

Energy efficiency and rent

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Dutch Union of Tenants

- Member of IUT (Energy working group)
 - Representing 1,5 million households through their local tenant organisations = 1/2 of rental sector
 - Affordable housing, good quality of housing, safe neighbourhoods and strong local organisations
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Housing costs in NL

- 28% of tenants in regulated rent sector in poverty after paying for rent + energy
- Due to rising energy + rents 35% in 2017

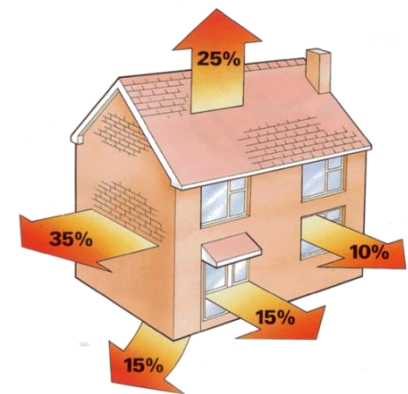
Poverty = not able to pay for minimal basic needs.
(standard of national social cultural planning agency)



Energy labels in NL

- 40% of low income households energy label F or G
- 45% of apartments energy label F or G

90% of all rental housing has energy label



'Split Incentive'

- Tenants want better housing, but no higher rent
- Landlords want to invest, with rent increase

Solution: agreement that rent increase $<$ energy saving

'housing costs guarantee'

After 1 year effect is measured!



Housing costs guarantee

Stimulates approval of landlord's proposal for renovation

Landlord has to be transparent about energy saving

Evaluation:

- more energy is saved when this instrument is used
- tenants will accept more rent increase
- more ambitious renovations are possible.

LAW: Landlord needs approval of 70% of the tenants

Covenant

- Dutch Union of Tenants
- Association of social landlords
- Government
- Energy label in rent system:
 - More energy efficiency, higher rent
 - Poor energy quality, lower rent
- Housing costs guarantee
- Goal: 20% energy saving, energy label 'B'



Dutch rental system

- National rent regulation for houses below € 652,52
 - Maximum rent is based on quality of the house
 - Landlord decides to let for certain % of maximum rent
 - Average in NL = 72% of maximum
 - Special juridical committee for rent-related affairs
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Maximum rent

All kinds of quality aspects are valued in 'points'

For example:

- Amount of square meters 49 m² = 49 pts
- Apartment = 1 pt (row house = 12)
- 2 m² storage = 1,5 pt
- 2 heated rooms + heated bathroom = 5 pts
- Boiler = 5 pts
- 10 m² insulated glass = 5 pts
- Counter size 150 cm = 4 pts
- 1 toilet, 2 sinks, shower = 9 pts
- No outdoor space = - 5 pts
- Facilities in surroundings = 15 pts

total = 90 points

Relation points and rent

Government publishes every year the 'table of rents' - these are maximum rents

220,35	89	422,48	131	639,21	173
225,66	90	427,65	132	644,37	174
230,36	91	432,81	133	649,54	175
235,06	92	437,96	134	654,69	176
239,73	93	443,13	135	659,86	177
244,46	94	448,28	136	665,00	178
249,15	95	453,44	137	670,18	179
253,85	96	458,61	138	675,34	180
258,56	97	463,77	139	680,48	181
263,27	98	468,92	140	685,65	182
267,93	99	474,10	141	690,83	183
272,64	100	479,24	142	695,95	184
277,36	101	484,40	143	701,12	185
282,06	102	489,56	144	706,30	186
286,74	103	494,73	145	711,46	187
291,46	104	499,89	146	716,60	188
296,15	105	505,03	147	721,78	189
300,84	106	510,22	148	726,92	190
305,55	107	515,37	149	732,10	191
310,26	108	520,51	150	737,24	192
314,96	109	525,69	151	742,41	193
319,65	110	530,84	152	747,57	194

'old' system

Points for:

- Heating system (efficiency)
- Amount of heated rooms
- Amount of m² insulated glass
- Amount of m² insulation

No points for:

- Solar energy
 - Balanced ventilation
 - Renewable energy
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Problems with old system

- Investing in energy efficiency is not feasible for landlords (rent vs investment)
- Especially new techniques are not applied
- Bad houses have relatively a lot of points
- Tenants pay high energy bills and high rent in bad houses
- Tenants pay low energy bills and a relatively low rent in newer good houses

Energy efficiency was not stimulated by this system

New system: energy label in rent

Label	Eengezins- woning	Appartement/ flatwoning
A++	44	40
A+	40	36
A	36	32
B	32	28
C	22	15
D	14	11
E	8	5
F	4	1
G	0	0

Single family houses

apartments

No energy label: less rent

Year of building
is label: as if
the house was
never improved

Tabel 2: Bouwjaar corresponderend met energielabel en punten

Bouwjaar	Eengezinswoning		Appartement/flat	
	Energie-label	Punten per energielabel	Energie-label	Punten per energielabel
2002 >	A	36	A	32
2000 t/m 2001	B	32	B	28
1998 t/m 1999	C	22	C	15
1992 t/m 1997	C	22	D	11
1984 t/m 1991	D	14	D	11
1979 t/m 1983	E	8	E	5
1977 t/m 1978	F	4	F	1
< 1976	G	0	G	0

Effects of new system

- + 40% energy reduction possible
 - + Almost every house can achieve energy label B
 - + Rent increase tenants = less than energy red in €
(it is not obligated but a voluntary instrument)
 - + Bad houses get rent reduction!

 - Long term increasing rent levels for new tenants
 - New houses expensive
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Effects of covenant

- Change of rent law 2011
- housing costs guarantee is being used and it works!
- Energy label B is local policy
- Fuel poverty is (getting slowly) on the agenda

Measured effects:

- average gas use p house p year 2% ↓
 - average gas use p m² 3% p year ↓
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Recent insights

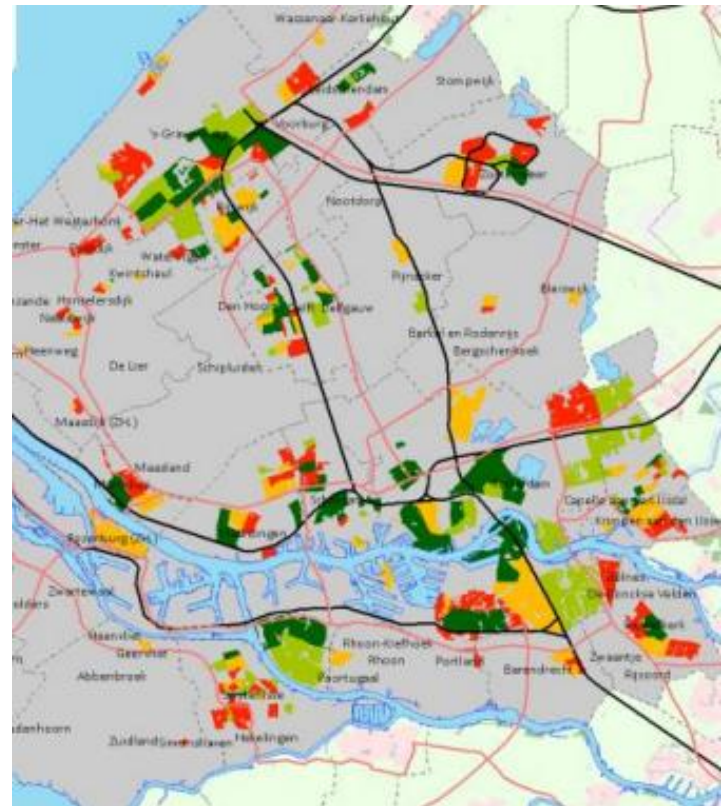
- Label in rent system increases awareness of energy efficiency for tenants
 - Energy label has become a policy instrument for local agreements on improving houses
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Local instruments

- Risk areas energy poverty
- Low income, high energy bill
effective/ focused
renovation

Soft instruments:

- Energy coach
- Toolbox



Vulnerable energy consumers

Netherlands:

People with payment problems energy bill cannot be cut off power / gas when:

- Doctors statement health problem
- In debt relief
- Between october and april

Except for fraude and on own request

Lower income households are at risk
3% of households with payment problems

Questions?

**BESPAAR
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met de Woonbond