

Green Deal Case Study



Department
of Energy &
Climate Change

Landlord Malcolm Langford owns a number of rental properties and prides himself on offering comfortable properties at fair prices. As a member of the National Landlords' Association, Malcolm first heard about the Green Deal as he was flicking through their bi-monthly magazine 'UK Landlord.' He instantly recognised that the Green Deal was the perfect solution for making his rental property in Wales more energy efficient.

Rental property solid walls/new boiler/flue gas heat recover/solid wall and loft insulation
Improved property and controlled energy costs



Speaking about her experience of the Green Deal, Carol says:

"It's a gain to both me and Malcolm. The property is improved for the landlord and will help me to control my bills."

Contact the Energy Saving Advice Service at **0300 123 1234** calls charged at national rates
or visit **www.gov.uk/greendeal** to find out more about Green Deal Schemes

Green Deal finance provides an option for some people to pay for part of the cost of energy efficiency improvements over time through their electricity bill offsetting some of them against energy savings they may expect to make. Savings on energy bills may not cover the entire cost of the energy-efficiency improvements. This means that consumers may need to meet any shortfall themselves at the outset.

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The energy efficiency challenge

By Malcolm's own admission he recognised that one of his rental properties had: "Potential for energy efficiency improvements. The property had solid walls, questionable insulation, and a G rated back boiler."

After Malcolm explained the benefits of the Green Deal to one of his tenants, Carol, she was positive and thought it worthwhile to have a Green Deal Assessment on the property.



The Green Deal solution

The Green Deal Assessor gave Malcolm a Green Deal Assessment Report (GDAR), which recommended four different energy efficiency improvements to the property: loft insulation, solid wall insulation, a new boiler and a flue gas heat recovery unit.

Carol recognised that the recommended energy efficiency improvements should make her home easier to heat and help bring bills under control too and she agreed* with Malcolm to go ahead with the work.

Malcolm had pointed out that, after his up-front contribution, the repayments Carol would make – over time through her electricity bills – were likely to be offset by a reduction in her energy bills as a result of the energy efficiency improvements. He also explained that Carol would only be responsible for the repayments for the time she was liable to pay the energy bills, after which the responsibility would pass to the next bill payer**.

Energy efficiency improvement benefits

Malcolm went ahead and had all four measures installed using a blend of ECO, Green Deal Home Improvement Funding (GDHIF) and Green Deal finance to pay for it.

For the external solid wall and loft insulation, which cost a total of £8,738.89, Malcolm received ECO support worth £6,141.66.

Towards the £4,309.32 cost of the new boiler and flue gas heat recovery unit Malcolm received £1,000 from GDHIF. Malcolm entered into a Green Deal finance plan for £1,544.49 to assist him with the remaining costs, meaning that part of the costs of the improvements would be met by repayments made over time by his tenants. Malcolm even received £100 towards the cost of his GDAR from the GDHIF scheme.

Visit www.gov.uk/government/collections/green-deal-case-studies
to find out how other people have benefitted from Green Deal Schemes

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* Before entering into the Green Deal plan, as the person making the arrangements to have the energy-efficiency improvements installed, Malcolm was required to obtain Carol's confirmation that she agreed to make the repayments set out in the Green Deal plan. This is a requirement under the Green Deal rules where the person responsible for the energy bills (for example a tenant like Carol) is not the person making the arrangements to have the energy-efficiency measures installed (for example a landlord like Malcolm).

**Under the Green Deal tenants are only required to make repayments for any time during which they were responsible for the energy bills at the property. Hence, when a tenant ceases to be responsible for paying the energy bills, they cease to be responsible for making repayments under the Green Deal plan and the responsibility to make repayments under the Green Deal plan passes to the new bill payer.