

Written submission on energy efficiency standards in the private rented sector from Energy Saving Trust, 11 February 2026

Introduction

Thank you for the opportunity to provide a written submission to the Local Government, Housing and Planning Committee ahead of its session on energy efficiency standards in the private rented sector on Tuesday 17 February 2026.

Scottish Government programmes delivered by Energy Saving Trust to support private landlords

On behalf of the Scottish Government Energy Saving Trust delivers several programmes that support private landlords to improve the energy performance of their properties:

Home Energy Scotland provides free, independent and personalised advice to smaller private landlords (as well as to tenants and owner occupiers). Advice is provided through multiple channels, including by phone and email, face-to-face in the home and through local outreach (for example, MSP constituency office sessions staffed by Home Energy Scotland advisors and advice stalls in hospital settings). Online support is also available, consisting of bespoke advice through social media channels including WhatsApp, a dedicated website and online tools, managed and provided centrally by Energy Saving Trust on behalf of the Scottish Government.

This is complemented by a more intensive service of either home visits by specialist advisors to interested landlords' properties or specialist remote advice where a visit is not required. Specialist landlord advisors can also provide advice and support to landlords interested in applying for funding from the Private Rented Sector Landlord loan (see below). To ensure that landlords receive a high-quality service with a "whole house" approach, the specialist landlord advisors, have specific training for the energy efficiency assessment of properties, home renewables and insulation solutions for traditional and hard to treat properties.

Private Rented Sector Landlord Loan - provides interest free loan funding of up to £100,000 (£38,500 per property) to private sector landlords registered in Scotland with five or fewer properties¹. Landlords with more than five properties in their portfolio can borrow a maximum of £250,000 and will be subject to interest at a rate of 3.5% APR. These loans help overcome a critical barrier to the installation of home energy improvements - the upfront capital cost. For many landlords, the up-front costs of purchasing and installing these improvements continues to be the main barrier to uptake and the interest-free loan is designed to help overcome this barrier.

¹ See: <https://www.homeenergyscotland.org/funding/private-landlord-loans/>

The loans cover a range of energy efficiency improvements, including up to £17,500 for home renewables systems or connections to an approved district heating scheme powered by a renewable energy source. There is no grant element to the Private Rented Sector Landlord Loan.

Energy Saving Trust's views on energy efficiency standards in the private rented sector

Energy Saving Trust's views on the introduction of minimum energy efficiency standards in the private rented sector are set out in our response to the Scottish Government's 2025 consultation entitled "Consultation on Draft Energy Efficiency (Domestic Private Rented Property) (Scotland) Regulations"² and are summarised below:

Energy Saving Trust strongly supports the introduction of minimum energy efficiency standards in the private rented sector in Scotland. Introducing such standards has an important role to play in improving the condition of private rented homes, reducing fuel poverty, and ensuring tenants benefit from warmer, more comfortable and more affordable-to-heat properties.

The private rented sector in Scotland has the highest proportion of homes with poor energy performance of any housing tenure - nearly half are rated EPC Band D or lower and 14% fall into Bands E, F or G. This is a key driver of the sector's disproportionately high fuel poverty rate of 44%.

Improving the energy efficiency of the building fabric is the most effective way to reduce household energy demand and therefore energy bills - key to tackling fuel poverty. Introducing a minimum energy efficiency standard will help reduce fuel poverty rates in the private rented sector, by lowering energy demand and energy bills for tenants.

Improving the energy efficiency of private rented homes will also make an important contribution to reducing emissions from Scotland's buildings, which currently account for a significant share of Scotland's green-house gas emissions.

The standard should be set at HHR Band C. We agree with the Scottish Government's position outlined in their 2025 consultation that an HHR Band C represents a good level of energy efficiency. We therefore support setting the PRS MEES at this level.

Setting a minimum standard of EPC HHR band C would also ensure consistency with proposals for the social housing sector. This alignment will help enable mixed-tenure retrofit projects to be taken forward more easily.

The backstop date should be 2030. Setting the date at 2030 would help to ensure that progress is made at a pace that reflects the urgency of Scotland's fuel poverty

² See: <https://energysavingtrust.org.uk/report/energy-efficiency-domestic-private-rented-property-scotland-regulations/>

and climate change targets. Progress in improving the energy efficiency of the private rented sector has already been slow, and pushing the backstop date to 2033 will delay action further and leave many tenants in fuel poverty for considerably longer than would be the case if the backstop date were set earlier.

A backstop date of 2030 would also align with the backstop date minimum standards in England and Wales, which are broadly equivalent to those currently being proposed to Scotland.

MEES should apply to properties being let to new tenants from 2028. This approach allows for a phased roll out of the necessary retrofit works, helping supply chains to develop steadily and reducing the risk of last-minute bottlenecks ahead of the backstop date.

The regulations should not exclude short-term holiday lets from the PRS MEES. We do not think it would be reasonable to exclude this tenancy type from the proposed standards. While action to improve the energy performance of holiday lets will not directly contribute to fuel poverty reduction it will contribute to CO2 emissions reductions and as such there is a compelling case for PRS MEES regulation to improve the energy performance of these properties.

Including short-term holiday lets in the regulations would also ensure that, if the tenure type of the property changes in the future, residents would have a reduced likelihood of living in fuel poverty as the property would be more affordable to heat.

We would also highlight that excluding short term lets from the new standards would create discrepancies between short term lets and the rest of the PRS, which may motivate landlords to switch properties from private rent to holiday lets or to leave the sector.

We agree with the proposed exemptions covering consent, the fabric requirements of the home and temporary exemptions. However, we have concerns that tenants could make decisions based on incomplete or inaccurate information and there is also a risk that this exemption could be misused with some landlords potentially encouraging tenants to withhold consent in order to avoid undertaking improvement works. There is also a risk that tenants may feel pressured to refuse consent due to fears (perceived or otherwise) of eviction or rent rises.

In this context, we note that the draft regulations refer to landlords being exempt where tenant consent cannot be obtained, despite “reasonable” efforts having been made. However, the term “reasonable efforts” is not clearly defined. Providing a clear definition would help prevent misuse of the exemption and support both landlords and tenants in navigating the process.

It would also be helpful if guidance or criteria on what constitutes reasonable efforts to obtain consent could be made available. Reasonable efforts could, for example, include encouraging tenants to seek independent advice and information about proposed works – for example through services like Home Energy Scotland – as well as offering flexibility around the timing of works, and documenting written communication attempts etc. While landlords may choose to share relevant

information, recognising the importance of independent access to advice is key, given the diversity of landlord-tenant relationships.

In addition, consideration should be given to how best to communicate with tenants about the energy efficiency standards. This could include standardised, accessible information that individuals could access independently as well as resources that landlords may choose to share with tenants. Clear, consistent messaging would help ensure tenants are well-informed and able to make decisions confidently, reducing the risk of misunderstandings or reluctance to consent to improvement works. Alongside this, access to independent advice - for example through Home Energy Scotland - will be important to help tenants understand the benefits of the proposed works and feel supported through the process.

Continuation of Scottish Government funded support for landlords and tenants. We think that landlords should continue to receive Scottish Government support to make the required changes and support should also continue to be available to tenants. This should include the continued availability of Private Rented Sector Landlord Loans which can help landlords overcome the upfront cost barrier associated with retrofit measures. It is our view that grant funding based on tenant characteristics, such as being in fuel poverty or on a low income, is not a substitute for private investment from landlords.

Landlords should be given clarity as soon as reasonably possible about the financial support that will/won't be available when standards are introduced. Landlords and tenants should also continue to benefit from access to Home Energy Scotland advice.

There will also be a need to raise awareness of the standards among landlords to ensure successful implementation of the standards. Recent research by Citizens Advice found that only 1 in 5 landlords in England and Wales could correctly identify the current minimum energy efficiency standards. This highlights the risk that, without targeted communication, landlords in Scotland may also lack understanding of what will be required of them.