



Department for
Communities and
Local Government

Electrical Safety Standards in the Private Rented Sector

Working Group report



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PRS Electrical Safety Standards Working Group – Report

Section 1 – Introduction and background

Introduction

1. Through the passage of the Housing and Planning Act in 2016, MPs and peers from across the political divide raised electrical safety in the Private Rented Sector (PRS) as an important issue and called for a regulatory requirement for landlords to arrange periodic electrical safety checks in their rental properties. These calls were backed up by tenant representative groups and electrical safety lobby groups. In response, the Government introduced an enabling power in the Housing and Planning Act 2016, allowing requirements for electrical safety standards in the PRS, and their enforcement, to be set through secondary legislation at a later date, if needed.
2. Following royal assent of the Housing and Planning Act, the Electrical Safety Standards Working Group was established to provide a forum to discuss the current risk posed to private sector tenants in the home from electrical hazards and whether legislative intervention is required to improve electrical safety standards in the PRS. The Working Group members focused on making recommendations to increase the standards of electrical safety in ways which would benefit the sector as a whole without introducing excessive regulation and cost.
3. The group was chaired by DCLG officials and included members drawn from different interests including landlord, letting agent and tenant representatives. A full list of members is available at Annex B of this report. The Working Group met four times; in August, October, November and December 2016.

Background

4. The PRS has undergone rapid growth in the last 10 years, overtaking the social rented sector as the second largest sector in 2012-13. Since then, the sector has continued to grow. In 2015-16, 20% of all households were private renters. This equates to 4.5 million households.

5. The proportion of families in the PRS has also increased. Between 2005-06 and 2015-16, the proportion of households in the private rented sector with children increased from 30% to 36%¹.
6. Standards in the PRS are improving: 28% of homes are now non-decent compared to 37% in 2010, and an increasing number of private tenants (65%) are happy with their tenure, compared to 48% in 2004-05.
7. However, tenants in the PRS face a higher risk of incidents from electrical faults in their homes compared to tenants in social housing². In 2014³, 59% of homes in the PRS had all five recommended electrical safety features installed. While this has improved, the PRS lags behind the social rented sector, where 72% of local authority homes and 77% of housing association homes had all five safety features installed in 2014.
8. Data from London Fire Brigade⁴ shows that, of the fires they investigated in London since 2010, there was no reduction in fires in PRS properties. They found that of the fires they investigated in the last 5 years in London, 748 were caused by an electrical source of ignition compared to 97 fire investigations caused by a gas source of ignition.
9. There are existing regulatory requirements to help protect tenants in the home:
 - Mandatory five yearly electrical installation checks for Houses in Multiple Occupation (HMOs);
 - The Landlord and Tenant Act 1985 requires landlords to keep installations in the property, including the supply of electricity, in good repair and proper working order;
 - Building regulations effectively require all circuits in new or rewired homes to be protected by a Residual Current Device (RCD) by citing compliance with BS 7671: 2008 (Requirements for electrical installations IET wiring regulations);
 - Local authorities have powers, through the Housing Act 2004, to take action where there are electrical hazards in a property.

¹ English Housing Survey Headline Report, 2015-16

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/595785/2015-16_EHS_Headline_Report.pdf

² London Fire Brigade Statistics. (Data is for London, without other regional data we have taken this as representative of the country as a whole).

³ https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/538134/DA5203_Disrepair_and_electrics_-_households.xlsx The five key features are: modern PVC wiring, modern earthing, modern consumer units, miniature circuit breakers and Residual Current Devices.

⁴ London Fire Brigade Data on Electrical and Gas Fire Investigation 2010-2015

10. Non regulatory best practice currently includes:

- RICS PRS code of practice advises landlords to organise five yearly periodic inspection and testing of the fixed wiring by a competent electrician, provide a report to the tenant, visually check for faults at the change of tenancy and conduct regular checks of supplied portable appliances;
- Industry bodies and lobby groups, such as Electrical Safety First, recommend electrical installation checks be carried out at a least every five years in PRS properties, carried out by a competent person to identify any remedial action necessary to bring the property up to the current BS 7671 standard. Many also recommend installing RCDs and carrying out electrical safety checks of supplied appliances; and
- The Government's 'How to Rent' guide recommends five yearly electrical installation checks.

11. The Scottish Government recently introduced regulations for mandatory five-yearly electrical checks, carried out by a registered electrician, of the electrical installation and electrical appliances supplied with privately rented homes. The duty applies to all private tenancies from 1 December 2016. The Welsh Government is currently considering options to introduce duties on electrical safety standards in Wales.

Section 2 – Issues and recommendations

Issue 1 – Is legislation necessary?

12. Working group members discussed a variety of non-legislative options including the promotion of a guidance note for landlords on their obligations under the Landlord and Tenant Act 1985, backed up with similar messages in the current 'How to Rent' guide for tenants. All working group members thought that stand-alone non-regulatory options such as these would not be sufficient and that legislation was needed to improve electrical safety standards in PRS properties.

13. All working group members agreed the need to use the enabling power in the Housing and Planning Act and introduce regulations for mandatory electrical installation checks in PRS properties. The aim of the regulations would be to ensure that the electrical installation is safe for continued use. An electrical Installation Condition Report (EICR) would confirm that the electrical installation is satisfactory for continued use and where identified would detail any remedial works required. Any properties which were deemed to be unsafe for continued use would require remedial work to be funded by the landlord. The group agreed

that an EICR and associated electrical installation certification confirming that remedial work had been undertaken in compliance with relevant standards should be issued to the landlord. The group proposed that a copy should also be issued to the tenant at the beginning of the tenancy and should be made available to local authorities on request.

14. The working group agreed that this would provide consistency with legislation in Scotland and clarity for landlords and tenants on their rights and responsibilities. Producing an EICR and issuing a report to the landlord and tenant is a clear process, likely to be understood by landlords, tenants and local authorities.
15. Working group members reported that the cost of carrying out a periodic inspection and test of an average PRS property varies based on its size and regional location. However, the average inspection and test is likely to take around 4 hours, with an average cost of £250, taking account of regional variances in the costs of an electrician's time.

Issue 2 – Frequency of mandatory electrical installation checks

16. There were differing opinions on the most appropriate frequency of mandatory electrical installation checks. The majority of members favored regulating for checks every 5 years. This would align with standards in Scotland, and provides a consistent approach with electrical safety standards for Houses of Multiple Occupation. Spreading the estimated cost of an inspection and test (see paragraph 14) over 5 years shows that this would cost landlords around £50 per year, per property.
17. The Institution for Engineering and Technology (IET) and the Residential Landlords Association (RLA) expressed differing views. They both recommended a risk based approach based on the type of property and the type of tenant, to determine the frequency of testing rather than a fixed 5 year testing regime, with the RLA proposing a maximum of 10 years between tests for low risk, single occupied dwellings. They thought this approach provided the best way of minimising cost burdens on landlords as low risk properties or tenants would need less frequent inspections and tests.
18. The majority of working group members recognised that this approach was technically accurate but felt that this added a level of complexity which could lead to landlords and tenants becoming confused about their responsibilities and rights. Group members also felt that a risk based approach would be difficult and complicated to enforce and they also recognised that more frequent inspections and tests may be needed to be carried out by landlords of higher risk properties

(for example student accommodation or non HMO shared accommodation with a high turnover of tenants).

19. Working group members discussed whether landlords should be required to arrange for the inspection and testing of electrical installations at a change of tenancy. All working group members, particularly the landlord representatives, agreed that this would introduce excessive burdens on landlords and agreed not to recommend legislating for this. Group members agreed that visual checks of the safety of the electrical installations by landlords on a change of tenancy should be encouraged as good practice and recommended including this in guidance for landlords. Existing good practice guidance includes visual inspections forms, a guidance booklet and a smartphone 'app' for landlords to use to carry out visual checks.

20. Group members noted support for 5 yearly inspections and tests from letting agents. The Association of Residential Letting Agents (ARLA) surveyed their members in July 2016 and all agents surveyed supported a mandatory requirement for inspections and tests every 5 years. 46% of agents surveyed said they currently require an EICR report before letting out a property. On balance, the overall view of the majority of working group members was to recommend that 5 yearly mandatory electrical installation checks should be set out in secondary legislation.

Recommendation 1: 5 yearly mandatory electrical installation checks should be set out in secondary legislation.

Recommendation 2: Visual checks of the safety of the electrical installation by landlords at a change of tenancy should be encouraged as good practice and set out in guidance.

Recommendation 3: A report should be issued to the landlord which confirms that an EICR has been completed along with confirmation that any remedial work necessary has been undertaken satisfactorily. A copy should be issued to the tenant at the beginning of the tenancy and should be made available to local authorities on request.

Issue 3 – Electrical Appliance testing

21. Working group members discussed whether regulations should include a mandatory requirement for landlords to arrange the inspection and testing of electrical appliances which are present in the property. These are typically small portable electrical items (for example a convection heater, a toaster or a kettle), larger stationary items (such as washing machines and tumble dryers) and fixed

items (such as showers and storage heaters). They are often supplied by the landlord, but also by tenants. As landlords would not necessarily be aware of appliances supplied by tenants, the group felt that any requirements relating to the testing of tenant supplied appliances would overcomplicate the process and would be impractical to manage. The group agreed that they should consider requirements with regard to landlord supplied appliances only.

22. The group acknowledged that the testing of appliances supplied by the landlord was a requirement in the Scottish legislation. The landlord representative groups thought that including this in the regulations in England would increase the burdens on landlords to an unacceptable level and would result in landlords not supplying these electrical items with their properties, to the detriment of tenants. Working group members agreed that electrical appliance testing would introduce unnecessary burdens for landlords. Their view was that the installation of BS7671 compliant Residual Current Devices (RCDs) as a result of a test of the electrical installation would provide additional protection in the event of an electrical appliance earth fault.

23. The group agreed to recommend that landlord supplied electrical appliance testing, and visual checks of electrical appliances in the property by landlords at change of tenancy, should be recommended as good practice.

Recommendation 4: Landlord supplied electrical appliance testing and visual checks of electrical appliances by landlords at a change of tenancy should be encouraged as good practice and set out in guidance.

Issue 4 – Residual Current Devices (RCDs)

24. Working group members discussed whether to recommend a supplementary approach to mandatory inspection and testing by introducing a requirement for landlords to install RCDs in their properties. RCDs are devices designed to prevent people from getting a fatal electric shock if they touch something live such as a bare wire. RCDs are usually fixed to the electrical consumer unit and are designed to switch off electricity automatically if there is an earth fault; protecting against fatal electric shocks and fire caused by earth faults. The group noted that 62% of PRS households currently had RCDs installed⁵.

25. The group noted that whilst this would be a less burdensome option for landlords as it would require a one off cost, rather than regular costs of 5 yearly checks and costs of remedial works, RCD protection alone would not ensure tenants' safety,

⁵ <https://www.gov.uk/government/statistical-data-sets/dwelling-condition-and-safety>

as RCDs can become unreliable if not regularly tested. The group also noted that RCDs do not provide protection against overload or short-circuit. An electrical installation check might advise the fitting of RCD protection in some circumstances. The group concluded that RCDs alone were not sufficient to ensure electrical safety but that their installation should be recommended. However, the absence of an RCD does not necessarily mean that an installation is unsafe – the inspection and testing would be the determining factor of safety. The Group therefore felt that RCDs (and the appropriate testing of RCDs) should be recommended as good practice, rather than required by new regulations.

Recommendation 5: The installation of Residual Current Devices (RCDs) by landlords should be encouraged as good practice and set out in guidance.

Issue 5 – Competent Persons

26. Working group members discussed options for assessing and recognising ‘competent and qualified persons’ who would carry out the inspections and testing of electrical installations.
27. One option discussed was to build on the existing Building Regulations competent person scheme mechanism but with an amended Electrotechnical Assessment Specification (EAS) to cover the inspection and testing of existing buildings where no electrical installation work was being carried out.
28. The Institution of Engineering and Technology expressed concerns that the existing competent person scheme model was not appropriate as it does not make assessments for competency in periodic inspection and testing where no electrical installation work was being carried out. They were also concerned that some individuals would not qualify under a competent person scheme model. They called for a ‘professional registration’ approach, as is used in the Scottish model, as an alternative option.
29. There were differing opinions amongst group members on these issues, with a view that a PRS competent person scheme would need to be separate from Building Regulations competent person schemes and that it would be open to anyone with the required competences to join.
30. The RLA and ARLA called for a single register of competent electricians, branded under a single kite mark (in a similar way to how Gas Safe is promoted for gas safety checks) as a simple and clear way for landlords and tenants to know whether the electricians they appoint to carry out installation checks have the required competence to do so. They were not convinced that a PRS competent

person scheme could accommodate this. Other members were of the view that it would be possible to establish a simple-to-use electronic register to allow landlords to identify individuals on the register in their area under a PRS competent person scheme.

31. Following this discussion, the group agreed that there would need to be a scheme, open to anyone with the necessary competencies, whose members were PRS testers and that members would need to pass a competence assessment. It was recognised that a PRS scheme would need to be separate from the existing Building Regulations competent persons scheme. The group agreed that the industry Electrotechnical Assessment Specification (EAS) Management Committee would be best placed to develop the competence framework which took account of the views from working group members. The EAS Management Committee has agreed to do this by amending the EAS document, including appendix 4.

Recommendation 6: A PRS electrical testing competent person scheme should be set up which would be separate from the existing Building Regulations competent person scheme.

Recommendation 7: DCLG should commission the Electrotechnical Assessment Specification (EAS) management committee to consider the most effective method of assessing 'competent PRS testers' to carry out electrical inspections and tests.

32. The landlord and letting agent representatives queried the number of competent and qualified electricians who might be available in England to carry out electrical inspections, and questioned whether the sector had the capacity to cope with large numbers of landlord requests for inspections. Initial research by group members suggested the estimated ratio of available electricians to rented properties in England was around 1:100. The working group noted that this ratio was better than in Scotland, where regulations were already in force. The estimated ratio in Scotland is 1 qualified electrician to 165 properties.

Issue 6 – Phasing in regulatory requirements

33. Working group members recognised that introducing requirements to inspect and test electrical installations in rented properties from a single starting date would be extremely problematic, and would lead to peaks and troughs for many years with huge demands at the chosen period and little work between. Phasing in the requirements would have benefits to both the electrical engineering sector and landlords.

34. In Scotland, the phasing was structured as follows:

- The new duty was applied to new private tenancies in year 1 (1 December 2015)
- The new duty was extended to *all* private tenancies in year 2 (1 December 2016)
- Properties with an existing electrical installation condition report (EICR) were not required to replace it until 5 years from its date

An Electrical Installation Certificate (for new and fully rewired properties) can be presented in place of an EICR provided that the date of next inspection indicated on the certificate has not elapsed (for rented property the Institute of Engineering and Technology recommendation is five years).

35. Members noted that this approach seemed to have been successful in Scotland, and agreed to recommend this phasing in approach in England.

Recommendation 8: Legislative requirements should be phased in, beginning with new tenancies, followed by all existing tenancies.

36. The group also agreed that best practice guidance was required for landlords and agents in advance of the regulations coming into force, and that further work was needed to determine how best to increase compliance and awareness (which could therefore reduce landlord and agent burdens). Members also agreed the importance of avoiding, where possible, creating additional burdens for councils, for example avoiding enquiries from the public on the inspection and testing process. Clear guidance and communications to tenants in advance of any legislation would help to avoid this.

Section 3 – Conclusions

37. The working group concluded that legislation was necessary to improve electrical safety standards for tenants in the private rented sector and recommended that the enabling powers in the Housing and Planning Act 2016 to set electrical safety standards in PRS properties should be used. They recommended that the inspection and testing of the property's electrical installation at 5 year intervals should be set out in regulations. The aim of the regulations would be to ensure that the electrical installation is safe for continued use and reduce the risk of death, injury and damage to property from electrical hazards in the private rented sector.

38. The group recognised the need to minimise cost burdens for landlords and agents whilst maintaining adequate protections for tenants. They did not support

mandatory inspections and tests at the change of tenancy, nor mandatory testing of electrical appliances supplied by the landlord or the tenant as the costs to landlords and agents would be disproportionate to the more limited benefit. The group agreed these were all examples of good practice and recommends this is set out in guidance for landlords and agents. Similarly, the installation of Residual Current Devices (RCDs) should also be set out in guidance as an example of good practice rather than be introduced as a mandatory requirement.

39. The working group agreed that a PRS competent person scheme should be set up, which would be separate from the Building Regulations competent persons scheme. They recommended commissioning the industry Electrotechnical Assessment Specification (EAS) management committee to consider the options discussed by working group members and to decide on the most effective method of assessing 'competent PRS testers' to carry out electrical inspections and tests.
40. All working group members agreed on the need to design and publish comprehensive guidance notes for landlords, agents and tenants to explain the requirements of the recommended regulations. This should be prepared in advance of the regulations coming into force to help increase awareness and compliance. Guidance in advance would also help to reduce landlord and agent cost burdens overall.

DCLG

March 2017

Annex A – Summary of Working Group recommendations

Recommendation 1: 5 yearly mandatory electrical installation checks should be set out in secondary legislation.

Recommendation 2: Visual checks of the safety of the electrical installation by landlords at a change of tenancy should be encouraged as good practice and set out in guidance.

Recommendation 3: A report should be issued to the landlord which confirms that an EICR has been completed along with confirmation that any remedial work necessary has been undertaken satisfactorily. A copy should be issued to the tenant at the beginning of the tenancy and should be made available to local authorities on request.

Recommendation 4: Landlord supplied electrical appliance testing and visual checks of electrical appliances by landlords at a change of tenancy should be encouraged as good practice and set out in guidance.

Recommendation 5: The installation of Residual Current Devices (RCDs) by landlords should be encouraged as good practice and set out in guidance.

Recommendation 6: A PRS electrical testing competent person's scheme should be set up which would be separate from existing Building Regulations competent person's scheme.

Recommendation 7: DCLG should commission the Electrotechnical Assessment Specification (EAS) management committee to consider the most effective method of recognising 'competent PRS testers' to carry out electrical inspections and tests.

Recommendation 8: Legislative requirements should be phased in, beginning with new tenancies, followed by all existing tenancies.

Annex B – Working Group Members

Organisation
Royal Institute of Chartered Surveyors (RICS)
British Gas
Electrical Safety First
Chief Fire Officers Association
Association of Residential Letting Agents
Shelter
Residential Landlords Association (RLA)
National Approved Lettings Scheme (NALS)
British Property Federation (BPF)
National Landlords Association
Local Government Association (LGA)
Chartered Institute of Environmental Health
Institution of Engineering and Technology
NAPIT and Electrical Safety Round Table
Health and Safety Executive

DCLG

Jane Everton (Chair)	Better Rented and Leasehold Sector team
Izzy Connell	Better Rented and Leasehold Sector team
Mark Nicholas	Better Rented and Leasehold Sector team
Ian Drummond	Building Regulations team
Marcus Spray	Housing and Planning Analysis

Annex C – Terms of Reference

Purpose

To provide a forum to discuss what, if any, legislative requirements are needed to adequately protect private rented sector tenants from electrical hazards in the home.

Organisations to be represented

Chair: DCLG

1. **Royal Institute of Chartered Surveyors**
2. **British Gas**
3. **Electrical Safety First**
4. **Chief Fire Officers Association**
5. **Association of Residential Letting Agents**
6. **Crisis**
7. **National Landlords Association**
8. **Shelter**
9. **Residential Landlords Association**
10. **British Property Federation**
11. **National Approved Lettings Scheme**
12. **Local Government Association**
13. **Chartered Institute of Environmental Health**
14. **Institution of Engineering and Technology**
15. **Health and Safety Executive**
16. **Department for Communities and Local Government**

Suitable substitutes will be accepted, provided that they have been fully briefed by the person they are standing in for. Replacements should be notified in advance of meetings to the DCLG Private Rented Sector team.

Inputs

- Members of the Working Group will be invited to help draw up the agenda for discussion at the meetings, which DCLG will facilitate.
- The meetings will give members of the working group an opportunity to discuss the current risk posed to private sector tenants in the home from electrical hazards and whether *legislative introductions* are required.
- The meetings will also allow members of the working group to design options that would protect private rented sector tenants without introducing excessive regulation and cost.

Outputs

- The working group is expected to submit a report of their findings to the Housing Minister by the end of 2016.
- Updates/revisions to papers discussed at the meetings.
- Minutes/action-points.

Frequency

- The first meeting of the working Group will be on 19th August. Further meeting(s) will be held over the summer
- Meetings will last no more than two hours
- The secretariat will be provided by DCLG

Meeting Management

- The working group meetings will be managed by DCLG which will aim to:
- Circulate an agenda, together with any papers, a minimum of five working days before the day of the meeting
- Provide hard copies of papers at the meeting
- Provide minutes and actions, no longer than six working days after the meeting

Department for Communities and Local Government