

Housing (Wales) Bill Response from: British Gas

British Gas response, January 2014

Summary

British Gas supports the Welsh Government in bringing forward legislation to improve standards in the private rented sector in Wales through the Housing (Wales) Bill.

In particular, we believe the introduction of a national, mandatory licensing scheme with accreditation for all private rented sector (PRS) landlords and letting and management agents in Wales offers the best route to consistently high standards in the sector.

Introduction

1. British Gas is one of the leading energy and home service suppliers in the country with over 15 million residential customer accounts across Britain. Our engineers visit 50,000 homes each day. We supply gas and electricity to around 400,000 homes in Wales. We employ 500 engineers in Wales to carry out service and repair work.
2. In October 2012, British Gas and Shelter joined forces to help tackle the problem of poor quality private rented homes across Britain, aiming to improve the quality of one million rented homes over five years. Key themes of this partnership are to improve the safety and warmth of tenants in the private sector, as well as providing help and advice to landlords and tenants.
3. The social housing sector is also a key partner for British Gas. Under the Energy Company Obligation and predecessor schemes, we have been working with housing associations across Wales to improve energy efficiency
4. According to the most recent statistics that measure the standard of private rented homes in Wales, the Living in Wales Survey 2008, poor housing is far more prevalent in private rented property compared to owner occupied property - 11.3% failing to meet the fitness standard in the private rented sector compared to 3.5% among owner occupiers.
5. The same survey noted that nearly 40% homes in the PRS in Wales are considered 'poor housing', containing at least one Category 1 hazard, such as damp and mould growth, excessive cold, unsafe stairs and steps, electrical hazards, and overcrowding.
6. The survey also found that 36% of PRS homes in Wales are likely to be in fuel poverty, set against a national average of 26%.
7. We believe this problem is made more acute by the fact that the PRS is an important source of housing for many vulnerable groups and also households with children make up an ever increasing proportion of its residents.
8. Research by British Gas and Shelter in England has highlighted that one in 10 people who rent their home privately say their home has not had its mandatory gas safety check in the last 12 months, putting their health and home at potential risk, contravening the legal responsibility of the landlord.
9. We support action to reduce the number of homes which fail to meet the minimum Housing Health and Safety Rating System (HHSRS) requirement for a home to be free of a Category 1 (or serious) hazard.

Improving safety, warmth and well-being

British Gas believes that safety and well-being in the PRS could be improved through simple steps and would recommend:

- Requiring the presence of an audible carbon monoxide alarm mandatory in all private rented properties that have gas appliances.
- The accreditation scheme should require landlords to not only have an Energy Performance Certificate, a gas safety certificate and electrical safety checks - but that certified copies should be provided to the tenant at the beginning of the tenancy and every 12 months during the life of the tenancy.
- A five yearly electrical safety check would provide significant additional protection for tenants and is a relatively low-cost way for the Welsh Government and the rented sector in Wales to demonstrate leadership and best practice.
- Ensure local authority enforcement teams have the resources to carry out regular, proactive checking of PRS properties against Housing Health and Safety Rating System (HHSRS) requirements and investigate tenant complaints. Also to ensure enforcement action can be pursued where necessary.
- Reducing the number of tenants in cold and damp accommodation by promoting measures to increase energy efficiency and reduce fuel poverty such as:
 - encouraging landlords to commission improvements and take advantage of funding that is currently available through the Energy Company Obligation to do so
 - ensuring that greater numbers of landlords adhere to their statutory duty to provide an Energy Performance Certificate to their tenants by requiring that copies are made available to tenants and accrediting bodies responsible for compliance
- Requiring the inclusion of an obligation for landlords on repairs within the rental contract and the proposed Codes of Practice would be enhanced by adding a Service Level Agreement. This would require a landlord to make provision for repairs within an agreed specified timetable.
- Provide education programmes for tenants and landlords to ensure both understand their rights and responsibilities in this area.
- Consider bringing forward the minimum energy efficiency rating of 'E' stipulated for rental properties by the Energy Act 2011 from 2018 to 2016 as part of the accreditation scheme. British Gas believes that this would deliver significant and lasting positive impacts for the health, financial and social wellbeing of tenants across Wales. It will also have a number of secondary effects, including cutting the costs to the NHS associated with fuel poverty.