

# Written submission on housing regulations from the Existing Homes Alliance, 11 February 2026

## Introduction

The [Existing Homes Alliance](#) (EHA) is a coalition of housing, environmental, fuel poverty and industry organisations calling for urgent action to transform Scotland's existing housing stock to help eradicate fuel poverty and meet Scotland's ambitious climate change targets.

We welcome the opportunity to submit our views on subordinate legislation and this written submission focuses on the policy areas that are most relevant to the Alliance and our membership, these are:

- Investigation and Commencement of Repair (Scotland) Regulation 2026 (Awaab's Law); and
- Energy efficiency standards in the private rented sector.

## Investigation and Commencement of Repair (Scotland) Regulation 2026

The EHA welcomes the introduction of Awaab's Law as a means of delivering better outcomes for Scotland's tenants. The regulations should ensure that social and private landlords address building failures that are causing or contributing to damp and mould in a timely manner, while also keeping tenants informed about progress.

While we believe that the regulations are a positive step, it must be acknowledged that fuel poverty is the main driver for a significant proportion of damp and mould cases, and landlords have limited ability to directly address this.

One of the ways landlords can help address fuel poverty is by improving energy efficiency - reducing how much it costs to keep a home warm. Key policy interventions that can support this are:

- The introduction of minimum energy efficiency standards for the private rented sector;
- A significant scaling up of the Scottish Government's fuel poverty and energy efficiency programmes (including Warmer Homes Scotland, Area-based Schemes, Social Housing Net Zero Heat Fund, Home Energy Scotland private landlord loans);
- A replacement for the UK Energy Company Obligation programme which delivered energy efficiency and clean heat upgrades to privately rented homes in Scotland; and
- Action from the UK Government to reduce the cost of electricity to make clean heating more affordable to more people.

## Energy efficiency standards in the private rented sector

The EHA has long advocated for the introduction of minimum energy efficiency standards (MEES) for the private rented sector (PRS) as a means of driving up housing conditions, reducing fuel poverty and cutting carbon emissions.

Research commissioned by the EHA and WWF Scotland in 2025<sup>1</sup> found that the average cost of upgrading a private rented home to Energy Performance Certificate (EPC) band C would be £3,250 and could achieve an energy bill reduction of 9% or £237 per year for PRS tenants.

## Fuel Poverty and the Private Rented Sector

In 2023, an estimated 34% of all Scottish households (around 861,000) were living in fuel poverty, with 19.4% (491,000 households) in extreme fuel poverty<sup>2</sup>. The private rented sector is disproportionately affected with Scottish Government modelling estimating that 41% of private renting households were in fuel poverty in the period to September 2025, substantially higher than among owner-occupiers (20%)<sup>3</sup>.

There is a clear and well-evidenced link between fuel poverty and the energy efficiency of homes. The Scottish House Condition Survey 2023 found that 32% of households living in homes rated EPC band C or better were fuel poor, compared with 48% of those in homes rated band F or G<sup>4</sup>. Despite this, 48% of PRS properties remain rated EPC D or lower, and 14% are in the lowest bands (E, F or G) – the highest proportion of any tenure<sup>5</sup>.

We know that the consequences of living in cold, energy inefficient homes can be severe. The Scottish House Condition Survey found that 18% of all households reported their heating only sometimes keeps them warm enough in winter, and 6% said it never does. Among fuel poor households, 31% reported that their heating keeps them warm “only sometimes” or “never”<sup>6</sup>.

Recent research carried out by Changeworks found that tenants in the private rented sector are significantly more likely to find that it is too expensive to keep their home as warm as they would like (75% of private renting tenants compared to 60% of owner occupiers).<sup>7</sup> 50% of private renting tenants stated that they were “extremely concerned” or “very concerned” about their ability to afford their energy bills over winter, compared with 30% of owner occupiers.

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<sup>1</sup> Changeworks for EHA and WWF Scotland, Heat in Buildings Bill: costs and benefits for domestic buildings, Sept. 2025

<sup>2</sup> Scottish Government, [Scottish House Condition Survey: 2023 Key Findings - Fuel Poverty](#), Jan. 2025.

<sup>3</sup> Scottish Government, [Fuel Poverty Scenario Modelling based on Ofgem Energy Price Caps – up to July to September 2025](#), Sept. 2025.

<sup>4</sup> Scottish Government, [Scottish House Condition Survey: 2023 Key Findings - Energy Efficiency](#), Jan. 2025

<sup>5</sup> Scottish Government, [PRS Minimum Energy Efficiency Standard Consultation](#), June 2025.

<sup>6</sup> Scottish Government, [Scottish House Condition Survey: 2023 Key Findings - Energy Perceptions](#) Jan. 2025

<sup>7</sup> Changeworks Brand Tracking Survey, Nov 2025

Research has also demonstrated that energy efficiency improvements deliver measurable health benefits - a study in South West Scotland found that hospital admissions for respiratory and cardiovascular conditions fell significantly following the installation of external wall insulation<sup>8</sup>. That research report identified that home energy efficiency measures should be considered as a preventative health intervention and that setting a higher home energy efficiency standard to be achieved through housing improvements might deliver greater health gains.

Older households and those with disabilities are particularly vulnerable. The latest statistics show that 37% of older households are living in fuel poverty, with one in four in extreme fuel poverty. These groups are more likely to live in poorly performing homes and to have higher heating needs, making energy efficiency improvements especially impactful for their health, comfort and living costs. Fuel poverty is also significantly worse in rural areas, with 44% of remote rural households in fuel poverty compared with 34% in urban areas, underscoring the importance of standards that reach all parts of Scotland<sup>9</sup>.

## **Tackling Damp and Mould**

There is a well-established relationship between poor energy efficiency and the prevalence of damp and mould. Homes with inadequate insulation and inefficient heating systems are more prone to condensation, which creates the conditions in which mould thrives. The English Housing Survey has found that less energy-efficient homes (EPC D or below) are significantly more likely to have damp, with a lack of loft and wall insulation among the main contributing factors.

Research by Citizens Advice showed that renters in homes in England with an EPC D-G were 73% more likely to experience damp than those with an EPC A-C<sup>10</sup>.

In Scotland, the SHCS 2023 shows that levels of insulation are notably lower in the private sector than in the social sector: just 55% of private sector homes have wall insulation compared with 69% in the social sector, and only 65% of private sector lofts are insulated to 200mm or more, compared with 77% in the social sector<sup>11</sup>.

Awaab's Law and PRS MEES are complementary policies that should be seen as two sides of the same coin. Awaab's Law provides a reactive safety net – ensuring that when damp and mould problems arise, landlords must investigate and act within clear timescales. Minimum energy efficiency standards, by contrast, address one of the root causes by requiring improvements to the building fabric that reduce the likelihood of damp and mould developing in the first place. Properly insulated homes with adequate ventilation and efficient heating systems are far less susceptible to the condensation and moisture problems that lead to mould growth.

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<sup>8</sup> Rugani, D. et al., "The impact of external wall insulation on hospital admissions for respiratory and cardiovascular conditions," *Science of the Total Environment*, 2023.

<sup>9</sup> Scottish Government, *Scottish House Condition Survey: 2023 Key Findings - Energy Efficiency*. Jan. 2025

<sup>10</sup> Chartered Institute of Housing, "Stagnating progress on damp, mouldy homes – The UK Housing Review 2023."

<sup>11</sup> Scottish Government, *Scottish House Condition Survey: 2023 Key Findings – Housing Conditions*, Jan. 2025

## Meeting Scotland's climate targets

Heating buildings accounts for approximately 20% of Scotland's total greenhouse gas emissions, with homes responsible for the largest share. Around 90% of homes still rely on oil and gas for heating, and approximately 50% remain below the recommended levels of energy efficiency<sup>12</sup>. The PRS has the highest carbon emissions per square metre of any tenure, at 77 kg/m<sup>2</sup> in 2023<sup>13</sup>.

In May 2025, the Climate Change Committee published its advice on Scotland's Carbon Budgets<sup>14</sup>, highlighting the critical role that improving energy efficiency of buildings plays in achieving these targets, and noting that energy efficiency accounts for a particularly large share of emissions reductions in the early years of the pathway to net zero.

The CCC's priority recommendations included urgently consulting on and implementing minimum energy efficiency standards, noting that further delays could have negative impacts on fuel poverty.

## What should PRS MEES look like?

Our response to the Scottish Government's consultation in 2025<sup>15</sup> set out the EHA position in relation to the Scottish Government's PRS MEES proposals. Key elements of that response are:

- **The standard should be set at EPC Heat Retention Rating (HRR) band C** – this will drive the fabric improvements needed to reduce energy demand - reducing fuel poverty and cutting greenhouse gas emissions. Alignment of standards across tenures is important to facilitate mixed tenure work.
- **All private rented properties should be required to comply with the standard by 2030** – this approach is in line with the UK Government's proposals for England and gives sufficient time for landlords to prepare, and for the new EPC system to be implemented. We have previously supported a position that the MEES should apply to new tenancies from 2028, however, given delays with the Heat in Buildings programme and uncertainty about whether the UK Government will make sufficient progress with the Home Energy Model (the basis of the reformed EPC system), we believe that 2030 is a reasonable date for compliance.
- **There should be no exclusion for short-term holiday lets** - Excluding short-term lets from the standard risks incentivising landlords to convert PRS properties to holiday lets, exacerbating the housing supply crisis. It also represents a missed opportunity, given that properties regularly move between sectors. Holiday lets account for a significant proportion of housing

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<sup>12</sup> WWF Scotland, Supporting Households with Cost of Living Pressures and Rising Energy Bills, March 2025.

<sup>13</sup> Scottish Government, Scottish House Condition Survey: 2023 Key Findings – Energy Efficiency, Jan. 2025

<sup>14</sup> Climate Change Committee, Scotland's Carbon Budgets, May 2025

<sup>15</sup> Existing Homes Alliance, Response to Consultation on Draft Energy Efficiency (Domestic Private Rented Property) (Scotland) Regulations, Aug 2025.

stock in rural areas, which already experience the highest rates of fuel poverty. All properties should be held to the same standard, and owners should be responsible for the emissions from their buildings regardless of how they are used.

- **Tenants must not be disadvantaged by MEES** – There must be safeguards to ensure costs are not passed onto tenants in a way that undermines fuel poverty objectives (ie any benefit from reduced heating bills being negated by rent increases).
- **Landlords should be supported** – Affordable and accessible financing options must be available to help landlords manage the costs of meeting the standard, and the EHA supports continued provision of Scottish Government funded Private Rented Sector Landlord Loans, alongside continued access to impartial Home Energy Scotland advice. The growth of retrofit agencies such as Loco Home Retrofit and EcoCosi, may also offer practical support such as planning, coordination and project management for landlords as well as owner occupiers.
- **Tenement law reform must progress** – Two thirds of private rented properties are flats/tenements and there is a need for progress on measures to enable communal works in tenements. The Scottish Government should act on the recommendation of the Scottish Parliamentary Working Group on Tenement Maintenance, implement the Scottish Law Commission's recommendations and introduce legislation that makes it easier for flat owners to work together to carry out improvements.
- **Adequate local authority resourcing required** – We have concerns about the capacity of local authorities to fulfil new obligations that may arise from these regulations. If local authorities are to be given additional responsibilities through these regulations, they must be adequately resourced to undertake them.

## Managing Risk

These proposals are being considered at a time when Scotland is facing a housing crisis, and concerns have been expressed that introducing MEES, alongside other demands, could impact on housing supply, with landlords choosing to leave the sector rather than upgrade properties.

To reduce this risk, a reasonable lead in time is essential to enable landlords to prepare – that means passing these regulations as early as possible to give landlords certainty.

Another risk is that some landlords seek to apply excessive rent increases, putting further pressure on affordability and exacerbating the housing crisis.

While landlords must be able to cover costs, sufficient protections are required to ensure tenants are not adversely affected, and the regulations do not result in excessive rent increases or eviction.

Landlords must be supported and incentivised to upgrade homes, with enforcement being a last resort. As well as loan support through the Private Rented Sector Landlord Loan, consideration should be given to how other incentives might support landlords to upgrade homes – such as allowing the cost of energy efficiency works to be deductible on annual tax returns – reducing income tax payable.