

FINAL



Consultation Response

Improving the Energy Efficiency of Socially Rented Homes in England

Prepared for: MHCLG & DESNZ

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1. Minimum Energy Efficiency Standards (MEES) for the social rented sector

Elmhurst Energy are pleased that MHCLG and DESNZ are seeking a response to a Consultation on 'Improving the Energy Efficiency of Socially rented Homes in England' and as such we are delighted to respond to each question in turn.

The Consultation asked 33 questions, we have answered all that are relevant below. We hope you find the responses considered and useful for taking 'Improving the Energy Efficiency of Socially rented Homes in England' forward in a progressive manner.

Key summary points:

- Smarter metrics – we back the dual metric approach, combining building fabric and heating system efficiency/smart readiness for a more accurate, fair and future ready measure of energy performance. The cost metric still plays a vital role and should not be overlooked
- Ambition – we endorse the 2030 compliance deadline, but call for clear guidance, skilled assessors and flexibility for hard to treat homes.
- Support – A spend exemption is vital to protect landlords from excessive costs.

2. Questions and Answers

1. Do you agree that the government's preferred option (option 1 dual metric approach) to setting a minimum energy efficiency for the SRS is the most suitable option?

Elmhurst Energy supports the government's preferred option—Option 1, the dual metric approach—as the most appropriate method for setting a minimum energy efficiency standard for the Social Rented Sector. We believe this approach offers a more balanced and accurate reflection of a property's energy performance by considering both the quality of the building fabric and either the efficiency of the heating system or its smart readiness.

We also emphasize the need for clear definitions, robust training for assessors, and integration with the reformed EPC framework to ensure consistency and transparency. Finally, we encourage flexibility for complex or hard-to-treat properties, ensuring the policy remains both ambitious and achievable across the sector.

2. If you do not agree, which, if any, of the other metric options outlined would be your preferred approach to set a minimum energy efficiency standard for the SRS?

N/A

3. Are there any other approaches to setting MEES that should be considered (such as an energy cost-based approach)?

We strongly advocate that any new framework must continue to prioritise the three core metrics - cost, carbon, and consumption, which remain the most meaningful indicators for landlords, tenants, and policymakers alike.

These metrics are central to understanding the real-world impact of energy efficiency improvements. Cost reflects the financial burden on tenants and helps identify fuel poverty risks; carbon aligns with national decarbonisation goals and climate commitments; and consumption provides a clear measure of energy use, which is vital for tracking progress and informing retrofit strategies. While we welcome the inclusion of additional metrics, such as fabric performance and smart readiness, these should complement—not replace—the 3 Cs.

4. If you are answering as a registered provider of social housing, after taking into account your future business plans and the provided assumptions for the requirements for the government's preferred option (option 1), which secondary metric would you most likely to choose for the majority of your housing stock?

N/A

5. Do you agree with the proposal for social homes to comply with MEES by 1 April 2030?

At Elmhurst Energy, we support the proposal for social homes to comply with Minimum Energy Efficiency Standards (MEES) by 1 April 2030, provided that the implementation is underpinned by clear guidance, robust support, and a practical delivery framework. We recognise the importance of setting a firm deadline to drive progress across the Social Rented Sector and align with the UK's wider decarbonisation and fuel poverty reduction goals. A 2030 compliance date offers sufficient time for housing providers to plan and deliver meaningful upgrades,

particularly if supported by a consistent policy environment and access to skilled assessors.

We also urge the government to ensure that the reformed EPC framework is fully integrated into the MEES compliance process, and that housing providers are given the tools and training necessary to meet the deadline confidently. Something else to consider is the advantage of having a centralised data bank (e.g., a property passport) to draw from. Ultimately an assessor needs to be satisfied that any data used is accurate and validated.

While we support the ambition of the 2030 target, we recommend that flexibility be built in for complex or hard-to-treat properties, ensuring that the policy remains both fair and achievable.

6. If you answered no to Question 5, do you have a view on alternative options for setting the compliance date, for example either earlier or later than 2030?

N/A

7. Do you agree with the government proposal to set a time-limited spend exemption?

Yes, Elmhurst supports the principle of a time-limited spend exemption, recognising it as a pragmatic solution that balances the need for energy efficiency improvements with the financial realities faced by social landlords.

We acknowledge that:

- The £10,000 per property cap allows landlords to demonstrate reasonable effort toward compliance.
- Including grant-funded work within the cap is a fair and inclusive approach.
- However, a 10-year exemption period we feel is too long before a landlord is required to meet the standards.

We believe a 5 year exemption period is more appropriate to allow for landlords to manage competing priorities, such as new housing delivery and stock maintenance.

8. Government has considered three options for setting maximum required investment under a spend exemption. Comparing these options, which do you think is most appropriate for the SRS?

Elmhurst Energy believe that setting a maximum required investment under a spend exemption is a necessary part of ensuring fairness and feasibility in the rollout of MEES across the Social Rented Sector. We recognise the government's preferred approach of a £10,000 cap and agree that the limit should be set as such. Preferably we would like to see this aligned in PRS

This recommendation reflects the reality that many social homes, particularly those that are older or harder to treat, will require substantial investment to reach the proposed energy efficiency standards. A £10,000 cap allows for retrofit measures, including improvements to both fabric and heating systems, which are essential for achieving meaningful reductions in cost, carbon, and consumption—the three core metrics we believe must remain central to any energy efficiency policy.

We also stress the importance of ensuring that the spend exemption is clearly defined, consistently applied, and transparently monitored. It should include the cost of assessment and post-improvement EPCs and be supported by robust guidance to prevent misuse or confusion.

9. Do you agree with government's proposal for any time limited spend exemption to be valid for 10 years from 1 April 2030?

No, we feel that this is too long and does not align with the proposal of shortening the validity period within EPC reform.

10. If you have answered no to Question 9, would you prefer an exemption that is valid for:

Less than 10 years - EPC reform is proposing a reduction in validity period of EPC's, we would favour that we align to this.

11. If you are answering as a provider for social housing, based on the current condition of your stock and the anticipated costs of meeting MEES, what proportion of your housing stock would you estimate you would use the spend exemption for?

N/A

12. Are you aware of any other specific circumstances where individual dwellings could not meet the standard, but which are not covered by either applying the DHS exemptions to MEES or the time limited spend exemption?

No comment

13. Do you agree that properties that meet an EPC (EER) rating of C prior to the introduction of new EPCs should be recognised as compliant with the future standard until their current EPC expires or is replaced?

We agree that properties which have already achieved an EPC Energy Efficiency Rating (EER) of Band C prior to the introduction of the new EPC methodology should be recognised as compliant with the future MEES standard—but only until their current EPC expires or is replaced. This approach provides a fair and practical transition for landlords and housing providers who have already invested in energy efficiency improvements based on the existing framework.

However, we would emphasise the importance of ensuring that these properties are reassessed under the reformed EPC once their current certificate expires. The updated EPC will better reflect modern metrics, which we believe must remain central to any future compliance regime. Recognising existing Band C ratings temporarily avoids penalising early adopters, while ensuring that all properties eventually meet the new standards based on the most accurate and up-to-date assessment criteria.

We also recommend that clear guidance be issued to assessors and housing providers to manage this transition consistently, and that post-improvement EPCs continue to play a key role in verifying compliance.

14. Do you agree with government's proposal that, as an EPC reform transition measure, properties that have achieved EER C from the introduction of new EPCs until 1 April 2028 should be considered compliant until the property's EPC expires, after which they would need to comply with MEES?

We agree with the government's proposal that, as part of the EPC reform transition, properties which achieve an Energy Efficiency Rating (EER) of Band C between the

introduction of the new EPC methodology and 1 April 2028 should be considered compliant with MEES until their EPC expires. This transitional recognition is a fair and pragmatic approach that rewards early adopters and provides certainty for housing providers during the implementation phase.

However, we would emphasise that this recognition must be time-limited and clearly defined. Once the EPC expires, properties should be reassessed using the reformed methodology to ensure continued compliance with the latest standards. This is essential to maintain consistency and ensure that assessments reflect current energy performance metrics.

We also recommend that the government provide clear guidance to assessors and housing providers on how transitional EPCs will be treated and ensure that post-improvement EPCs continue to play a key role in verifying compliance. With these safeguards in place, the proposed transition measure can support a smooth and fair rollout of MEES across the Social Rented Sector.

15. If government's proposed approach is implemented, which of the following courses of action do you think registered providers of social housing would take where homes currently meet EER C? (Subject to the new EPC system being introduced in 2026)

If the government's proposed approach is implemented, we think most registered providers of social housing would choose to '**Renew EPCs when they expire and demonstrate compliance under EER C until required to meet MEES using new EPC metrics in the early 2030s**'.

This would be a sensible and cost-effective way to manage compliance during the transition. It allows providers to focus on properties that still need improvement, while giving them time to plan for reassessment under the updated methodology. That said, some may choose to reassess earlier, especially if they're already undertaking retrofit work or want to align with funding opportunities.

From Elmhurst's perspective, we'd support this approach as long as reassessments under the new system continue to reflect the key metrics and are backed by clear guidance and consistent standards.

16. If the government's proposed approach is implemented, which of the following courses of action do you think registered providers of social housing would take for homes that do not currently meet EER C?

We believe that if the government's proposed approach is implemented, most registered providers of social housing would choose to **improve homes to meet MEES using the new EPC metrics by 1 April 2030.**

While some may consider upgrading homes to achieve EER Band C before April 2028 under the current EPC system, we expect that many will focus on aligning improvements with the reformed EPC to ensure long-term compliance. This approach avoids the risk of duplicating work and ensures that upgrades are based on the most accurate and future-proof metrics.

We would support providers who take a strategic view, planning improvements that meet both current and future standards, and we encourage the government to provide clear guidance and support to help them do so confidently.

17. If you are a registered provider of social housing or industry body, do you foresee issues arising from installing energy efficiency measures where the leasehold is owned by the registered provider but not the freehold?

N/A

18. If you are a registered provider of social housing or industry body, do you foresee issues arising from installing energy efficiency measures in properties where the registered provider holds the freehold but there are also leaseholders in the building (for example, through right to buy)?

N/A

19. If you are a leaseholder (in a property where your freehold is owned by a social housing provider), do you support providers offering to conduct energy efficiency works in your property to meet MEES?

N/A

20.

a. If you are a leaseholder, have you already had energy efficiency works carried out in conjunction with a social housing provider where they are the freeholder?

N/A

b. If you answered yes to the question above, what was your experience of installation?

N/A

21. Do you have any further comments on how providers can best work with leaseholders when improving energy efficiency of mixed tenure blocks?

N/A

22. Do you have any additional questions or concerns not answered in this consultation that we should consider when drafting the guidance and government response?

N/A

23. When do you plan on installing low carbon heating in your homes?

N/A

24. At what point will you be looking to replace failing/end-of-life heating systems with low carbon heating?

N/A

25. If you have no plans to install low carbon heating in the 2020s, which options best describe why?

N/A

26. In your plans for low carbon heating installation, which homes will you target first for low carbon heating? Select all that apply

N/A

27. Do you plan to install communal low carbon heating or individual low carbon heating?

N/A

28. What proportion of your organisation's homes do you anticipate receiving solar PV installations up to 2035?

N/A

29. Which of the following do you intend to use to fund net zero by 2050?

N/A

30. To what extent have the longer-term costs of reaching net zero in social housing by 2050 been factored into your long-term business planning?

N/A

31. Were you aware of heat network zoning proposals before reading this document?

Yes, mainly through our work in the new build sector and domestic market.

32. What actions should government consider implementing to increase the number of smart meters installed in the social rented sector?

Elmhurst Energy supports the government's ambition to increase the installation of smart meters across the Social Rented Sector, recognising their vital role in improving energy awareness, enabling better energy management, and supporting the transition to net zero. To achieve meaningful progress, we recommend a combination of targeted obligations, positive incentives, and awareness-raising measures.

We support the following actions:

1. **Create obligations for social landlords to arrange for smart meters to be installed during void periods and/or retrofit projects.**

This is a practical and low-disruption opportunity to install smart meters while work is already being carried out, ensuring minimal inconvenience to tenants.

2. **Create positive incentives for social landlords to install smart meters**, for example by linking smart metering to compliance with SRS MEES or funding eligibility.

Incentives can help overcome financial and logistical barriers and encourage proactive engagement.

3. **Support national and local campaign activity** to engage both landlords and tenants, raising awareness of the benefits of smart meters and addressing misconceptions.

Coordinated communication efforts can help build trust and understanding, especially in communities where uptake has been low.

4. **Create obligations for landlords to actively promote smart metering to tenants**, such as through information packs, tenant engagement programmes, or digital communications.

Education is key to uptake, particularly where tenants are the energy bill payers and have the final say on installation.

While we recognise the value of wider obligations, we would caution against requiring landlords to install smart meters in all properties regardless of who pays the energy bill, as this could raise practical and legal challenges. Instead, we advocate for a targeted, flexible approach that supports uptake while respecting tenancy arrangements and data privacy.

Elmhurst Energy remains committed to supporting the rollout of smart meters and would welcome further collaboration with government and industry to ensure successful delivery across the sector.

33. Do you have any further comments or concerns regarding Minimum Energy Efficiency standards in the social rented sector or on longer term decarbonisation and net zero which have not been mentioned?

EPC reform will play a significant role in the implementation of MEES in Social housing. Consideration needs to be given to the process for carrying out EPC survey's on Social housing and the oversight of records and documentary evidence used in support of inputs. Social housing providers know their housing stock better than anyone but there is the opportunity for mis-use of this data.

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