

## Appendix No 1: Heating and insulation scheme for private rented properties in North Kesteven

### 1.0 The proposal

To identify and install suitable central heating systems and provide basic insulation measures to private rented properties where they have an Energy Performance Certificate (EPC) rating 'F' or 'G', and are occupied by a tenant who is either aged over 65, has long term disability or health issues, or there is a child aged 14 or under residing within the dwelling.

### 2.0 Background and Need

The BRE Dwelling Level Housing Stock Modelling and Database 2014 below clearly shows that the private rented sector properties in North Kesteven have the worst energy efficiency ratings (17%).

Local authority	% of dwellings with category 1 hazard for excess cold				
	Private sector stock			% of social	% of all stock
	% of private sector	% of owner occupied	% of private rented		
Boston	16%	16%	16%	8%	14%
City of Lincoln	4%	2%	9%	3%	4%
East Lindsey	23%	22%	26%	10%	22%
North Kesteven	14%	13%	17%	10%	13%
South Holland	15%	14%	17%	8%	14%
South Kesteven	13%	11%	18%	8%	12%
West Lindsey	19%	18%	25%	10%	18%
Lincolnshire County	15%	15%	19%	7%	14%

In addition, 24% of occupants in the private rented sector are assessed to be in fuel poverty and on low incomes.

In its Housing Strategy (Laying the Foundations: A Housing Strategy for England), the Government states its desire to see the private rented sector thriving and growing. By targeting the funding towards the private rented sector, it will help raise the standard of the sector overall and form a conduit to develop partnerships with landlords.

In order to assess properties eligible for inclusion in this scheme and to enable properties to be classified with an EPC rating of F or G, the Housing Act 2004 provides a system to assess housing conditions in England and Wales. The system, the Housing Health and Safety Rating System, rates 29 hazards, including 'Excess Cold' and 'Damp and Mould Growth'. The Housing Health and Safety Rating System Guidance indicates that people living in dwellings that are poorly heated are at significantly greater risk where over 65 years old and children 14 years old or under or those living with pre-existing health issues.

The scheme will provide a central heating system and/or insulation improvements raising the EPC rating to 'E' or better and eliminating the energy related category 1 HHSRS hazard.

In April 2018 private landlords will no longer be permitted to commence tenancies in properties with a EPC rating of F or G. This scheme aligns with the latest requirements contained within the Energy Act 2011.

### **3.0 Scope of Scheme**

Although the proposed scheme will be available to all landlords of private rented properties which meet the criteria, it is proposed, due the limited budget, to target the properties that have the tenants in most need.

- The tenant will have to be in a vulnerable group and either aged over 65, be disabled or have other health issues, or there is a child aged 14 years or under residing in the dwelling.
- There will be no formal means testing but the tenant will have to be in receipt of a means tested benefit.
- The owner/landlord will apply for the grant and understand that the property must be made available for letting for a period of at least 5 years. The grant will be registered as a local land charge and will be repaid should the property be sold within this period.
- The owner/landlord cannot increase the rent paid due to these works being carried out and a demand for repayment may be made should the rent be increased by an excessive amount.
- The owner/landlord will be offered the engagement of this Councils term maintenance approved heating installation contractor who will undertake the works in accordance with the current contract terms and conditions. Payment for the works will be made directly to the Contractor by the Council. Alternatively, the owner/landlord may provide two itemised quotations for consideration by the Council.
- Due to the possible vulnerable nature of the tenants it is proposed that the scheme will allow for but not limited to the following:
  1. Design and Installation and first annual service of a whole house Central Heating System and associated works.
  2. Increased levels of insulation necessary to raise the property into EPC rating 'E'

3. Where necessary the moving/storage of furniture, removal and relaying of carpets

#### **4.0 Scheme Implementation**

The scheme will be administered by the Housing Renewal and Environmental Protection teams.

An initial eligibility assessment has been undertaken based on records held by this Council and subject to scheme adoption it is proposed to publicise this scheme through direct correspondence and wider publicity.

This proposal covers the central government additional grant award 2017/18, however, should further funding be forthcoming under the same terms it is envisaged that the proposal be extended into future allocations.