fall below standards after 2028. To support this, the following additional reforms identified as important by our research are needed:

- > The 2024 Consultation on EPC Reform proposals should be picked up and implemented as soon as possible, particularly a new trigger point for the landlord to present a valid EPC. This also presents an opportunity to issue guidance clarifying the roles of trading standards and housing standards, considering how responsibility for enforcing standards can be merged and streamlined.
- > The MEES 2015 exemption register must be strengthened, including making submitting false or misleading evidence to the register subject to a fine. In addition, councils should be allowed to levy a small fee of at least £100 when a landlord submits an exemption (see Recommendation 2).
- > The ongoing review of the Department of Health and Social Care should be concluded and guidance shared with councils as soon as possible.
- > To help with ensuring standards are met, a licensing scheme for letting agents and online platforms should be introduced and the maximum fine for listing incompliant properties increased.



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4. Commit to a five-year strategy for grant support for landlords with low-income tenants and solutions for retrofitting apartment blocks

The governments in England and Wales should set out a strategy which will help landlords and supply chains plan investment, leverage economies of scale and navigate complex home improvements.

Detailed recommendations for this policy are set out in **Table 4** in Appendix 1.

Key elements of a strategy to enable PRS retrofits

Based on our research, this strategy should cover the following points:

- > It needs to set out how it will adapt and evolve as the need for PRS retrofit increases leading up to 2030.
- > It will have to set out a package of finance, advice and support to ensure landlords can upgrade homes to the standards required.
- > In developing it, it needs to be understood how councils with established retrofit programmes could identify areas with high concentrations of PRS homes and coordinate improvements in that area.
- > In both England and Wales, national support should be developed to help all landlords pay for upgrades. The package should include a low-interest loan for home upgrades in all homes, and a grant for enabling works which may be needed to accompany installation of an air source heat pump.
- > In Wales, the flagship council-led retrofit scheme for low-income households closed in 2022 and has not been restarted since. The Welsh government should introduce new funding for a replacement scheme so Welsh councils can develop a scheme to deliver area-based retrofits which is designed so that landlords with low-income tenants can easily access the scheme.



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5. Empower tenants to take action and close loopholes which leave them vulnerable when landlords make property improvements

The national landlord register and strong local enforcement this report calls for should be the main elements of moves to enforce higher standards in the PRS.

However, tenants should also be empowered to hold landlords to account where necessary and protected from unfair evictions and rent rises. For most tenants, successfully levying an RRO against a landlord will not be an option, as set out above. Still, it can encourage compliance if landlords understand there is a risk that tenants could recoup rents for PRS homes that fall below required standards.

Detailed recommendations for this policy are set out in **Table 5** in Appendix 1.

Key elements of empowering tenants in below-standard PRS homes

The following would help deliver a comprehensive set of measures to deliver the improvements needed in the PRS:

- > Government could introduce RROs also for homes which fall below the MEES.
- > To reduce the risks PRS tenants incur in raising issues, they ought to be protected from in-tenancy rent increases.
- > To ensure low-income tenants feel the economic benefit of more affordable heating, the government should take precautions to protect tenants who access grants for home upgrades. For example, landlords could be required to keep tenants in situ for six years (the time estimated by renters' rights organisations for a renter to see the economic benefits of a more affordable heating bill) after a PRS home has been upgraded with grant support.⁴⁴

⁴⁴ Generation Rent, 2023, **Energy efficiency in the Private Rented Sector**



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APPENDIX 1

DETAILED RECOMMENDATIONS

The following tables list detailed recommendations to support each recommended policy, including agencies responsible

Recommendation 1: Introduce a mandatory English national landlord register and clarify the role of Rent Smart Wales

Table 1. Recommendations relating to a national landlord register for England and Rent Smart Wales, and data access for local enforcement teams

No.	Recommendation	Implementation	Department
1.1	Introduce a national register.	Wales: complete England: design stage	Wales: Rent Smart Wales (RSW) England: DESNZ & MHCLG
1.1.1	The core of the landlord register should be administered centrally by a non-departmental body.		
1.1.2	That central body should administer the register, revenue from fees and undertake some high-level engagement via advertising.		
1.1.3	That register operator will be self-financing, paid for by revenue from property registrations, and will distribute revenue for local enforcement to councils.		
1.1.4	In the first years of the register, the aim should be to achieve a high level of coverage, so that most landlords are registered and engaged.		
1.2	Reforms to Rent Smart Wales	Wales: ongoing	Wales: RSW
1.2.1	The option to opt out of the Welsh EPC register should be removed.		
1.2.2	Data on historic opt-outs should be made available to council enforcement teams.		



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No.	Recommendation	Implementation	Department
1.3	Requirements for registration	Wales: partially complete England: design stage	Wales: RSW England: DESNZ & MHCLG
1.3.1	Landlords' legal requirements should be registered on the portal (e.g. via a unique ID for each certificate): gas and electrical safety certificate, energy performance certificate, deposit protection scheme and, if relevant, HMO licence and valid exemption from meeting MEES 2015.		
1.3.2	The EPC submitted should be a valid one. Government should allow PRS homes below the current standard of EPC E to be registered, so they can be subsequently engaged by local enforcement teams and sent an information notice by the national service.		
1.3.3	Compliance with the DHS should be guaranteed but needs investigation: currently there is no certificate for homes which meet the standard, comparable to an energy performance certificate.		
1.4	Incentives to drive registration on the national register	Wales: partially complete England: design stage	Wales: RSW England: DESNZ & MHCLG
1.4.1	Introduce a financial incentive to register with the central portal in England, for example, by reducing the cost of registration for fast registrations. This is not applicable for Wales where registration is nearly 100%.		
1.4.2	Introduce a financial incentive for landlords to register more energy efficient homes, applicable to both England and Wales, e.g. registering a home which is EPC C could cost less than one with an EPC E.		
1.4.3	Government should also require all letting agents to ensure all their properties are registered on the forthcoming national landlord register.		
1.5	Data access for local enforcement	Wales: RSW data is accessible, but access to other data is limited England: Register in design phase, limits to accessing other data sources	Wales: HLG & DWP England: MHCLG & DWP
1.5.1	Ensure the national landlord register is accessible to local enforcement teams and councils.		
1.5.2	Amend the legislation to allow council enforcement teams to use council tax and tenancy deposit scheme datasets for MEES enforcement.		
1.5.3	Issue guidance from DWP on using Universal Credit data for enforcement, especially to encourage registration to the new English national landlord register.		
1.5.4	Publish the results of the second DESNZ pilot commissioned from the Centre for Sustainable Energy and release a guidance document for data sharing and analysis options available to local authorities.		



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No.	Recommendation	Implementation	Department
1.6	Integrate national landlord registers with existing licensing schemes	Wales: Unknown England: Design stage	Wales: RSW England: MHCLG & DESNZ
1.6.1	Investigate whether councils should upload data on HMOs and PRS homes in selective licensing catchments to the national portal on behalf of the landlords who own them.		

Recommendation 2: Fund the custodians of local standards via a flat fee levied when a property is listed and re-listed on the national landlord register

Table 2. Recommendations relating to resourcing and capacity of local enforcement

No.	Recommendation	Implementation	Department
2.1	Raise revenue from landlords to pay for local enforcement	Wales: partially complete England: design stage	Wales: RSW England: DESNZ & MHCLG
2.1.1	For a four-year licence, E3G suggest a minimum of £200 per property should be levied; £150 per property for local enforcement and £50 to fund the national register. This levies around £1bn for enforcement and running the register.		
2.1.2	To ensure councils are resourced to check MEES exemptions, a flat fee of £100 should be levied when a landlord applies for an exemption.		
2.2	Clarify and strengthen the statutory duty for MEES enforcement	Wales and England: MEES, Section 34(2) of the Energy Act 2011	Wales: RSW England: DESNZ & MHCLG
2.2.1	If additional revenue is levied on landlords for enforcement, clarify the statutory duty for local authorities to ensure PRS homes meet energy efficiency and safety laws.		



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No.	Recommendation	Implementation	Department
2.3	Improve revenue raising from fines	Wales and England: EPC reform consultation undergoing, MEES consultation due for publication	Wales and England: DESNZ & MHCLG
2.3.1	Increase the maximum fines for incompliance with EPC 2012 and MEES 2015 to make pursuing fines at least revenue neutral for councils.		
2.3.2	Review the decision outlined in the 2024 EPC Reform Consultation to restrict enforcement of the EPB 2012 regulations to Trading Standards. ⁴⁵ Issue government guidance allow Environmental Health Officers to enforce EPB 2012.		
2.4	Training and recruitment for housing standards	Wales and England: training accredited and delivered by the Chartered Institute for Environmental Health	Wales and England: DESNZ & MHCLG
2.4.1	To recruit enough new housing standards staff, revenue funding for new skilled roles, particularly apprentices, will need to be provided to councils in anticipation of enforcement.		
2.4.2	Government and regional authorities which coordinate education and training and should work with the Chartered Institute of Environmental Health to improve the marketing of housing standards careers to school leavers and to upskill or transition people working in other jobs in housing or related fields.		
2.5	Strengthen selective licensing and integrate that with the new system	Wales and England: councils have discretion to introduce selective licensing	Wales and England: DESNZ & MHCLG
2.5.1	Selective licensing programme time limits should be extended from five years to ten, at the council's discretion.		
2.5.2	For PRS homes in selective licensing catchments or licenced as an HMO, responsibility for adding landlords to the national register should rest with the council. Registration fees for these properties should be discounted or nil.		

⁴⁵ UK government, 4 December 2024, **Reforms to the Energy Performance of Buildings regime**



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Recommendation 3: Reform legislation to simplify and tighten the options for local enforcement against non-compliant PRS homes

Table 3. Recommendations for strengthening and tightening legislation.

No.	Recommendation	Implementation	Department
3.1	Additional to EPC C by 2030 backstop, ban new tenancies which fall below standards after 2028	Wales and England: not yet implemented	Wales and England: DESNZ & MHCLG
3.1.1	As set out in the 2024 EPC Reform Consultation, the government should introduce a ban on new tenancies below EPC C from January 2028.		
3.2	Strengthen the MEES exemption register	Wales and England: use the same exemption register	Wales and England: DESNZ & MHCLG
3.2.1	Close the loophole in the legislation to ensure providing false information to the register can be subject to a penalty charge: MEES 2015 Regulation 36(2) should be added to the list of offences listed in Regulation 38 to authorise an authority to submit a penalty charge notice when a landlord submits false or misleading information to the exemptions register.		
3.2.2	The exemptions register should be linked to Rent Smart Wales and England's forthcoming national landlord register.		
3.3	Close loopholes in EPB 2012 regulations	Wales and England: Consultation released 2024	Wales and England: DESNZ & MHCLG
3.3.1	Introduce a new trigger point for a landlord to provide a valid EPC when the old EPC expires, as suggested in the 2024 EPC Reform consultation. Government must ensure this applies across all tenancies, including long-term tenancies agreed before the EPC regulations were first introduced in 2004.		
3.3.2	Enable housing standards to enforce EPB 2012 regulations as well as trading standards, while government also has to ensure responsibility for enforcement is clear. It would be preferable for a single regulator to be responsible for enforcement and, most importantly, adequately resourced to do the work.		
3.3.3	After the date at which an EPC has expired, councils need sufficient time to prosecute landlords. Under the EPB 2012 regulations, officers have only six months to request an EPC is provided by a landlord after they have been required to provide one; this should be extended to 18 months for new EPCs. For historic EPCs, changes to the EPB regulations should enable councils to ask landlords to renew expired, historic EPCs.		



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No.	Recommendation	Implementation	Department
3.3.4	Failing to lodge a valid EPC should be made subject to a fixed penalty notice (Regulation 38 of MEES 2015).		
3.3.5	As proposed in the 2024 EPC Reform consultation, remove the exemption for listed buildings from requiring an EPC.		
3.3.6	Consolidate the MEES 2015 regulations with all updates. Councils currently have to pay a private provider to view the consolidated version.		
3.4	Finalise review of the DHS	Wales and England: Government technical review underway	Wales and England: MHCLG
3.4.1	Complete and publish the previous government's review of the DHS.		
3.5	Ensure letting agents and property websites comply with the law	Wales and England: House of Lords review underway	Wales and England: MHCLG
3.5.1	Introduce a license for letting agents and online rental sites.		
3.5.2	Increase the maximum penalty for non-compliance with licensing to make a legal challenge by local trading standards viable.		

Recommendation 4: Commit to a five-year strategy for grant support for landlords with low-income tenants and solutions for retrofitting apartment blocks

Table 4. Recommendations to develop a coherent strategy for PRS improvements and support landlords to make improvements cost-effective and feasible

No.	Recommendation	Implementation	Department
4.1	Develop a strategy for PRS improvements	Wales: NA England: Warm Homes Plan under development	Wales and England: DESNZ & MHCLG
4.1.1	Government should set out a dedicated strategy, either integrated into the main Warm Homes Plan or in a separate document which explains how PRS improvements will be supported, encouraged and enforced.		
4.1.2	It should also engage areas with devolution deals to understand what role they could have in coordinating and encouraging enforcement.		



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No.	Recommendation	Implementation	Department
4.1.3	Details which the strategy should address include: how the new, higher standards will change over the parliament and beyond, what grant funding will be available and how it might need to change, how public retrofit schemes could better support PRS homes and when a national retrofit advice service will be developed and introduced.		
4.2	Review recommendations from the Energy Saving Trust report on renovation for multi-apartment living ⁴⁶	Wales: NA England: Warm Homes Plan under development	Wales and England: DESNZ & MHCLG
4.2.1	Develop guidelines to support a move away from the leasehold ownership model and make homeowners' associations mandatory to support collective decision making, the development of communal maintenance funds and long-term plans for retrofit.		
4.2.2	Develop a framework for energy performance assessments at a whole-building level with dedicated technical advice and advisors.		
4.2	Coordinated or local area retrofit in areas with high concentrations of PRS homes	Wales: no active local retrofit programme England: 2025 grant schemes begin to support this	Wales and England: DESNZ & MHCLG
4.2.1	Review existing evidence on local area retrofit, bringing together information from UK Research and Innovation, Innovate UK, local authority delivery of the Green Homes Grant (waves 1, 2, 3) and Home Upgrade Grant to take lessons forward for more support for coordinated upgrades.		
4.2.2	Invest in a second, larger demonstrator of the Innovate UK funded "Net Zero Terraced Streets" project, ⁴⁷ which aims to upgrade a street of terraced homes.		
4.3	Green finance for landlords	Wales: NA England: zero interest loan under development	Wales: NA England: DESNZ & HMT
4.3.1	Continue development of a low interest loan for domestic retrofit and pilot the loan scheme before it is fully implemented.		
4.3.2	Review what the upper limit for support should be, either for the total value borrowed, or the number of properties supported for residential landlords, or both.		
4.3.3	Ensure the loans comply with sharia law, either by default or as an option, to ensure Muslim landlords and other homeowners can access them.		

⁴⁶ Energy Saving Trust, November 2024, **Energy renovation of multi-apartment buildings in Europe**

⁴⁷ Rossendale Valley Energy, **Net Zero Terraced Streets**, accessed March 2025



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No.	Recommendation	Implementation	Department
4.4	Explore buy-back of PRS properties for registered providers of social housing	Wales and England: acquisition of homes is at registered social housing providers' of discretion	Wales and England: HMT & MHCLG
4.4.1	Government should pilot a capital fund for local housing authorities to acquire PRS homes which fall below standard, if landlords want to sell. Targeted acquisition of substandard PRS homes increases the supply of affordable housing, reduces the cost of the Local Housing Allowance and makes retrofit of blocks or terraces easier. ⁴⁸		
4.5	Engage landlords and tenants to raise awareness of the strategy	Wales: RSW undertakes engagement England: no national policy	England: DESNZ & HMT Wales: RSW
4.5.1	Develop and release a national engagement campaign to help landlords and tenants understand and prepare for the coming changes, linked with a national advice service. ⁴⁹		
4.5.2	Coordinate and share resources with regional and local authorities to support regional and local engagement alongside the national campaign.		

Recommendation 5: Empower tenants to take action and close loopholes which leave them vulnerable when landlords make property improvements

Table 5. Recommendations to recoup rent from landlords who fall below standards and to protect low-income tenants who enable landlords to access government grants

No.	Recommendation	Implementation	Department
5.1	RROs for energy efficiency breaches	Wales and England: not possible in current policy	Wales and England: DESNZ & MHCLG
5.1.1	Make breach of MEES an offence which a tenant can recoup rents from.		

⁴⁸ JRF, 18 March 2024, **Bringing private homes into social ownership can rewire the housing system**

⁴⁹ EST, 1 December 2023, **National or local retrofit advice?**



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No.	Recommendation	Implementation	Department
5.2	Protect tenants living in properties improved with public retrofit funding of government retrofit support	Wales and England: not possible under current policy	Wales and England: DESNZ & MHCLG
5.2.1	Grant-funded improvements to a PRS home should come with the condition that the tenant can stay in the home for at least six years, or landlords must return (some of the) funding to the government; as written into a contract between the landlord and the government. ⁵⁰		
5.2.2	Instruct the Ombudsman proposed for the PRS in the Renters Rights Bill to treat government-funded retrofit works as linked to the tenant. As a result, if the Ombudsman reviews a rent increase after energy efficiency improvements are made, they can take into account the value of the public investment accessed by the tenant for the landlord's property.		

⁵⁰ Generation Rent, 2023, **Energy efficiency in the Private Rented Sector**



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APPENDIX 2

METHODOLOGY

Research methodology

E3G undertook a series of semi-structured interviews with officers working in 30 councils across England and Wales and consulted with sector experts and professionals (see below for a stakeholder list). Officers working to maintain housing standards work at the sharp end of housing policy so have a realistic and pragmatic view of how new policy could be implemented.

England and Wales are examined because energy efficiency and home safety and decency standards apply to both nations. Where policy and enforcement differ between the two nations, this is highlighted throughout the report.

The recommendations set out in this report are based on the interviews, a review of complementary literature and data analysis of the English Housing Survey, Welsh housing data, and public retrofit scheme data; they have also been tested with stakeholders.

They focus on practical issues related to how national and local government will need to work together to raise standards in the sector. We also consider how grant schemes and the Warm Homes Plan can, and should, support PRS retrofit. Addressing these foundational “nuts and bolts” will be essential to make millions of rented homes safer and affordable to heat.

Stakeholders interviewed

Of the 30 stakeholders interviewed for this research, some chose to remain anonymous. Being named here does not indicate that an organisation endorses the report’s recommendations. Those that confirmed their names could be mentioned are:

Cambridge City Council

East Lindsey District Council

Centre for Sustainable Energy

Epsom and Ewell Borough Council

Cornwall Council

Essex County Council



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Flintshire County Council

Greater London Authority

Greater Manchester Combined
Authority

London Borough of Hammersmith
and Fulham

London Borough of Lewisham

London Borough of Newham

Oxford City Council

Shropshire County Council

Southeast London Community
Energy

Surrey County Council

Trafford Council

Wrexham Borough Council