Royal Institute of British Architects

Department for Energy Security and Net Zero: Improving the energy performance of privately rented homes May 2025

The Royal Institute of British Architects is a global professional membership body driving excellence in architecture. We serve our members and society in order to deliver better buildings and places, stronger communities and a sustainable environment. Being inclusive, ethical, environmentally aware and collaborative underpins all that we do.

The Royal Institute of British Architects (RIBA) welcomes the opportunity to respond to the Improving the Energy Performance of Privately Rented Homes consultation.

Architects have a key role to play in meeting our nation's net zero targets, and RIBA has taken a lead through initiatives such as the <u>RIBA 2030 Climate Challenge</u> and our role in the creation of the <u>UK</u> <u>Net Zero Carbon Buildings Standard</u>.

We believe many of the measures proposed will help drive energy efficiency improvements, which are vital to addressing the energy and climate crises, and growth agenda.

Energy efficiency improvements reduce household energy bills, resulting in a sustained boost to the economy and consumption through increased disposable incomes in the long term. A clear National Retrofit Strategy introduced alongside these reforms is key to driving energy efficiency upgrades in all tenures across our housing stock.

RIBA recommends that the Government:

- Ensures these reforms are part of a wider National Retrofit Strategy a long-term plan and investment programme for upgrading the energy efficiency of our housing stock.
- Prioritises operational energy and fabric performance as metrics to improve the energy efficiency of the private rented sector.
- Brings forward their proposal to require investment for Private Rented Sector (PRS) MEES to be £15,000 per property.



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

We welcome proposals to reform EPCs – something that we have been long calling for. In our response to the Reforms to the Energy Performance of Buildings regime consultation we highlighted the importance of an energy use metric being included in EPCs.

Including an energy use metric in EPCs will encourage architects, engineers, developers and building owners to be innovative and will reward good design based on form, orientation and fabric performance.

Ultimately, we would like to see targets for operational energy use for both new and existing buildings in the Building Regulations. These figures should be aligned with those that will be set out in the UK Net Zero Carbon Buildings Standard. We would therefore welcome operational energy as the key metric for MEES.

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

As mentioned above, we suggest the primary metric should be energy use. However, our response to the Reforms to the Energy Performance of Buildings regime consultation also highlighted the importance of improving fabric efficiency.

Understanding the fabric performance of a building could incentivise fabric improvements. We believe fabric efficiency should be a key consideration when retrofitting existing buildings, and any method of delivery heat should be a secondary consideration.

Therefore, we recommend an energy use and fabric performance use metric, then a secondary standard for either smart readiness or heating system metrics.

3. What are your views on the alternative approaches of:

Alternative 1: A requirement to meet a standard set against dual metrics of equal weighting. The standard would be set against dual metrics including 2 of the following: fabric performance, heating system and smart readiness.

Alternative 2: A requirement to meet an overarching standard set against all 3 metrics of fabric performance, heating system, and smart readiness, either through improvements across all standards or through landlords concentrating improvements against one or two standards.

We believe that fabric performance should be included in any requirement. However, as stated above, energy use should be the primary metric and included in a standard alongside fabric performance. A secondary standard for either smart readiness or heating system metric should also be included.



Royal Institute of British Architects DESNZ: Improving the energy performance of privately rented homes 4. Do you have any alternative suggestions for how government could utilise new EPC metrics as the basis for MEES, such as a single metric approach (for example, fabric or cost based?) Please provide a rationale with your answer.

For the reasons set out above, we would strongly recommend using operational energy use as the primary metric.

5. Do you agree with government's proposal to increase the maximum required investment for Private Rented Sector (PRS) MEES to £15,000 per property and for landlords to be able to register an exemption if expenditure would take them over this figure? If not, please set out whether you consider a cap should apply and how; and if so, what level you consider the cap should be set at and why (whether this is the 2020 proposal of £10,000 or another figure). Please explain your answer.

RIBA welcomes the maximum required investment for the PRS and we agree with the higher figure of £15,000. But suggest it should be adjusted for inflation to make sure that PRS MEES investments reflect market costs and is aligned to current economic conditions. Many landlords increase rents year on year, so the cost cap should reflect this.

6. Should government extend the exemption period for the cost cap to 10 years? If not, how long do you think the cost cap exemption should last? Please explain your answer.

The length of the cost cap should be linked to the length of validity of an EPC. If the Government is planning on reducing the length of EPC validity, as per the recent <u>consultation</u>, then a landlord should have to apply for a new exemption every time they get a new EPC.

7. Do you agree with government's preferred implementation timeline to require 'new tenancies' to meet the higher standard from 2028 and 'all tenancies' to meet the higher standard by 2030? If not, do you have alternative suggestions?

We agree with this timeline.

8. Do you agree with government's proposal that, as an EPC reform transition measure, landlords should be able to demonstrate their properties are compliant with the existing standard of EPC E using their past EPC?

Agree.

9. Do you agree properties that have an EPC rating of C against the EER on EPCs before 2026 should be recognised as compliant with the future standard until their EPC expires or is replaced?

We agree with this in principle. However, this should be dependent on reducing the EPC validity period, as laid out in the recent EPC reform consultation.

10. Do you agree with government's proposal to require landlords to commission a new EPC before taking action to comply with higher MEES?

Agree.



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10.1. Should the cost of this new EPC be included within the cost cap?

Yes.

10.2. Should landlords still be required to commission post-improvement EPCs? If yes, should the cost of the post-improvement EPC also be included within the cost cap?

We have previously called for post-improvement EPCs and therefore agree that these should be required. We believe that the cost of the post-improvement EPC should be included within the cost cap.

11. Should government develop an affordability exemption? If yes, what eligibility criteria would be the most appropriate for an affordability exemption? Please indicate which, if any, of the proposed approaches you support or otherwise provide alternative suggestions.

RIBA recognises that there may be a small number of landlords for which the £15,000 cost cap is unaffordable. However, we recommend that the Government investigate different financial mechanisms that will incentivise and support landlords to improve the energy efficiency of their housing stock rather than simply applying for an exemption.

For those landlords who the £15,000 cap would still be unaffordable should be able to apply for an exemption. We suggest that exemption applications should be assessed on profit, turnover and property value. Using a combination of all three metrics would reduce the risk of profits being reduced intentionally to qualify for an exemption.

Exemptions should be the last resort for those who cannot afford the £15,000 cost cap and we suggest that the exemptions regime is monitored carefully to ensure that it is not being misused.

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

We would welcome including short-term lets in the MEES Regulations. Increasing the number of homes that fall into these regulations is important to improve the energy efficiency of our housing stock.

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

14.1. Are there other circumstances, not covered by the current MEES exemptions regime, where you think government should consider making exemptions for?

We would like to reiterate the importance of the current qualified exemption for listed buildings and those in conservation areas. This states that compliance with certain minimum energy performance requirements should not be undertaken if they would unacceptably alter their character or appearance.

We would encourage requirements for all buildings in a conservation area to undertake an EPC and then apply for an exemption should undertaking energy performance improvements "unacceptably alter their character or appearance."



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15. Do you agree with government's preferred position to keep a potential requirement on lettings agents and online property platforms under review whilst the PRS Database is being developed for properties in England?

We agree that whilst the PRS Database is being developed, this can be kept under review. However, once it is developed, then we believe that there should be a requirement on lettings agents and online property platforms to only advertise and let properties compliant with the PRS Regulations.

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

Energy efficiency standards are only effective if they are being enforced properly. This requires a clear enforcement process, with an emphasis on accurate results through professional expertise. This responsibility sits with local authorities in England and Wales. However, with local authorities severely hampered by funding and capacity constraints, enforcement may not always be a priority for them. The Government ought to ensure that enforcement is fully funded at the local authority level.

This means either providing a central allocation of funding specifically for building enforcement capacity in local councils, or by overseeing a cost-neutral means of enforcing the standards, such as through the charging of non-compliant landlords.

