#### Appendix A – MEES Plus Grant Policy

## **MEES Plus Grant Policy**

#### 1.1 Introduction

Greenhouse gas emissions are higher now than at any point in recent history. This increase is directly linked to human activity, and particularly the burning of fossil fuels. Human induced climate change already affects every region of the world, and the effects such as extreme heat and more frequent, intense storms are being felt in Westminster. Delivering the necessary rapid cuts to emissions to avoid the more severe impacts of climate change will be the biggest challenge of this generation.

Westminster has some of the highest carbon emissions by local authority area, producing over 2 million tonnes in 2017. The largest proportion of those emissions, 86%, come from the built environment. Residential buildings, contribute 15% of citywide emissions. Therefore, tackling carbon emissions from residential buildings is a high priority for Westminster's Climate Strategy. Westminster has the largest private rented sector (PRS) in England with an estimated 52,700 properties, making up 43% of all housing. Improving energy efficiency within Westminster's largest tenure will make a significant contribution to reducing carbon emissions for the City.

This policy supports the Council's wider strategic aims set out by Westminster's Climate Action Plan and the Private Rented Sector Strategy 2021 – 2025.

# 1.2 The Legislation:

The minimum energy efficiency standard (MEES) was introduced in March 2015 by the Energy Efficiency (Private Rented Property) (England and Wales) Regulations 2015. The aim of the regulations and the new standard is to tackle the least energy-efficient properties in England and Wales – those rated F or G on their Energy Performance Certificate (EPC). The Regulations establish the minimum standard of EPC band E for both domestic and non-domestic private rented property, applying to all properties in scope from 1 April 2020 in the domestic sector, and from 1 April 2023 in the non-domestic sector.

The Council has discretionary powers under the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 to give assistance, grants and services for a wide range of works and adaptations.

Assistance under this policy is discretionary, the Council is not bound to approve any application and there is no legal entitlement to assistance.

Where demand for assistance exceeds the available resources, the Council will take into account the carbon savings achieved by each grant, along with further criteria established by this policy.

### 1.3 Legal Power/Consents

As outlined above the Council has discretionary powers under the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 to give assistance, grants and services in the private rented sector in line with a published policy. As these temporary grants do not form part of the current policy, they will be approved separately.

## 1.4 Policy Aims and Priorities

The aims of the Scheme are to:

- Improve energy efficiency in the Private Rented Sector
- Deliver carbon savings that would not have occurred through MEES enforcement alone
- Provide a case study on how to overcome unique challenges to Westminster's ageing housing stock (approximately half built pre-1900) and complex mix of listed buildings and conservation areas.
- Future proof Westminster properties to comply with a potentially increasing minimum energy efficiency standard (EPC E to C)
- Inform future strategy, policy development and service delivery toward achieving net zero 2040

Decarbonising Westminster's built environment will be the most significant challenge to overcome if we are to successfully deliver Net Zero by 2040. Improving energy efficiency in the PRS is a key priority of both Westminster's Private Rented Sector Strategy, and Climate Emergency Action Plan. The MEES Plus pilot scheme is a central part of Westminster's plan to deliver on that priority. This policy will set out the goals and objectives of the MEES Plus scheme and set out the necessary steps to implement the pilot.

The government consultation *Improving the Energy Performance of Privately Rented Homes in England and Wales* (2020) proposes to increase the minimum energy standard from a rating of '**E**' to a rating of '**C**' for new tenancies from 2025 and to all private rented homes from 2028. The pilot will act as a case study demonstrating how this can be achieved in Westminster, providing an evidence base to inform decisions relating to future climate/housing policy, funding bids and services, illustrating how to exceed the current standards and future proof Westminster properties in preparation for the potential future increase of the Minimum Energy Efficiency Standard.

To provide the support landlords need to improve energy efficiency in Westminster effectively, it is important to understand and address the key challenges. Westminster's housing stock is unique, and this can make traditional energy efficiency measures difficult and expensive. Approximately half of Westminster's domestic properties were built pre-1900, 78% of Westminster is covered by conservation areas, and there are 11,000 listed buildings across the City. These features can lead to difficulties in attaining planning permission.

And, further to this many properties are "mixed-tenure", meaning a mixture of leasehold and tenant occupation which can lead to issues with consent for works.

This pilot scheme will achieve its aims by offering targeted financial support to landlords who are exempted from MEES or, those who are already meeting the minimum standard (E) but are willing to exceed it. This will help tackle emissions from the built environment, delivering carbon savings that would not have happened otherwise.

World events such as the war in Ukraine and global supply shortages, have led to soaring fuel prices which could plunge many more households into fuel poverty. Living in cold homes has detrimental effects on both physical and mental health such as by increasing the risk of cardiovascular problems and strokes. By improving the energy efficiency of private rented homes this pilot will contribute to reduced fuel bills for tenants and help to alleviate fuel poverty.

#### 2.0 MEES Plus Grant

The pilot involves £100,000 in funding for private landlords to install carbon saving measures who are:

- 1) Exempt from MEES but are willing to meet the minimum standard (E)
- 2) Meeting the minimum standard but willing to improve the property to a 'D' or 'C'

Grants are capped at £10,000 per property (excluding landlord contribution)

**Exemptions:** 

Exemption from MEES is possible for several reasons, most commonly for "High Cost" where the cost of energy efficiency measures to meet the minimum standard (E) exceeds £3,500. In Westminster this is

particularly likely due to the cost of works in central London. A full list of exemptions can be viewed here.

2.1 Measures eligible for MEES Plus Funding

Below is a list of works which will be considered for successful grant applications, please note; this list is not exhaustive, measures not listed that can be demonstrated to improve the energy efficiency of the

property will be considered on a case-by-case basis.

Permitted works:

Loft insulation

Cavity/solid wall insulation

Underfloor insulation

Double/secondary glazing

Draft proofing

Boiler upgrades (where necessary, identified via EPC)

Radiator upgrades

Air-source/ground-source heat pumps

Solar Panels

2.2 Accessing the MEES Plus Grant

MEES Plus is being administered by the MEES Plus team within the Public Protection and Licensing department of Westminster City Council. Interested candidates and landlords can send an expression of

interest to the MEES Plus Officer:

David Olaleye

Email: dolaleye@westminster.gov.uk

All candidates will be required to complete an application form.

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### 2.3 Eligibility Criteria

To be eligible for MEES Plus funding, landlord applications must meet the following criteria:

- The rented dwelling must have an Energy Performance Certificate Rating of E, F or G
- Be either: Exempt from MEES but are nevertheless willing to meet MEES standard
   Or: meeting MEES (EPC E) but willing to exceed it
- Landlords of properties exempt from MEES will be required to provide evidence of a valid exemption
- A summary of measures and associated carbon savings will be submitted by each landlord prior to grant approval (these can be calculated by the contractor)
- Proposed measures and associated savings should aim to be achieved at a rate of £500/tonne of carbon saved (contractor should be able to provide figures)
- Landlords will be required to obtain 2 quotes from reputable contractors for the prospective works. MEES Plus recommends contractors have Trust Mark accreditation
- No internal works will be carried out without the consent of the tenant/tenants
- Consent will also be required of any relevant third-party, for example, a freeholder (evidence for this is not necessary, however the landlord accepts that it is they who are liable if consent is not obtained)
- Where relevant works require building control authorisation and/or planning permission, these will need to be arranged and agreed prior to approval of application (fees may be waived)
- Landlords are expected to match fund grant money (e.g. a grant of £5,000 would require a matched contribution from the landlord)
- Landlords will be refused funding if they have a recent history of non-compliance with
   Westminster City Council, other London Local Authorities and/or relevant housing legislation such as the Housing Act 2004
- Properties shall all receive an inspection both before works are commenced and upon completion of works
- A copy of a valid EPC shall be provided as part of a landlords application
- A new EPC must be conducted upon the completion of works
- Landlords will need to demonstrate their interest in the property for example with a Land Registry document or property deeds

### 3.0 MEES Plus Grant Approval

If all eligibility criteria are met then the landlord will be encouraged to submit an application. Their application will then be processed by the MEES Plus Team. Please see *Appendix A* for a flow-chart providing an overview of the end-to-end MEES Plus Process.

### 4. 0 Making a complaint

If for any reason an applicant (landlord) wishes to raise a complaint regarding MEES Plus, they may do so by contacting:

Home Improvement Agency (HIA)
Public Protection and Licensing
Westminster City Council
64 Victoria Street
London
SW1E 6QP

Tel: 020 7641 8959

Email: HIA@westminster.gov.uk

# 5.0 Appendices:

### Appendix A:





