# Ed Miliband’s net zero rental rules could push tenant costs up by £4,000 a year



As the UK government embarks on a bold stride towards net zero carbon emissions, tenants could find themselves facing significant financial burdens as a consequence of new energy efficiency regulations. Proposed by Energy Secretary Ed Miliband, these regulations will require all rental properties to achieve a minimum Energy Performance Certificate (EPC) rating of C by 2030. Independent analysis suggests that the costs associated with these mandatory upgrades could push tenant expenses up by an average of £4,000 per year.

The crux of the issue rests on the implications for rental prices as landlords may pass on the financial burden of compliance to tenants. A revelation from Government minister Sarah Sackman confirmed that while costs for landlords must be considered, such expenses could indeed lead to higher rents in certain circumstances. Shadow Housing Secretary Kevin Hollinrake has taken a strong stance against the proposals, arguing they represent a campaign against landlords and threaten to "pick people's pockets." He described the expected outcome as not merely an increase in living costs but a broader infringement on renters' financial stability.

Miliband has countered such criticisms by asserting that landlords ought to bear the bulk of the costs involved in reaching the new standards, emphasising that similar past initiatives did not result in significant rent hikes. The government points to evidence indicating that tenants could save approximately £240 annually on energy bills through improved efficiency, and initiatives such as the Boiler Upgrade Scheme have been implemented to support landlords financially. However, concerns remain about the pace of implementation, as landlords must prepare for compliance by 2028—a considerably accelerated timeline.

Further complicating the dialogue surrounding these proposals are findings from the Energy and Climate Intelligence Unit (ECIU) which underline the disproportionate impact such regulatory changes may have on residents in marginal constituencies. Analysis indicates that nearly 2.8 million privately rented homes fail to meet the new EPC standard, which could jeopardise energy efficiency efforts in politically sensitive areas. In fact, landlords may face staggering costs estimated between £18.5 billion and £36 billion to upgrade properties nationwide, leading to speculation that many owners could opt to sell their properties rather than undertake expensive renovations. This shift could exacerbate rental market pressures, driving up prices amid dwindling available housing stock.

Ed Miliband's proposals are also positioned within a broader framework aimed at alleviating fuel poverty for up to a million households, showcasing a stark contrast to previous Conservative policy which rolled back similar mandates. Labour’s commitment to enforce energy efficiency upgrades has ignited fierce debate around the feasible balance between environmental goals and the immediate economic realities faced by tenants.

While Miliband fiercely rejects any notion that these reforms will unavoidably lead to rent increases, emphasising tenants' rights to live in warm, affordable housing, the growing chorus of dissent suggests a complex interplay of public policy and housing market dynamics. Indeed, property experts caution that the new energy targets might inadvertently result in heightened eviction rates as landlords navigate the economic landscape wrought by these legal obligations.

As the discussion continues, both supporters and critics of the proposed regulations remain steadfast in their expectations of the outcomes. Whether Miliband's assertions about shielding tenants from increased costs will hold under scrutiny remains to be seen, but the stakes for millions of renters in the UK are undeniably high as the government forges ahead with its ambitious net zero agenda.

## Reference Map:

* Paragraph 1 – [[1]](https://www.express.co.uk/news/politics/2060914/ed-milibands-net-zero-plan), [[6]](https://www.gbnews.com/money/ed-miliband-net-zero-crackdown-rent-price-increase)
* Paragraph 2 – [[1]](https://www.express.co.uk/news/politics/2060914/ed-milibands-net-zero-plan), [[2]](https://www.standard.co.uk/news/politics/government-ed-miliband-angela-rayner-epc-rishi-sunak-b1209714.html)
* Paragraph 3 – [[3]](https://eciu.net/analysis/reports/2023/pm-scrapping-energy-efficiency-regulations-to-hit-renters-in-swing-seats-hardest), [[4]](https://www.gov.uk/government/news/warm-homes-and-cheaper-bills-as-government-accelerates-plan-for-change), [[5]](https://www.telegraph.co.uk/money/bills/energy/astronomical-cost-ed-miliband-net-zero-property-crusade/)
* Paragraph 4 – [[5]](https://www.telegraph.co.uk/money/bills/energy/astronomical-cost-ed-miliband-net-zero-property-crusade/), [[6]](https://www.gbnews.com/money/ed-miliband-net-zero-crackdown-rent-price-increase)
* Paragraph 5 – [[2]](https://www.standard.co.uk/news/politics/government-ed-miliband-angela-rayner-epc-rishi-sunak-b1209714.html), [[7]](https://www.bbc.com/news/articles/c1l4py0gz3jo)
* Paragraph 6 – [[1]](https://www.express.co.uk/news/politics/2060914/ed-milibands-net-zero-plan), [[6]](https://www.gbnews.com/money/ed-miliband-net-zero-crackdown-rent-price-increase)

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## Bibliography

1. <https://www.express.co.uk/news/politics/2060914/ed-milibands-net-zero-plan> - Please view link - unable to able to access data
2. <https://www.standard.co.uk/news/politics/government-ed-miliband-angela-rayner-epc-rishi-sunak-b1209714.html> - Energy Secretary Ed Miliband has stated that landlords should bear a 'significant' portion of the costs to meet new energy efficiency standards. Under proposed plans, private landlords in England and Wales would be required to achieve an Energy Performance Certificate (EPC) rating of C or above by the end of the decade, with a maximum expenditure cap of £15,000 per property. The government anticipates that these measures could save renters an average of £240 annually on their energy bills and help lift up to half a million households out of fuel poverty. Miliband emphasized the fairness of asking landlords to invest in these upgrades, noting that previous implementations of similar standards have seen landlords step up, benefiting tenants. Support schemes, such as the Boiler Upgrade Scheme and the Warm Homes: Local Grant programme, are available to assist landlords in meeting these requirements. Additionally, an affordability exemption could lower the cost cap to £10,000 for landlords with lower-rent properties or those in lower council tax bands. The government aims to ensure that all private rented homes meet the higher EPC standard by 2030, building upon the 48% of properties already compliant. This initiative is part of the government's broader Plan for Change, which seeks to improve housing standards and reduce energy bills for tenants. The plan also includes proposals to extend similar energy efficiency requirements to social housing, aiming to lift a million people out of fuel poverty and demonstrate the impact of a Labour government on housing standards. The government's approach has been met with calls for a realistic timetable and targeted financial support to help landlords implement the necessary upgrades.
3. <https://eciu.net/analysis/reports/2023/pm-scrapping-energy-efficiency-regulations-to-hit-renters-in-swing-seats-hardest> - The Energy and Climate Intelligence Unit (ECIU) has conducted an analysis revealing that the Prime Minister's decision to scrap Minimum Energy Efficiency Standards (MEES) in the private rented sector could adversely affect nearly 2.8 million privately rented homes. The ECIU's study indicates that 32 of the 50 most closely contested parliamentary seats in England, which had margins of around or less than 2,500 votes in the 2019 General Election, have above-average levels of private rented sector homes failing to meet the government's target Energy Performance Certificate (EPC) band C. This suggests that the removal of MEES could disproportionately impact renters in these marginal constituencies, potentially leading to colder and more expensive living conditions. The ECIU's findings highlight the broader implications of policy changes on housing standards and the well-being of renters, particularly in politically sensitive areas.
4. <https://www.gov.uk/government/news/warm-homes-and-cheaper-bills-as-government-accelerates-plan-for-change> - The UK government is accelerating its Plan for Change to provide households with warmer homes and reduced energy bills. The initiative aims to lift up to half a million households out of fuel poverty by 2030 by requiring all private landlords in England and Wales to achieve a higher Energy Performance Certificate (EPC) rating of C or equivalent in their properties. This move is expected to save tenants an average of £240 annually on their energy bills. Landlords will have a choice over how to meet energy efficiency standards, with a maximum cap of £15,000 per property. Support schemes, such as the Boiler Upgrade Scheme and Warm Homes: Local Grant, are available to assist landlords in implementing these measures. The government is also consulting on a revised fuel poverty strategy to improve the energy performance of homes and support low-income households with energy affordability. This plan is part of the government's broader efforts to deliver on its promise to transform the lives of renters across the country, ensuring families can live in secure and healthy homes.
5. <https://www.telegraph.co.uk/money/bills/energy/astronomical-cost-ed-miliband-net-zero-property-crusade/> - An analysis by The Telegraph reveals that Energy Secretary Ed Miliband's net zero drive could cost landlords, housing associations, and taxpayers up to £36 billion. The government's plan to ban landlords from renting out properties that are not energy efficient effectively forces them to invest thousands in eco-upgrades by the end of the decade. Landlords could be expected to spend up to £10,000 on each property they own, leading to concerns that many may sell their properties, potentially driving up rents for tenants. Energy Performance Certificates (EPCs) rate homes on their energy efficiency, with properties graded between A and G. Landlords cannot let out a property that does not have at least an E rating under current rules. The analysis suggests that it would cost between £18.5 billion and £36.1 billion to renovate the country’s 1.6 million private rental properties to meet net zero targets, excluding those unable to reach the C grade.
6. <https://www.gbnews.com/money/ed-miliband-net-zero-crackdown-rent-price-increase> - Labour's plans to make rental homes more energy efficient could lead to rent increases of up to £4,000 per year by 2030, according to Conservative analysis. The proposed measures would leave property owners facing a total bill of £21.8 billion to meet new environmental standards. Ed Miliband plans to impose a ban on millions of property owners from renting out their homes starting in 2028 unless they make expensive green upgrades. Despite Chancellor Rachel Reeves' promise to reduce red tape and lower costs for businesses, Miliband is pushing ahead with the changes. He's also moved up the deadline for these reforms by two years, giving landlords less time to prepare. Starting in 2028, all rental properties will need an Energy Performance Certificate (EPC) rating of C before new tenancies can be agreed. According to Savills, a major UK estate agent, around 2.9 million privately rented homes are not rated C. Most of these are older properties, with over 70 per cent of houses built before 1950 failing to meet the new standard. Government data shows the average cost to upgrade a property to a C rating is £7,529, but it can be much higher for older homes. This means landlords could face paying £4.4 billion a year, or five per cent of the £85.6 billion they earn in rent, which might be passed on to tenants. If fully passed on, the average UK rent would rise from £16,000 to £20,000 by 2030. A 2022 Shawbrook Bank survey found that more than half of landlords plan to pass at least some of the cost to tenants. Property experts have raised concerns that the green targets could lead to a rise in evictions when they take effect. They warn that some landlords might sell their properties, while others could evict tenants to carry out upgrades. Miliband has argued that the reforms prioritise tenants who have been 'abandoned and forgotten' as opportunities for warmer homes and lower energy bills have been ignored. He strongly rejected suggestions that the energy efficiency requirements will drive up rental costs. He said: 'People, if they've paid their rent, have a right to live in warm homes so that's what we're going to do.' He pointed to existing support mechanisms for landlords, including Government assistance and local grants. Miliband added: 'There is some Government help, we're looking at what more can be provided...there are some local grants, there's the boiler upgrade scheme.' The Energy Secretary added that when similar standards were previously implemented, 'we didn't see rent increases and half of landlords already do this'.
7. <https://www.bbc.com/news/articles/c1l4py0gz3jo> - Energy Secretary Ed Miliband has announced plans to raise energy efficiency rules for social housing to cut fuel bills for tenants and meet climate goals. Speaking at the Labour conference, Miliband unveiled plans for all social homes in England to achieve an Energy Performance Certificate (EPC) rating of at least C by 2030. The plan, which will be subject to a consultation later this year, extends an existing Labour pledge to apply the new rule to private landlords. A third of social homes, around 1.2 million, are currently rated D or below and will require new insulation, windows, and heating systems to meet the standard. The Conservatives originally planned to force all private landlords to reach the standard by 2028, but this was scrapped by Rishi Sunak last year, who argued the increased costs could push up rents. Labour promised to reverse this in its election manifesto, while giving private landlords a further two years to reach at least a C rating. Now the party has announced the requirement to reach level C by 2030 will also apply to councils and housing associations in England. In a speech to the conference in Liverpool, Miliband said the plan would lift a million people out of 'fuel poverty' and showed 'the difference a Labour government makes'. Currently, private properties in England and Wales need to reach at least level E to be rented out. Landlords have to pay for upgrades to reach this level, such as replacing boilers, improving insulation, and double-glazing windows, with costs capped at £3,500.