

Scottish Government Consultation on Energy Efficiency: The Views of Private Tenants

June 2017

About the report

The report is the result of a project carried out by Shelter Scotland, commissioned by WWF Scotland who are members of the Existing Homes Alliance Scotland.

WWF Scotland has a long standing interest in reducing climate change emissions through the improved energy efficiency of homes. WWF Scotland has worked on this issue for a long time, as part of the [Existing Homes Alliance Scotland](#), right back to before powers for Ministers to regulate the private rented sector for energy efficiency were introduced through the Climate Change (Scotland) Act in 2009.

The Existing Homes Alliance Scotland is a coalition calling for urgent action to transform Scotland's existing housing stock and make it fit for the 21st century. Too many of Scotland's homes are in a poor condition meaning unnecessarily high fuel use.



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SUMMARY & KEY FINDINGS

Summary

- The Scottish Government are currently proposing to introduce a minimum energy efficiency standard for the private rented sector.
- Shelter Scotland, on behalf of WWF Scotland who are members of the Existing Homes Alliance Scotland, was commissioned to find out the views of private tenants on the proposals.
- A variety of engagement methods were used, including a YouGov survey, an in-depth online survey, tenant events and one to one interviews.

Key findings

- Private tenants wish their home was more energy efficient
- Private tenants struggle to pay their fuel bills and keep their home warm
- Private tenants currently feel powerless to deal with issues of energy inefficiency in their home. They fear revenge eviction or rent increases if they ask for too much, and feel even when they do ask their landlords don't do anything or are very slow to act.
- Private tenants are unable to 'vote with their feet' to choose energy efficient housing.
- Private tenants support the introduction of the minimum energy efficiency standard.

INTRODUCTION

The private rented sector in Scotland is now home to 350,000 households, equivalent to 14% of the population, and includes around 91,000 families with children¹. Housing quality varies across the sector, and private tenants live in the most inefficient homes with 9% of properties in the private rented sector in the two lowest energy efficiency bands, compared to just 2% of socially rented properties².

In addition, it is estimated that around 60% of households living in the two most inefficient bands, rated as Energy Performance Certificate F or G are classed as living in fuel poverty³, meaning that they need to spend over 10% of their income on energy costs to run a warm and comfortable home.

There are currently no legislative energy efficiency requirements in the private rented sector. This is unlike social housing where registered social landlords are working towards a minimum energy efficiency rating for all properties, meaning no socially rented home will be rated as having an energy performance certificate of below C or D by the end of 2020. As a consequence, homes in the social sector already now have the highest average energy efficiency ratings of any tenure type, with 49% of homes are rated EPC A, B or C, significantly higher than in either the private rented or owner occupied sectors, where 33% of homes are rated EPC C or above⁴. This demonstrates the tangible difference to energy efficiency that ambitious regulation can have.

The Scottish Government is proposing the introduction of a new minimum energy efficiency standard for the private rented sector. They are currently consulting on this proposal with a range of stakeholders.

This report represents the views of private tenants in Scotland on these proposals, gathered through a variety of methods. The report is the result of a project carried out by Shelter Scotland, on behalf of WWF Scotland who are members of the Existing Homes Alliance Scotland, with the aim of increasing the voice of private tenants, and ensuring their experiences are represented in the consultation process.

Shelter Scotland gathered the views of over 200 private tenants on this issue via four strands of engagement. We distributed an in-depth online survey looking at

¹ Scottish Government, Scotland's People Annual Report: Results from the 2015 Scottish Household Survey, <http://www.gov.scot/Topics/Statistics/16002/PublicationAnnual>

² Homes rated with an Energy Performance Certificate of F or G, Scottish Government, Scottish House Condition Survey 2015: Key Findings, <http://www.gov.scot/Publications/2016/12/1539/downloads>

³ Scottish Government, Energy efficiency and condition standards in private rented housing: A Scotland's Energy Efficiency Programme Consultation, <http://www.gov.scot/Publications/2017/04/2510/downloads>

⁴ Scottish Government, Scottish House Condition Survey 2015: Key Findings, <http://www.gov.scot/Publications/2016/12/1539/downloads>

the detail of the Scottish Government proposals which received 24 responses⁵, and an online survey was carried out by YouGov on behalf of Shelter Scotland with a sample size of 1,042 Scottish adults which included 172 private tenants. We also carried out interviews with 14 private tenants; some of these took place at three tenant events, and some were arranged on a one to one basis with tenants either on the phone or in person. In this report, we have presented private tenant views in its 'raw' format, and we have pulled out key messages relevant to the current consultation.

⁵ 22 responses were received from current tenants, and 2 were from people who indicated they do not currently rent in the private rented sector, but used to.

KEY FINDINGS:

Private tenants struggle to pay their fuel bills and keep their homes warm

More than 2 in 5 private tenants (45%) in a YouGov survey reported that they find their home hard to heat⁶. This supports the contention that many private renters are not currently managing to achieve desired levels of warmth and affordability of energy bills in the current situation where there is no regulation of energy efficiency standards. Further evidence from our own online survey shows 15 of 24 private tenant respondents, equivalent to almost 2 in 3, stated they found their home hard to heat. That this figure is higher than the larger sample might be expected because those who find their home difficult to heat will be more motivated to respond to a consultation survey that looks to improve this issue.

Gordon has a 20+ year old boiler which is very inefficient. It has broken a couple times, when he and his partner had to go without hot water for a few days. The flat, an old tenement with high ceilings and drafty windows in the Merchant City area of Glasgow, is hard to heat and really expensive - £300 odd for gas only per quarter, and that's still not achieving a comfortable level of heat.

Gavin was in a flat let by an Edinburgh letting agent. It was an old fashioned, lovely flat with single glazing and big bay windows. It was very expensive to heat, and impossible to keep warm. He remembers his bills were £200 a quarter and that was just for gas. He resorted to making a heater with tea-lights, which he found on the internet, to keep warm.

Gail has been in her current property, a cottage near Oban, for a couple months. It's rated EPC G, there's no real insulation and its off the gas grid. "At the moment it's passable but the winter is going to be truly terrible."

18 of the 23 private tenants who responded to this question also indicated they worry about their fuel bills.

Donna, who is on ESA, hasn't told her landlord that she can only afford to heat one room in the house for a couple hours each evening. Donna has got gas central heating, a proper combi boiler and double glazing. On the surface, her flat looks great, but it's rated EPC E and it's the hidden bits that make it expensive to run: no loft insulation, a

⁶ Figures from YouGov Plc. Total sample size was 1,042 Scottish adults of which 172 are private tenants. Fieldwork was undertaken between 30 March – 1 June 2017. The survey was carried out online. The figures have been weighted and are representative of all Scottish adults (aged 18+).

flat roof which the heat escapes through, random holes in the property for example where the boiler flue used to be, and an inefficient boiler.

Polly's home has high ceilings, and she finds it really difficult to heat – even with the central heating on full it doesn't work, and her bills are extortionate and a real financial burden to her. She has the heating on all the time in the winter and still doesn't feel warm. "In winter, for me to have a bath, I have the heating on all day but still have to take an electric heater into the bathroom to heat it up".

Tenants have told us this has an impact on their health and their lifestyle.

Donna told us: "I'm a depressed person anyway and it's even harder to get up in the morning when the room is cold and make a go of your day."

Katie has three children, one who is a wheelchair user, and has lived in the private rented sector for about seven years, currently in a property in Glasgow. Her home has double glazing, gas central heating, and a fairly new boiler, but the glazing is of very poor quality, the property is drafty, her radiators are old and just don't heat up, and despite paying a huge heating bill – £150 a month – Katie and her family still don't feel the benefit of living in a warm home. Instead, during winter they sit with blankets and as if they're dressed for outside, with hats and scarfs on.

Bob used to rent a flat in a tenement block in Glasgow, which was not well insulated – he'd have the heating on for ages but it just didn't keep the heat. He used to sit under a blanket on the sofa, and wear his dressing gown over his clothes as an extra layer. Now, he is in a newly converted building with a high EPC rating. He said it has definitely had a positive impact on him: "You feel more at home in the place and you're not sitting in the corner shivering".

Private tenants wish their home was more energy efficient

71% of Scottish adults, and 79% of private renters, wish their home was more energy efficient⁷. Together with evidence from official statistics which shows that private tenants are more likely to live in the most inefficient homes⁸, this shows a need for improvement.

"Landlords for far too long have gotten away with letting properties of bare minimum standard for absolute maximum rent. The market cannot continue in this way." [Survey respondent]

⁷ Figures from YouGov Plc, Private renters: conducted by YouGov on behalf of Shelter Scotland, Fieldwork dates 30 March – 1 June 2017

⁸ Homes rated with an Energy Performance Certificate of F or G, Scottish Government, Scottish House Condition Survey 2015: Key Findings, <http://www.gov.scot/Publications/2016/12/1539/downloads>

“[the private rental sector] should be at the same standard as social housing. The private rental sector is increasing and is a valuable source of housing.” [Survey respondent]

Private tenants currently feel powerless to deal with issues of energy inefficiency in their home.

60% of tenants said they would not feel confident asking their landlord to make changes to their home to improve its energy efficiency⁹, and two thirds of private tenants (66%) said they would not know what to do if they asked their landlord to improve the energy efficiency of their home, but they didn't want to¹⁰.

Private renters told us they do not feel able to encourage their landlord to make improvements to their home currently, i.e. without some form of regulation in place.

Some tenants told us that they never got round to asking their landlord to make improvements, because there were so many other problems in their property taking up their time and energy and dominating their communication with their landlord.

Graham never asked his landlord to make any energy efficiency improvements to his home – his property had flooded and there were so many other issues to deal with first.

Gail has never asked if her landlord will make improvements to energy efficiency. She said she might have with one of her previous landlords, she feels like if she could have gone to her with information about available schemes and information on funding and support and then her landlord might have been interested, but knows that the others would say no – she's already had difficulty getting them to fix taps and faulty hot water systems. In one property she had no way of cooking for a month, in another no way of showering.

“Landlords want to spend as little as possible so energy efficiency isn't a top priority.” [Survey respondent]

Others told us that they don't want to ask or push their landlord to make improvements, or indeed even undertake repairs, because they fear that the landlord might simply evict them, or increase their rent in response. 5 out of 5 tenants at a tenant event said they would be reluctant to ask their landlord to

⁹ Figures from YouGov Plc, Private renters: conducted by YouGov on behalf of Shelter Scotland, Fieldwork dates 30 March – 1 June 2017

¹⁰ Figures from YouGov Plc, Private renters: conducted by YouGov on behalf of Shelter Scotland, Fieldwork dates 30 March – 1 June 2017

either look at improving the energy efficiency of a property or re-evaluating the rent because of its efficiency rating. 22 out of our 24 survey respondents were concerned the cost of improvement works might be passed onto them in a rent increase.

After his boiler broke, and he realised it hadn't been serviced for 3 years, Gordon asked his landlord about getting a new boiler but his landlord just ignored the question. Gordon doesn't want to push his luck: he's been in the property for 3 years with a reasonable rent and no rent increase, and he likes his landlord and where he is. He's worried that if he kicks up a fuss they'll either ask him to leave – which would be a real hassle – or they'd put up his rent.

Gavin didn't ask his letting agent to make any improvements – apart from one time he asked about a new washing machine and they mentioned raising his rent. He was in a first floor flat with no locks on the windows and a ledge all along making it easy to be broken into – and yet even when he asked about this they brought up raising his rent. Gavin got the impression they would always raise the rent if he asked for any improvements.

Polly is being kicked out of her flat next month because her landlord is selling up, and she says if she could go back in time she would ask for a lot more “instead of being a no bother tenant”. She was at the time worried that if she asked for any improvements to the property, it would be reflected in an increase in her rent.

“there should be more support for tenants to report their landlords, I know of plenty of individuals who were too scared of reporting poor landlords for fear of being evicted or having repairs neglected” [Survey respondent]

“[I've] seen landlords hike up rent in response to basic repairs before so they would totally continue to do so” [Survey respondent]

“I think the risk is that this expense will encourage those landlord's who are affected to put up their rent prices which will encourage all landlords in the area to increase theirs too.” [Survey respondent]

Even those tenants who were confident enough to ask for works found that either landlords didn't respond or were very slow to act.

Bob brought up the coldness of the property a couple of times with his landlord. The landlord admitted it was an issue, and one he was well aware of as he used to live in the property – he advised Bob get a blanket to keep warm, and despite saying they were looking at the problem, nothing ever came of it.

Katie has reported the issues with her property consistently to her landlord and asked if they might be able to look at upgrading the

radiators and/or the boiler. Initially, they just kept saying “it’s a big house” but in November 2016, the landlord finally sent a few tradesmen out to take quotes. She’s been chasing it since but they say they’re now, in June 2017, still discussing it. Katie doesn’t think it will be resolved by this winter. She knows her rights, she knows exactly what landlords need to do, but she’s learnt that she shouldn’t question her landlords too much, they’ll just say no we’re not renting to you, or during tenancy give her a month’s notice to leave. You have to protect yourself and your own situation.

*“My flat had no central heating, and while it did have roofspace [sic] insulation, there was a hole in the roof so this was rendered useless, and never fixed nor repaired no matter how many times I asked.”
[Survey respondent]*

“I have advised my landlord of various way that the energy efficiency of the property could be improved but they have refused to carry out any measures. Anything that has been done has been carried out and paid for by me.” [Survey respondent]

Frances’ previous property was hard to heat, and as a result developed damp. Their landlord provided them with a dehumidifier to help combat the damp, which it did a little, but resulted in huge electricity bills and the landlord was not willing to compensate them for this.

Similarly, when we asked if tenants would know where to go to for information and advice on energy saving and reducing fuel costs, half said no¹¹. This suggests a need for improved communication and engagement with this group. When we probed a bit further, tenants explained:

*“In my experience the information is very useful however unless you know it is there then it is not immediately obvious that it exists.”
[Survey respondent]*

“There’s nothing simple and concise. Or nothing generally. Agencies and landlords could do more or the government could do more in distributing information and awareness.” [Survey respondent]

Another, who said they were aware of advice, said the advice wouldn’t help anyway: *“The current advice cannot heat my home. I currently pay £825 a month in rent and pay between £200 and £250 a month in electricity which doesn’t heat my home effectively.” [Survey respondent]*

¹¹ 12 private tenants said no, with same number of private tenants saying yes.

“It needs to be much better advertised, I worked as housing representative on my university's student council, and few to none of the students who sought help about their housing, including energy bills, know where or how to get official advise [sic].” [Survey respondent]

“The advice given is generally good but the problem is making your landlord act on any issues.”

“After using both the free phone number for Home Energy Scotland and receiving a house visit from a local energy organisation I preferred the lady that came to talk to me.” [Survey respondent]

“My assumption would be that the advice is targeted at those that might be classed as deprived, receiving benefits etc rather than people like me who earn too much for state support but still struggle due to high rents for 1 bed flats. I'm living by myself after moving out from my parents (at the age of 31).” [Survey respondent]

Private tenants are unable to ‘vote with their feet’ to choose energy efficient housing.

There were several issues making it more difficult for private tenants to ‘vote with their feet’ and choose energy efficient housing.

The first issue was the lack of choice in the market. Just 5% of Scottish renters felt they had a very broad range of rental properties to choose from when looking to find their current property¹².

Bob had moved to Glasgow for university, and was desperate for somewhere to stay so was taking anything that was affordable and wind and watertight. He had previously had a pay as you go meter, so he was trying to avoid that as he knew how expensive they were.

Katie is looking for other properties all the time, but she needs a 4 bed house suitable for a wheelchair user, and she feels she has a very limited pool of houses particularly because she feels rents have gone up so much in the last few years. She didn't know her current house was going to be as difficult as it is to heat – the radiators looked ok, she saw the double glazing, on the day they viewed it was June and incredibly warm in the house. In fact, Katie said even if she had known, the property suited her family and there was nothing else

¹² Figures from YouGov Plc, Private renters: conducted by YouGov on behalf of Shelter Scotland, Fieldwork dates 30 March – 1 June 2017

available at the time so she thinks she would have still had to go ahead with the lease.

Erin's primary concern when she moved was her budget; "where can I move to that won't bankrupt me".

Gail wasn't aware of the issues with her current home before she moved in, but in any case she had to move in somewhere. She doesn't have the power of choice and selection – she described an agent open day like 'the running of the bulls' with a fight to be the first with the application because of the shortage of accommodation in the area.

Roger had 2 months to find a house after being given his notice to quit, and feels that it's not enough time. He said that you end up being desperate to find something so therefore you ignore issues with a let, like if it's not very energy efficient, just to avoid being homeless.

"I'm currently in a flat with no central heating. The rent isn't any cheaper as result but it was the only way I could find a rental property in an area where I felt safe as a single female. Other nearby areas weren't cheaper but had very visible populations of drug users so I chose to sacrifice central heating. I'll have to move this winter though as couldn't face a repeat of last winter. It's not a great choice to be faced with after working extremely hard to get an education etc (postgraduate degrees, working in charity sector now)." [Survey respondent]

The second issue was the lack of information available preventing tenants from making an informed choice or understanding what the potential issues with the property might be in terms of energy inefficiency and/or high fuel bills. Tenants felt unable to identify energy efficiency issues before they moved in, several mentioned viewing the property in the summer, or commented that it appeared their landlord had turned up the heating for the viewing.

Katie didn't know it was going to be as difficult as it is to heat – the radiators looked ok, she saw the double glazing, on the day they viewed it was June and incredibly warm in the house.

Furthermore, existing measures to inform tenants namely including the duty on landlords to provide an energy performance certificate are still not enabling all tenants to be informed. For example, only 2 of the 5 attendees at a tenant event were aware that their landlord needed to provide them with an EPC. Whilst most of our survey respondents were aware of what an energy performance certificate

was¹³, some tenants reported that their landlord had not provided them with an EPC rating on their current property (6 of 24 said they definitely didn't receive an EPC), and many more were not sure (7 stated they couldn't remember receiving one) – suggesting this wasn't prominently displayed or discussed with them. Regardless, when asked, 11 didn't know what their EPC rating for their current property was.

Gavin moved into his rented flat in Glasgow in February 2016, he was not provided with an energy performance certificate and on viewing the property he had seen there were just two electric panel heaters in the living room, but assumed the property must be well insulated and therefore didn't require much heating.

Polly doesn't know what the EPC rating of her tenement flat is, and doesn't recall her landlord ever giving it to her – and energy efficiency just wasn't a priority for her when she was looking for a home.

One of our survey respondents also commented on the inaccuracy of EPCs:

"I tend to ignore EPC's when deciding about taking a tenancy (I move a lot, almost every 6 months, not by choice) because they can be out of date, e.g. one place I rented had solar thermal and double glazing on the EPC. After I moved in I discovered that solar thermal had broken 2 years prior and that the double glazing was about 10 years out of date. Sometimes, the EPC is erroneous due to the assessor and sometimes due to the age of it and sometimes has a lower rating for having a coal fire even though I would never burn coal."

Private tenants support the introduction of the minimum energy efficiency standard.

After being told about a new requirement for rental properties to meet a minimum energy efficiency standard before private landlords are allowed to let them out, 85% of all Scottish adults and 91% of private renters supported the introduction of a new requirement for private landlords¹⁴.

We also asked our online survey respondents their thoughts. 23 out of 24 respondents agreed that landlords should have to improve their properties to make them more energy efficient and cheaper to run.

"I think this would be a great change if landlords were expected to make improvements." [Survey respondent]

¹³ Respondents were given a short description of what an Energy Performance Certificate is, then asked, 'Are you aware of what an EPC is?' 18 answered yes, 5 said 'kind of' and 1 said no.

¹⁴ Figures from YouGov Plc, Private renters: conducted by YouGov on behalf of Shelter Scotland, Fieldwork dates 30 March – 1 June 2017

“...my flat would be shown to be very expensive to run. Any way to combat this would be most welcome.” [Survey respondent]

“They should be held to a better standard than the bare minimum.” [Survey respondent]

They thought that given social housing had similar standards in place the private rented sector should too. Others commented that other issues also needed to be addressed around energy costs, aside from energy efficiency factors: *“a lot of the problem is a lack of money to afford fuel in the first place” [Survey respondent]*.

Some tenants did raise concerns as part of their support. For example, some felt that landlords might leave the market or increase the rent of the property because of the financial costs of updating the property, highlighting more fundamental concerns about the way in which the private rented sector market operates and whether tenants truly get value for money for the rent they pay.

Bob supports the proposals but is concerned about the follow on effects – he wants to make sure that we don’t lose properties from the private rented sector which would push rents up higher.

“My thoughts would be to cap the rent on properties that are not energy-efficient thereby counteracting the increased fuel bills that tenants will incur.” [Survey respondent]

“The cost of upgrade should get financial support if the beneficiary is the tenant otherwise the landlord would have to increase to rent to meet the capital cost of the works which might not be in the best interest of the tenant” [Survey respondent]

TENANT VIEWS ON THE SPECIFICS OF THE PROPOSALS

In addition to the general questions and discussion, in our online survey we asked respondents specific questions on parts of the Scottish Government proposals, as adapted from the Scottish Government consultation survey. Some of these issues also came up in our qualitative discussions with tenants in the interviews. Feedback from tenants is included below and all survey comments are quoted verbatim.

Scottish Government consultation questions 1.6, 1.7, and 1.26 relating to implementation dates

We asked private tenants: Do you think these sound like the right dates to start applying the minimum standards of E and D?

The majority of respondents (14 of 24), said the dates were too far away, focusing on the fact that tenants are living in very inefficient properties right now, and suggesting that this is a long time frame for quite small improvements.

Donna's flat is rated EPC E, so it would be improved under the proposed regulation – but Donna thinks 8 years is much too long to wait.

“That's a lot of years of wearing my coat indoors” [Survey respondent]

“8 years is far too long too leave this for” [Survey respondent]

“Its no help for current tenants, I understand it would take time for chances to be implemented but something needs to be in place for current tena[nts]” [Survey respondent]

“The Landlords have 8 years to very marginally improve the energy efficiency of the worst properties, surely the timescale could be hurried along?” [Survey respondent]

“I understand that time is needed for landlords to make the change, but with pressures on tenants' incomes, I think that it is feasible to bring these forward” [Survey respondent]

“More needs to be done now, perhaps starting now with a longer timeframe will be better.” [Survey respondent]

Some respondents, though, felt the proposed dates were fine (9), commenting that it gives landlords time to do the work without imposing too much of a burden and that it will take time to change mentality. One respondent felt the proposed dates were too soon.

“I think these are fair and a good balance of gradually improving the quality of rental properties without putting unnecessary burdens on landlords.” [Survey respondent]

“I think when tenants have so few opportunities for change in their accommodation the sooner [t]he better. These changes could have been made in a lot of properties before now but landlords don't need to live there! Therefore the dates seem suitable.” [Survey respondent]

“I think as soon as possible is the best time frame but realistically it will take time to be rolled out and to penetrate the psyche and the controls of checking in place.” [Survey respondent]

Scottish Government consultation questions 1.8a and 1.9a relating to minimum standards assessments

We asked tenants: Do you think the owner should have to carry out a minimum standards assessment before renting the property out?

- The vast majority of tenants agreed (22, versus 2 who said no).

Scottish Government consultation questions 1.8b and 1.9b relating to the time given for improvements to be made

We asked tenants: Do you think it's reasonable to allow 6 months for the improvements to be carried out after the assessment?

Most respondents (17 of 24) felt it was reasonable to allow 6 months for improvements to be completed. Some commented that councils carry out improvement works when a property is rented, and also highlighted that it allows the tenant to continue living in the property.

“Carrying out work when you live in the property is fine and means the work can be done quicker and doesn't lose the landlord money in rent or force me to live out” [Survey respondent]

5 respondents didn't believe it was fair to allow 6 months for improvements. Much of this revolved around the feeling that the works should be done before new tenants moved in (if works were prompted by a change in tenancy) or in a quicker time scale so as to minimise disruption to tenants.

“When it's winter and some tenants are having to cope with broken boilers, no insulation, leaks, etc, six months is almost laughable, six months could be half of someone's tenancy, should they be expected to live in substandard conditions in that time?” [Survey respondent]

“Minimum standards should be completed before the tenancy commences not during. it will be disruptive to the tenant, it will promote delays in it being done by the landlord and it will encourage landlords to take their time doing their own DIY jobs rather than paying a contractor all at the expense of the tenants' privacy and right to peace.” [Survey respondent]

Scottish Government consultation questions 1.19 and 1.20 relating to fines for non-compliance

We provided information about the proposed fines for landlords if they did not comply with getting both the minimum standard assessment and the work completed in time. We asked: Do you think these proposed fines are appropriate and proportionate?

10 respondents said yes the proposed fines were appropriate and proportionate, whilst 12 said no and 2 said they didn't know.

Some tenants commented that larger fines should be considered, or that the fines should be variable to allow it to be linked to the condition, rent level, or size of the property.

“Needs to be proportionate and on a case by case basis . 500 could be suitable for a landlord who has 1 property plus paying mortgage on their own etc. For a landlord who owns 20 and a Georgian townhouse who refuses to carry out basic maintenance is another story” [Survey respondent]

“It doesn't treat the root cause of the issue or help the tenants. 500 quid is nothing to a landlord who mass invests which seems to be most?” [Survey respondent]

“I think when balanced against the cost of improvement they are high enough to ensure works are completed” [Survey respondent]

We also asked about other penalties for non-compliant landlords. We asked: Do you think that fines are the appropriate penalty? If not, click 'other' and tell us what else would you recommend? (e.g. removal of landlord registration)

9 respondents said yes fines were the most appropriate penalty, whilst 3 said no, 5 replied 'other', 2 indicated that they didn't know, and a further 5 did not provide a response.

Many tenants agreed with the suggestion that removing a landlord's registration might be an appropriate measure. Others commented on the possibility of rent-free windows for tenants until works are completed.

“The higher the fine, the more they will encourage rent hikes so lower is OK because any loss of money will sting. However, to stop it coming back in terms of rent hikes and tenant inconvenience, the

inability to rent the property to the existing tenant or any new tenant until standards are complied will put bigger pressure on the landlord to comply expediently and will benefit the existing tenant in having a rent free window and avoid the risk that the landlord will boot the tenant out and find a replacement.” [Survey respondent]

Respondents were also given the opportunity to provide further comments on fines or enforcements. Many highlighted the lack of current enforcement of landlords, the fear that landlords might “go rogue”, and again the fear of rent increases as a way for the landlord to ‘compensate’ for the fine.

“who will do the enforcing? The current enforcement of landlords obligations is almost non-existence.” [Survey respondent]

“It is counter-intuitive to force a financial penalty for non-compliance, which just takes away that capital for potential improvements works. Revocation of registration seems more appropriate in this instance.” [Survey respondent]

“The level of fine should reflect the level of work required to take proper account of cash flow issues from landlord's perspective” [Survey respondent]

Scottish Government consultation questions 1.22c relating to the proposed cost cap

We asked people if they thought the proposed cost cap was reasonable.

The majority of respondents said yes, it seemed fair (14), whilst 5 said no, landlords should have to pay more to improve the property and 4 said no, that's expecting landlords to pay too much. Mainly, comments focused on the belief that landlords are making money from renting properties in either the short or long term, and that they were providing a service to tenants.

“I don't think there should be maximum costs for required work. It should be done whatever it costs.” [Survey respondent]

“Any flat up for rent should be of an adequate living standard regardless of how much it costs a landlord to fix it. If they can't make a flat suitable then it shouldn't be rented.” [Survey respondent]

“the property provides the landlord with an income, and the service they offer to the tenant (i.e. the quality of the property) should be of a suitable standard. If a landlord cannot invest sufficiently in a property to bring it up to a decent standard, then they should not be making money from it.” [Survey respondent]

“Property leasing is a profit making business so exemptions should be minimal and landlord should bear cost burden” [Survey respondent]

Scottish Government consultation questions 1.21 and 1.22 relating to the exemptions

We asked about exemptions to the proposed minimum standards. Some people were concerned that the exemption for listed buildings might be used too often, and were keen to ensure improvement works still took place where possible.

“Listed building consent should be an exemption but as much as possible should still be done within listing guidelines” [Survey respondent]

Respondents felt that, where exemptions were used, tenants should be made aware of this so they could make an informed choice about whether to rent that property, knowing it was below the minimum energy efficiency standard.

People felt exemptions should be kept to a minimum, or not allowed at all:

“No exemptions as everyone deserves energy efficiency in their rented property” [Survey respondent]

METHODOLOGY

Shelter Scotland gathered the views of over 200 private tenants on this issue via four strands of engagement: an in-depth online survey looking at the detail of the Scottish Government proposals which received 24 responses¹⁵, an online survey carried out by YouGov on behalf of Shelter Scotland with a sample size of 1,042 Scottish adults which included 172 private tenants, and tenant interviews via three tenant events, by phone and face to face which involved speaking to 14 tenants. More information on each of data gathering techniques is included below.

All opportunities to engage, aside from the YouGov survey, were shared on our private tenant Facebook group, via our Shelter Scotland social media channels (Facebook and Twitter) and in our private tenant e-newsletter. We also shared a blog on all the methods of engagement (excluding the YouGov survey) and this and the tenant events were both picked up by partners including Energy Action Scotland, Scottish Housing News and the Scottish Government who shared them with their own networks. We also shared the opportunities with our newly recruited Private Tenant Panel¹⁶. The Panel was set up in May and 18 tenants have been recruited, each agreeing to participate in at least one activity a month. The online survey, and qualitative interviews via the events or arranged one to one, made up some of the engagement activities for June 2017.

In this report, we have both presented private tenant views in their raw format, and we have pulled out key messages relevant to the current consultation.

Online survey

When the Scottish Government consultation was first published, we shared this with private tenants and encouraged them to complete it directly. We did, however, receive feedback that some private tenants struggled to engage with the Scottish Government consultation because of the level of detail.

As such, we attempted to simplify some of the questions and information provided, focusing on questions we believed tenants would have the strongest views on, such as timescales and strategic aims, and removing some questions we felt were more technical which focused on operational issues such as the use of the Energy Performance Certificate system. A full list of questions is included in the appendix.

¹⁵ 22 responses were from current tenants, and 2 were from people who indicated they do not currently rent in the private rented sector, but used to.

¹⁶ <http://blog.scotland.shelter.org.uk/2017/04/28/calling-all-private-tenants-we-need-you-for-a-new-private-tenant-panel-in-scotland/>

24 responses were received – 22 from people currently renting in the private rented sector, and 2 from individuals who aren't currently in the private rented sector, but used to be.

Qualitative interviews

We used a semi-structured interview format as the basis for our discussions with tenants in both the tenant events and in phone interview. In total we spoke with 14 private tenants. Key points from the individual and group discussions are included throughout this report.

Attendance at all tenant events was low, despite various publicity. At Glasgow there were two attendees, in Edinburgh there was one and 5 attendees attended the third event. We provided questions for discussion at these meetings however and the discussion notes from the 8 private tenant attendees are included in this analysis. A further 6 interviews were arranged on a one to one basis with interested tenants, with 5 taking place on the phone and 1 in our office.

YouGov survey

We commissioned YouGov to complete a survey to gather public opinion, with a total sample size of 1,042 Scottish adults, including 172 private tenants. Respondents were asked a series of questions via an online survey, including asking whether they agreed or disagreed with certain statements. A full list of questions asked is included in the appendix.

APPENDIX 1: ONLINE SURVEY QUESTIONS AND RESPONSES

The web-based platform Typeform¹⁷ was used to collect information.

The Scottish Government is consulting on new standards on energy efficiency and conditions for properties in the private rented sector.

The Scottish Government are proposing to:

- introduce a new standard for energy efficiency, which will involve improvements to the most inefficient homes over time to make them warmer and cheaper to heat and run
- make changes to the repairing standard, which privately rented housing already has to meet, e.g. considering if landlords should provide fridges, freezers and cookers for tenant.

We want to hear from tenants, to gather your experiences and what you think about the Government's proposals and how they will affect you - for better or worse. Feel free to ignore any questions you don't want to answer.

We'll use your response to communicate tenants' viewpoints to the Scottish Government, and to help form our views. We'll make sure this is all confidential.

If you have any questions about this survey, or wish to talk it through in more detail, please contact Lisa at lisa_glass@shelter.org.uk or on 0344 515 2469.

1. Firstly, are you a private tenant?

You're still welcome to complete the survey if not, but we just need to know for our analysis!

- Yes
- No, but I used to be
- No, and I never have been

Now for questions on part 1 - new standards on energy efficiency for the private rented sector...

2. Do you find your home hard to heat?

- Yes
- No

¹⁷ www.typeform.com

3. Do you worry about your fuel bills?

- Yes
- No

4. Tenants can get free and impartial advice on energy saving, renewable energy and access to funding from Home Energy Scotland. Other advice agencies also provide information to tenants on these areas.

a. Before reading this question, would you know where to go for information and advice on energy saving, and reducing fuel costs?

- Yes
- No

b. Do you have any views on the existing advice and information provision provided by the Scottish Government for tenants? What changes, if any, do you think are required?

- [Freeform]

5. An Energy Performance Certificate (EPC) needs to be provided to all prospective and new tenants. This has been a requirement since January 2009.

An EPC tells someone, in rough terms, how energy efficient a property is: EPC A is very efficient and EPC G is very inefficient. This rating is affected by things like how much insulation there is, whether the windows are double glazed, and what type of heating system you have.

a. Are you aware of what an EPC is?

- Yes
- No, never heard of it until now
- Kind of

b. Did your landlord provide you with the EPC certificate?

This is only applicable if you moved in after January 2009.

- Yes, definitely
- No, definitely not
- I can't remember
- I moved in before January 2009

c. What EPC rating is your current property?

- Don't know

-
- EPC A-C (most efficient)
 - EPC D
 - EPC E
 - EPC F or G (least efficient)

6. The Scottish Government is proposing that all privately rented properties that are inefficient, i.e. require more energy to run and keep warm, thereby costing more money, will need to be improved.

They propose private rented properties should be brought up to a standard of EPC E first (this should affect 30,000 properties), then EPC D (this will affect a further 65,000 properties).

- a. Do you agree that landlords should have to improve their properties to make them more energy efficient and cheaper to run?

- Yes
- No

- b. Any comments?

- [Freeform]

7. The Scottish Government propose:

- all properties changing tenancy after 1st April 2019 should be at least EPC E
- all properties should be EPC E by 31st March 2022 (so even if a tenant has been in the property for 5 years the landlord will have to do works if it has an EPC lower than E)
- all properties will need to be EPC D if they change tenant after 1st April 2022, and
- all private rented properties will have to be at least EPC D by 31st March 2025

- a. Do you think these sound like the right dates to start applying the minimum standards of E and D?

- Yes
- No, they're too soon
- No, they're too far away
- Don't know

- b. Why do you think this? Any more comments?

- [Freeform]

-
8. If the property has an EPC lower than E (i.e. F or G) (then in future D),
- owners will have to carry out a 'minimum standards assessment' before they rent the property out
 - the assessment will detail the work that needs to be done to bring the property up to the standard
 - the owner will have 6 months from the date of the assessment to carry out the work
 - they can rent the property in this 6 month once they've had the assessment done (when they're waiting to arrange workmen, or carrying the works out)

a. Do you think the owner should have to carry out a minimum standards assessment before renting the property out?

- Yes
- No
- Don't know

b. Do you think it's reasonable to allow 6 months for the improvements to be carried out after the assessment?

This means the landlord might have to carry out these works when you're in the property.

- Yes
- No
- Don't know

c. Any comments?

- [Freeform box]

9. If a landlord doesn't comply, the local authority will have to enforce the standards. The following fines have been proposed:
- £500 for failing to have a minimum standards assessment
 - £1,000 for failing to carry out the works within 6 months

a. Do you think these proposed fines are appropriate and proportionate?

- Yes
- No
- Don't know

b. Do you think that fines are the appropriate penalty? If not, click 'other' and tell us what else would you recommend? (e.g. removal of landlord registration)

- Yes
- No

-
- Don't know
 - Other

c. Any comments on fines and enforcement?

- [Freeform]

10. Landlords won't, under the current recommendation, be expected to pay more than £5,000 to bring their property up to EPC E, and a further £5,000 to bring it up to EPC D.

It is proposed there are some grants and loans available for landlords to help cover the cost.

a. Do you think this is reasonable?

- No, that's expecting landlords to pay too much
- Yes, that seems fair
- No, landlords should have to pay more to improve the property

b. Are you concerned this cost might be passed on to you in a rent increase?

- Yes
- No

c. Any other comments?

- [Freeform]

d. Should there be any other exemptions to these requirements?

For example, where tradesmen are difficult to find, or if there are issues with listed building consent.

- [Freeform]

APPENDIX 2: YOUNG GOV QUESTIONS

1. For the following question, if you have more than one home, please think about your MAIN one (i.e. the one that you spend most time in). To what extent do you agree or disagree with each of the following statements about your MAIN home? (Please select one option on each row)
 - 1.1. My home is difficult to heat
 - 1.2. I worry about my fuel bills for my home (i.e. gas and electricity bills NOT including household car fuel bills)
 - 1.3. I wish my home was more energy efficient

Strongly agree

Tend to agree

Tend to disagree

Strongly disagree

Don't know

2. You have previously told us that you rent from a private landlord. Thinking about the MAIN home that you rent (i.e. the one you spend most time in) ... To what extent do you agree or disagree with the following statement?
 - 2.1. If I had concerns about heating my home, I would feel confident raising them with my landlord
 - 2.2. I would feel confident asking my landlord to make changes to my home to improve its energy efficiency (e.g. double glazing, insulation etc.)
 - 2.3. I would know what to do if I had asked my landlord to improve the energy efficiency of my home, but they didn't want to

Strongly agree

Tend to agree

Tend to disagree

Strongly disagree

Don't know

3. Thinking about the range of rental properties you could choose from when you were looking to find your current MAIN rental property (e.g. properties in the area you wanted, at the right price, with the right number of rooms etc.) ... Which ONE, if any, of the following statements BEST applies to you?

I felt I had a very broad range of rental properties to choose from

I felt I had a fairly broad range of rental properties to choose from

I felt I had a small range of rental properties to choose from

I felt I had barely any rental properties to choose from

Don't know

4. The Scottish Government is proposing to bring in a new requirement for which rental properties will have to meet a minimum energy efficiency standard before private landlords are allowed to rent them out. Landlords who do not meet the standard would have to take steps to make the property more energy efficient before they are allowed to rent it out (e.g. putting in loft insulation, adding a hot water tank jacket etc.) To what extent would you support or oppose this new requirement of private landlords?

Strongly support

Tend to support

Tend to oppose

Strongly oppose

Don't know

Shelter Scotland helps over half a million people every year struggling with bad housing or homelessness through our advice, support and legal services. And we campaign to make sure that, one day, no one will have to turn to us for help.

We're here so no one has to fight bad housing or homelessness on their own.

Please support us at shelterscotland.org

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