

Rt Hon Ed Miliband MP Secretary of State

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Bill Esterson Chair of the Energy Security and Net Zero Committee House of Commons London SW1A 0AA

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Dear Bill,

I am writing to let you know that the consultation on improving the energy performance of privately rented homes in England and Wales and the consultation on the Fuel Poverty Strategy have both been published today.

This is a vital step in our plan to slash fuel poverty and cut bills for millions of households through the Warm Homes Plan. Over three million households, including one in four private renters, live in fuel poverty today. The proposals we are consulting on today would, if implemented, lift over half a million renters out of fuel poverty and save tenants on average £240 per year.

On Improving the Energy Performance of Privately Rented Homes in England and Wales, our consultation proposals include:

- Setting higher minimum energy efficiency standards using new metrics as proposed in the 'Reforms to the Energy Performance of Buildings Regime' consultation, prioritising fabric improvements.
- Seeking views on the proposal that landlords should be required to spend up to a maximum of £15,000 per property on improvements to meet the standard, after which they could register a 10-year exemption to continue to let the property if it does not reach the standard.
- That the higher standard would apply to new tenancies from 2028 and that all tenancies would be required to be compliant by 2030, or to have registered a suitable exemption. This would enable the policy to deliver maximum benefits to meet government's statutory 2030 fuel poverty target.
- That privately rented homes that achieve a score of band C against existing EPCs, before new EPCs are introduced, would be considered compliant with the higher standard until those EPCs expire.

The consultation is also seeking views on:

- Whether to introduce an affordability exemption that lowers the cost cap to £10,000 for some properties and how this could be implemented.
- Whether to increase the scope of the PRS Regulations to include short term lets to ensure a consistent standard between privately rented homes and short term lets.
- What regulatory measures could be used to drive the installation of smart meters in privately rented homes.
- The existing exemptions regime for the PRS Regulations and whether there are other instances in which exemptions should apply.

The consultation also provides a formal government response to the 2020 consultation on improving the energy performance of privately rented homes in England and Wales. We are also publishing a consultation on the Fuel Poverty Strategy. This reviews the implementation of the existing fuel poverty strategy, published in 2021, and review finds that limited progress has been made towards the statutory fuel poverty target, and that a new strategy is required.

Government is now consulting on a new fuel poverty strategy as part of its Warm Homes Plan. The consultation is seeking views on:

- Priorities for an updated policy plan to make progress towards our statutory fuel poverty target. This plan will be structured under two pillars: energy performance and energy affordability.
- Whether to retain the statutory fuel poverty target, to upgrade as many fuel poor homes as is reasonably practicable to a minimum energy efficiency rating of Band C by 2030.
- The future of the fuel poverty target, including what an alternative or successor target could look like.
- How fuel poverty is measured, including whether to formally introduce a broader measure of energy affordability to our fuel poverty statistics, and what form this would take.
- The strategic enablers which support delivery of the strategy, including how our schemes consider sustainability, cost effectiveness and vulnerability to cold homes.

I look forward to working with the Committee as we move forward with our plans to cut bills, slash fuel poverty, reduce emissions and support millions of families to upgrade their homes so that they are warmer and cheaper to run.

Yours ever,

RT HON ED MILIBAND MP

Secretary of State for Energy Security & Net Zero