

# RAF063/2122

# Understanding the role of residential sales and lettings professionals in home decarbonisation

## Research report

Conducted by Verian (formerly Kantar Public) for the Department for Energy Security and Net Zero prior to the general election in the United Kingdom in July 2024. As such, any references to government policies, commitments, or initiatives may reflect the stance of the previous administration and were accurate at the time of fieldwork and writing.

Views expressed in this report are from the relevant research agencies, based on data collected from research participants and other evidence, and not necessarily those of the UK government.



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# Executive summary

## Research background

The Department for Energy Security and Net Zero (DESNZ) wants to support homeowners to decarbonise their properties via improved energy efficiency and installation of low carbon heating systems. Previous research conducted in different countries has identified that the residential sales and lettings sector (RSLs) is a key influence on homeowners' knowledge, attitudes, and decisions relating to home decarbonisation. In the UK, the RSLs employs over half a million people, comprising of a multitude of services, including property development, investment and advisory, brokerage, leasing, appraisal, and management<sup>1</sup>, but no research to date has been conducted to understand its influence on homeowners around home decarbonisation within the British context.

This report details the findings of qualitative research commissioned by DESNZ to fill evidence gaps regarding how RSLs professionals most involved in consumer decision-making currently support homeowners to decarbonise their properties across England and Wales. Fieldwork was conducted between November 2023 and February 2024. The research objectives were:

- To understand estate agents', letting agents' and property managers' roles and current activities in relation to home decarbonisation.
- To generate ideas and solutions to increase estate agents' and property managers' impact on home decarbonisation in future.

The RSLs is complex with differences between types of professionals and those using their services. Throughout this report, where there are no distinctions to be made within these groups, they will be referred to as 'RSLs professionals' and 'consumers'; otherwise, the group of interest will be specified. Views on the key research topics were generally consistent between RSLs professionals and consumers and, unless otherwise stated, the views detailed within this report are shared by all groups who participated in the research.

## Summary of findings

### Current prioritisation of home decarbonisation within the RSLs

Home decarbonisation was seen as a low priority overall by RSLs professionals and consumers. Reasons for this included:

- Cost primarily guided consumer decision-making when buying, selling or letting a property, and the cost of living crisis reduced consumer willingness and ability to spend on home improvements.

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<sup>1</sup> Statista (2023), 'Real estate market in the UK – statistics & facts' available at: <https://www.statista.com/topics/6049/real-estate-market-in-the-uk/#topicOverview>

- Demand outstripping supply in the current housing market reduced the motivation or need for consumers to differentiate their properties on any parameters.
- Current regulation focuses on private rented sector (PRS) homes but not the owner-occupied sector, and there are few incentives for landlords to improve the energy efficiency of properties beyond the minimum regulatory standards
- Not all properties were considered to be appropriate for installation of measures.

These reasons prevented RSLs professionals from raising awareness about and sharing knowledge with consumers around home decarbonisation. However, RSLs professionals felt the requirement to attain a minimum EPC rating of E had prompted landlords to consider the energy efficiency of a property to a greater degree than before this regulation. The cost of living was also driving interest in reducing property running costs for many consumers, increasing their interest in energy efficiency measures as a result.

### Current RSLs professionals' practices around home decarbonisation

RSLs professionals have not typically adopted or established many practices related to home decarbonisation in their roles, beyond advising landlords on adhering to the legislation currently in place in the PRS. Since the main focus for RSLs professionals was achieving the highest value for property sales and rentals for their consumers, in some circumstances, RSLs professionals intentionally inhibited consumer consideration of home decarbonisation, as they dissuaded them from installing measures to minimise costs to consumers.

When home decarbonisation practices were perceived to have a clear benefit to RSLs professionals or their customers, they were more likely to be discussed. Examples of these benefits included higher future rental or sales prices, reduced running costs, decreased future maintenance costs or lower likelihood of tenant complaints. RSLs professionals also generally had higher knowledge of energy efficiency measures than of low carbon heating systems, and were thus more likely to suggest installing energy efficiency measures. Measures most likely to be suggested by RSLs professionals to improve energy efficiency were those they believed to:

- Visually elevate a property, which was particularly the case for double-glazing.
- Achieve noticeable benefits easily - for example, loft insulation and door replacements were perceived to improve warmth, damp issues or EPC ratings.
- Provide a clear indication of a property's quality – for example, prompting landlords to make changes to improve EPC ratings.

### The future role of RSLs professionals in home decarbonisation

RSLs professionals were open to playing a greater role in supporting home decarbonisation in the future. However, they were more open to playing a role in the PRS than the owner-occupier sector because relationships with landlords tended to be longer-term and more advisory in nature, which made it easier to initiate conversations about home decarbonisation.

As a result, letting agents and property managers were already more likely to advise landlords to install relevant measures than estate agents. From their current experiences in working with

landlords, RSLs professionals felt it would be easier to engage with those who: are professional landlords with larger portfolios; are currently refurbishing; have houses of multiple occupation, older properties and / or poor EPC ratings; have trusted relationships with their property managers; and own property in areas where there seems to be more interest in home decarbonisation (e.g., specifically Brighton in England, and Wales as a whole).

RSLs professionals and consumers perceived the opportunity for their involvement in home decarbonisation to be more limited within the owner-occupied sector than the PRS, as relationships between professionals and consumers were shorter-term and more transactional. Therefore, RSLs professionals did not believe it was beneficial to have conversations about installation of energy efficiency measures in these timeframes. However, they felt there could be opportunities to engage with buyers who have long-term investment in mind, are buying properties that require refurbishment and / or are focused on property running costs.

RSLs professionals and consumers referenced three main challenges that prevent home decarbonisation from being considered more in RSLs professionals' practices. These are described below, along with suggestions for how they could be addressed:

**Low awareness and knowledge:** RSLs professionals and consumers felt they had limited understanding of the details and benefits of energy efficiency measures and low carbon heating systems. They both felt this could be overcome by provision of:

- Information on measures, their benefits and recommendations for installers and suppliers provided via a centralised information point (e.g., government website).
- Formal training and recognised qualifications or accreditation for professionals to improve confidence and trust in the advice given.

**A perceived lack of financial incentives for installing energy efficiency measures and low carbon heating:** RSLs professionals felt this prevented them from encouraging uptake of these measures. RSLs professionals felt that this could be overcome by:

- Provision of information that informs RSLs professionals about how decarbonisation measures can affect property values and / or running costs.
- Highlighting the availability of grants or financial benefits RSLs professionals could highlight to their customers (e.g., preferential mortgage rates, discounts on stamp duty / council tax or tax benefits).

**A perceived lack of clarity on government policy:** RSLs professionals and consumers stated they lacked incentive to make changes to their properties or practice, or were unaware of the need to do so. They both felt that this could be addressed by communication that:

- Outlines long-term government strategy around home decarbonisation and the timetable for this (e.g., a roadmap for home decarbonisation).
- Supports home decarbonisation improvements via regulation in both the PRS and owner-occupier sector (e.g., minimum EPC standards or banning of fossil fuel heating systems).

# Introduction

## Policy background and research need

There are currently 15.8m owner-occupied homes and 4.6m PRS homes in England.<sup>2</sup> Home heating is currently responsible for 17% of the UK's carbon emissions.<sup>3</sup> For the Government to meet its Carbon Budgets and achieve Net Zero by 2050, the energy efficiency of domestic buildings must be improved, and clean heating systems (such as heat pumps) installed where possible.<sup>4</sup> The Government must also meet its statutory fuel poverty target, to ensure as many fuel poor homes as is reasonably practicable achieve a minimum energy efficiency rating of Band C, by 2030.<sup>5</sup> In addition to reducing emissions and energy bills, improving the energy efficiency of homes will help keep occupants warm and improve health outcomes.

PRS homes are required to meet a minimum standard of an Energy Performance Certificate (EPC) Band E. Currently, there are no such requirements for owner-occupied homes. Improvements have been made – between 2011 and 2021, the number of homes with an EPC rating of C or above increased from 18% to 44.5% in the PRS; and from 11.4% to 42.9% in the owner-occupier sector.<sup>6</sup>

The Government is exploring how to support homeowners to improve the energy efficiency of their properties and decarbonise their heating systems, including through capital schemes grants,<sup>7 8 9 10</sup> an advice and information service, and efforts to catalyse green finance.

The Department for Energy Security and Net Zero (DESNZ) conducted an evaluation of existing literature and identified the residential sales and lettings sector (RSLs) as a key influence on homeowners' knowledge, attitudes and decision-making relating to home decarbonisation. In September 2023, DESNZ commissioned Verian to further research the role the RSLs can play in supporting home decarbonisation in England and Wales.

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<sup>2</sup> DLUHC (2023), 'Chapter 1: Profile of households and dwellings' available at:

<https://www.gov.uk/government/statistics/chapters-for-english-housing-survey-2022-to-2023-headline-report/chapter-1-profile-of-households-and-dwellings>

<sup>3</sup> HM Government, Heat and Buildings Strategy, October 2021, p23

<sup>4</sup> DESNZ and BEIS (2021) [Heat and buildings strategy - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/publications/heat-and-buildings-strategy)

<sup>5</sup> DESNZ (2021) 'Sustainable warmth: protecting vulnerable households in England', available at:

<https://www.gov.uk/government/publications/sustainable-warmth-protecting-vulnerable-households-in-england>

<sup>6</sup> [Energy Chapter 1 Annex Tables v3.ods \(live.com\)](https://www.gov.uk/government/publications/energy-chapter-1-annex-tables-v3-ods)

<sup>7</sup> DESNZ (2024), 'Find ways to save energy in your home' available at: <https://www.gov.uk/improve-energy-efficiency>

<sup>8</sup> Ofgem (2023), 'Boiler Upgrade Scheme (BUS)' available at: <https://www.ofgem.gov.uk/environmental-and-social-schemes/boiler-upgrade-scheme-bus>

<sup>9</sup> Ofgem (2023), 'Energy Company Obligation (ECO)' available at: <https://www.ofgem.gov.uk/environmental-and-social-schemes/energy-company-obligation-eco>

<sup>10</sup> Ofgem (2023), 'Great British Insulation Scheme' available at: <https://www.ofgem.gov.uk/environmental-and-social-schemes/great-british-insulation-scheme>

## Research aims

There were two overarching objectives for this research:

- To understand estate agents', letting agents' and property managers' roles and current activities in relation to home decarbonisation.
- To generate ideas and solutions to increase estate agents' and property managers' impact on home decarbonisation.

Specifically, the research aimed to address the following primary research questions:

1. How, if at all, do estate agents, letting agents and property managers incorporate energy efficiency and low carbon heating considerations into their practices (e.g., when determining rental/sales price points) when dealing with domestic properties?
  - a. What, if any, insights can estate agents, letting agents and property managers share about how consumers react to EPC ratings on property listings?
2. Do estate agents, letting agents and property managers support landlord and owner-occupier decision-making around home decarbonisation; if so, how?
  - a. At what stages do they tend to support decision-making (e.g., when selling a property, when buying a property, when re-letting a property)?
3. What are the barriers and facilitators to estate agents, letting agents and property managers facilitating the decarbonisation of domestic properties?
4. How can estate agents, letting agents and property managers be supported to play a more active role in the decarbonisation of domestic properties?

These were supported by two secondary research questions:

5. What do estate agents, letting agents and property managers consider to be the key functions of their role and to what extent does home decarbonisation fit into this; if so, how?
  - a. What do and don't their customers expect of them regarding home decarbonisation?
6. What are estate agents' and property managers' perspectives on the importance on the role of home energy efficiency and low carbon heating in owner-occupiers' decision-making?

# Method

## Approach

Qualitative research was conducted over three phases of activity, enabling the research aims and questions to be explored iteratively, among a range of different audiences. The topic guides used to direct the discussions and sample tables can be found in the technical annex to this report.

- Phase 1: Scoping phase to inform the design of the research, during which a rapid evidence review of recent research was conducted, alongside five interviews with relevant stakeholders in DESNZ and key industry bodies.
- Phase 2: Interviews with 34 RSLs professionals, recruited to participate in 60-minute online interviews. RSLs professionals (estate agents, letting agents and property managers) representing both the owner-occupier sector and the PRS were included. In the PRS 49% of landlords did not use an agent, 46% used a letting agent and 18% used a property manager.<sup>11</sup>
- Phase 3: 4 online focus groups with a total of 22 RSLs consumers, lasting 90-minutes. These included landlords and owner-occupiers who were buying and selling homes. Findings validated and built on findings from Phase 2.

## Interpreting the findings

There is a well-documented ‘action-intention’ gap encountered in behavioural research,<sup>12</sup> and a social desirability bias,<sup>13</sup> so responses participants gave may illustrate what they wanted to do ideally, or what they believed would make them appear in a positive light to others, rather than accurately reflecting their behaviour in a real-world encounter. The conclusions and recommendations set out some ideas for communication and intervention based on the feedback and insight elicited in the research, but this does not constitute an exhaustive list of possible actions. Most of the findings in this report were consistently raised by participants and, where there were disparities in their responses, these were specified. Throughout the report, verbatim quotes are used to illustrate and summarise the findings. In some cases, these quotes have been abridged for clarity.

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<sup>11</sup> Department for Levelling Up, Housing & Communities (2022). ‘English Private Landlord Survey 2021’, available at: [https://assets.publishing.service.gov.uk/media/628e51f5e90e071f646c6c62/EPLS\\_Headline\\_Report\\_2021.pdf](https://assets.publishing.service.gov.uk/media/628e51f5e90e071f646c6c62/EPLS_Headline_Report_2021.pdf)

<sup>12</sup> Webb T. L., Sheeran P. (2006). Does changing behavioral intentions engender behavior change? A meta-analysis of the experimental evidence. *Psychol. Bull.* 132 249–268.

<sup>13</sup> Grimm P. (2010). Social desirability bias. *Wiley International Encyclopedia of Marketing*

# Findings

## RSLs professionals' perceptions of how consumers consider home decarbonisation in their decision-making

Overall, RSLs professionals felt that home decarbonisation was currently not a high priority for consumers. The importance of home decarbonisation to consumers was influenced by the following factors:

- Reduction in energy bills via installation of energy efficiency measures
- Perceptions of the feasibility and need to make improvements to a property
- Individual importance placed on environmental issues and legislation

We explain these factors in more detail below.

### Factors hindering consideration of property energy efficiency and low carbon heating measures

#### **Current priorities around decision-making when buying, selling and letting**

RSLs professionals stated that, for consumers, the most important factors for buying a home or letting a property were: cost, location, connection to transport links, schools, number of bedrooms, the levels of work that would be required, and personal aesthetic taste. If all these factors were considered sufficient, RSLs professionals agreed that some consumers would then take the energy efficiency of a property into account. However, it was unlikely that buyers and tenants were ever in a position where they would be deciding on a property based on its energy status.

*“When it comes to homes, location is the most important and layout and all of those kinds of things are still far further up the agenda for most purchasers rather than what the EPC is.” (Estate agent)*

For landlords, RSLs professionals felt that the current regulation in the PRS meant that most landlords were only motivated to do the bare minimum around ensuring their property met the minimum EPC rating to let. In particular, professionals felt that landlords did not have any incentive to improve EPC ratings as current demand for rentals outstrips supply. Therefore, rental customers choice and voice are limited, so landlords in most cases do not need to consider making changes to their properties to encourage lets.

*“Landlords do not want to do more than the minimum unless you are lucky. Landlords are mainly in it for the money, and they are not going to invest hugely to get to the next [EPC] band level as they know they can rent it in its current state.” (Estate agent)*

*“Tenants these days are just happy to have a property with regards to rent.”  
(Property manager)*

RSLs professionals reported that conversations around energy efficiency, low carbon heating and EPCs were therefore typically unusual.

### **Concerns around ability to finance the measures**

RSLs professionals felt that financial pressures stemming from the current housing crisis and increased cost of living limited the overall importance of energy efficiency and low carbon heating. They perceived that affordability is the primary concern for consumers, who have less money to spend on making any improvements. RSLs professionals believed that this led to consumers purchasing properties in a short-term mindset, rather than considering the property as a longer-term investment in which the energy status of the property is an important factor.

*“The environment very rarely comes up, basically, because interest rates are higher at the moment, and everything’s vicious at the moment financially, so everyone’s been really careful. They’re more worried about their own pockets than the climate.” (Estate agent)*

*“Mortgage rates are so high, so rents have had to increase. Everyone is just trying to survive – tenants are trying to make sure they get a house and landlords are trying to make sure they can pay their mortgage.” (Estate agent)*

### **Factors encouraging consideration of property energy efficiency and low carbon heating measures**

Having said this, RSLs professionals perceived energy efficiency and low carbon heating to be of increasing importance in consumer decision-making, due to the following factors: the cost of living crisis, the introduction of legislation, grants for the installation of low carbon heating systems and the greater engagement of younger consumers with environmental issues. Within this, it is important to note that energy efficiency was perceived by RSLs professionals to be more important for consumers than low carbon heating measures.

### **Energy bills during the cost of living crisis**

RSLs professionals felt that high energy bills were incentivising consumers to reduce their energy consumption, and consumers were increasingly asking RSLs professionals about the running costs of properties. This led to professionals becoming more interested in the energy efficiency characteristics of properties such as the EPC rating and energy efficiency measures such as double glazing. However, RSLs professionals believed that consumers mostly only engage with EPCs when the rating is particularly high or low (e.g., EPC A or E), and that there was limited understanding beyond this, in terms of the tangible difference a rating made (e.g., to costs or comfort).

*“It is becoming more of a priority and a need to be more knowledgeable in the last two years after lockdown due to the cost of bills. When the EPCs first came out*

*nobody bothered or looked at them, now people do ask about the EPC and running costs since all the bills have gone up.” (Estate agent)*

### **Introduction of legislation (i.e., EPC ratings)**

RSLs professionals also felt that the introduction of legislation in the PRS in 2020 was prompting greater consideration of energy efficiency and low carbon heating by consumers. Requirements to display EPC ratings on property adverts meant that these were now a tangible measure that all consumers could use to judge a property. However, RSLs professionals’ understanding of how consumers utilised EPC ratings in practice was limited and professionals often assumed engagement and influence of EPC ratings on their decision-making was minimal.

*“It’s [EPC rating] readily available to them so it’s hard to know if they’ve accessed it before they make an offer.” (Estate agent)*

*“I reckon you have less than 5% of tenants who look at the EPC before they take a property.” (Letting agent)*

Despite this, a high EPC rating was perceived by RSLs professionals and consumers to have the potential to increase curiosity in a property. Some landlords and sellers reported that when they had installed new energy efficiency or low carbon heating technologies (e.g., solar panels, heat pumps) in their properties and had an EPC A rating it had increased interest in the properties. Equally, a low EPC rating (EPC E) was perceived to prompt questions from consumers about the property, and in rare cases, RSLs professionals reported that tenants had asked whether the landlord planned to make improvements, or that sellers or tenants may have even turned down properties, due to low ratings and lack of willingness to improve them.

*“If a property is particularly energy efficient, I think that would be something that is important to highlight to them [buyers]. It could sway someone to go and take a look at a property or even if they were thinking of offering it would help give them some leverage in regard to offering.” (Estate Agent)*

*“If it’s [the EPC rating] is really then yeah [it would influence the customer’s decision], if it’s adequate then no.” (Estate agent)*

Within the PRS, RSLs professionals perceived that regulation requiring PRS properties to meet a minimum energy efficiency standard of EPC E increased landlords’ interest in making energy efficiency improvements to their properties. Landlords had either made improvements to bring their property to the EPC E minimum standard or were at least aware of the minimum EPC rating needed to let the property. RSLs professionals believed that many landlords were also aware that these standards might increase in future, so they felt like they needed to focus on improving their properties now. Professionals, including independent landlords, felt that the minimum EPC standard was leading to more interest among landlords in understanding what action was needed to ensure their properties were more energy efficient.

*“The change in regulation [prompted me to think about energy efficiency improvements]. Otherwise, I probably wouldn’t have done anything.”  
(Independent landlord)*

*“The only push factor that would make me actually improve the energy rating of my flat would be if there’s a change in legislation from government... that would be the only reason I would invest more into the energy efficiency of my property because at the moment it’s alright... it’s not worth the extra cost.” (Landlord using a lettings agent)*

### **Grants for the installation of low carbon heating systems**

RSLs professionals believed that grants to install low carbon heating systems and microgeneration measures have encouraged some owner-occupiers to implement measures such as heat pumps and solar panels. RSLs professionals observed that if these measures were already installed in properties buyers were viewing, it had led a small number of buyers to become more curious about the measures, and they had begun to consider them within their decisions. Although this effect is currently minimal, if installations of these measures become more visible and known, RSLs professionals perceived that this would increase their importance for consumers.

### **Younger consumers’ engagement with environmental issues**

RSLs professionals perceived that younger generations of consumers are more likely to prioritise environmental concerns within decision-making in general, either when purchasing a property, or when making decisions around property improvements. RSLs professionals stated that younger owner-occupiers and tenants were asking more questions around the topic and were more open to making improvements to properties. Therefore, as younger generations become more actively involved in the residential property market, RSLs professionals felt the importance and desirability of energy efficiency and low carbon heating would grow. It was also observed within the research that younger RSLs professionals were also more open to discussing energy efficiency with consumers.

*“Times are changing... the younger generation are definitely more aware of what needs to be done to improve the environment and maybe you would attract more clients if your property was more energy efficient.” (Property manager)*

### **Consumer variations in the level of importance they place on home decarbonisation**

The level of importance consumers placed on energy efficiency and low carbon heating measures varied, depending on a range of characteristics. The following insight was elicited from both RSLs professionals reflecting on their experiences with consumers and consumers themselves.

## Landlords

The likelihood of landlords placing importance on energy efficiency and low carbon heating was influenced by the following characteristics:

- **Type of let:** Landlords with Houses of Multiple Occupancy (HMOs) stated that they had a higher incentive to act, as they are typically responsible for utility bills, so there is a direct cost-saving benefit to making their property more energy efficient. Landlords without HMOs had less incentive to act, as there was less direct benefit to them. Property managers and letting agents also shared these observations about their customers.
- **Portfolio size and landlord 'type':** Landlords with several properties were generally more engaged with legislation and more likely to plan ahead to ensure their properties were likely to be in line with any future regulations, typically managing their portfolios with a business mindset. Those with a smaller number of let properties, or who had become landlords circumstantially, were less likely to have this mindset.
- **Time spent as a landlord:** RSLs professionals felt that newer landlords had different attitudes to those who had been in the market for longer. Newer landlords were seen to place more importance on energy efficiency measures, as they took more interest in long-term property plans and tenant wellbeing. Those who had been in the market longer were perceived to be more likely to be focused on immediate profits and to have been less used to energy regulation on properties, which often led to them doing the minimum needed to meet regulations and attract tenants.
- **Location:** The location was also perceived to influence attitudes. In the PRS in Wales, there is more compliance to adhere within tenancy agreements (occupation contracts) compared to England. This meant landlords, property managers and letting agents felt a greater sense of responsibility for the tenant and property, and were therefore more likely to see home decarbonisation as important in decision-making.

## Owner-occupiers

RSLs professionals and owner-occupiers reported that different circumstances often affected the buyers' interest in home decarbonisation, such as:

- **Reason for buying:** Those looking for a longer-term investment or who were intending to stay in their property for a longer time sometimes placed more importance on energy efficiency measures than other buyers (e.g., 'forever homes').
- **First time buyers vs. experienced buyers:** Some RSLs professionals perceived first-time buyers to be more focused on home decarbonisation, while other RSLs professionals felt their naivety and excitement to exit the rental market meant they were less likely to place importance on decarbonisation. For owner-occupiers who had not sold a house in a long time, there was much less awareness of home decarbonisation.
- **Location:** The location was also perceived to influence individual attitudes. Those choosing to live in areas that were politically 'greener' (e.g., Brighton), were more likely to consider home decarbonisation as important.

## Property characteristics

Consumers and RSLs professionals made assumptions about how easy or relevant it would be to make changes to properties in different situations. This affected their interest in home decarbonisation measures. Key property characteristics that affected their perceptions included:

- **Type of property:** Consumers perceived houses to have higher running costs than flats; additionally, they felt that flats were more naturally insulated, and more difficult to make changes to, due to leasehold agreements. Therefore, houses were perceived to be more in need of decarbonisation measures, and easier to implement improvements to, than flats.
- **Age of property:** Similarly, consumers assumed older properties have higher running costs and require more work, whereas new build standards were already high and therefore less likely to require further improvement.
- **Location of property:** Consumers and RSLs professionals believed that there were fewer choices of properties in rural compared to urban areas. Home decarbonisation was therefore less likely to have importance in decision-making in rural areas, as there was less availability of decarbonised homes.
- **'Specialist' properties:** If a property had unique requirements around heating it efficiently (e.g., very old properties, off-grid properties with oil heating), it had potential to prompt consideration of low carbon heating options. Either consumers would consider these as part of feasible long-term improvements, or RSLs professionals would communicate them to sell more unusual properties.

## The perceived role of RSLs professionals in home decarbonisation

Overall, views on the expected role of RSLs professionals varied according to whether professionals were servicing the PRS or owner-occupied sectors. Consumers felt that RSLs professionals are better suited to support with home decarbonisation in the PRS compared to the owner-occupied sector. This was because of the nature of the relationship:

- PRS: relationships between RSLs professionals and landlords tend to be longer-term and more advisory in nature.
- Owner-occupier sector: relationships with owner-occupiers are typically more transactional and short-term.

The next sections detail how this impacts the perceived role of RSLs professionals within each sector.

### Private rented sector: Expected functions of professionals' role, and the extent to which home decarbonisation fits into this

Landlords perceived the PRS as continuously evolving due to changes in the market, legislation and regulation, and so often used property managers and letting agents for their industry knowledge, expertise and advice across these areas. RSLs professionals' expertise helped landlords ensure that they attracted suitable tenants, their properties were compliant, and they stayed informed of any upcoming regulatory changes (e.g., HMO licenses, deposit schemes, EPC standards). Landlords who were overseas or lived out of the area particularly relied on letting agents and property managers for their local knowledge, including on the local rental market, expected rental values and types of tenants.

*"If we're talking about recommended decorations and things like that, they will just go with what we say because they don't live local. We have quite a few overseas landlords." (Letting agent)*

*"They view us as market experts. They come to us for advice on valuation. They come to us on advice on what they're buying. They come to us on advice of anything they can do to get their property market ready. They take advice from us in regards to the quality of the buyer." (Estate Agent)*

Additionally, property managers and letting agents were described by RSLs professionals and landlords, as acting as the intermediary between tenants and landlords to help manage any tenant issues and requests. In this role, they strive to resolve issues without needing to contact the landlord. For property managers, this often involved managing property maintenance and recommending suppliers to fix any maintenance issues when relevant. Landlords therefore relied on property managers and letting agents to provide peace of mind and save landlords time and effort.

*"[We] take stress and pressure away from landlords." (Letting agent)*

Further to this, relationships between property managers, letting agents and their customers were long-term. Over time, RSLs professionals reported developing a good level of understanding of landlords' portfolios and priorities. This meant that they are often well placed to offer advice to landlords on recommended short-term improvements (e.g., to support rental appeal by improving the property condition) or areas to invest in (e.g., longer-term improvements to increase value of the property).

In this context, particularly as they often developed a trusting relationship over time, property managers and letting agents were often seen by RSLs professionals and landlords to be well-placed to support consumers on home decarbonisation, in areas such as advice on current and future home decarbonisation regulation and high-level suggestions for potential actions and technologies to consider, and suppliers who provide and install measures.

While RSLs professionals themselves were happy to play a greater role in home decarbonisation in the future, many felt that this would need to be built into their role, possibly through greater regulation.

### Expected functions of professionals' role, and the extent to which home decarbonisation fits into this: Owner-occupied sector

In the owner-occupied sector, the expected role of estate agents was much more narrowly defined and the relationship was considered to be much more short-term and transactional in nature. Owner-occupiers' main concerns were for smooth, quick sales at reasonable prices. Similarly, estate agents felt that the two main aspects of their role were to achieve a good price for all parties and manage and reassure buyers and sellers through the complex sales process. Estate agents described how, once a sale is completed, they are not involved with any next steps beyond potentially sending a 'moving in welcome box'. All of this inhibits discussions around a longer-term approach to property potential and, within this, consideration of potential improvements that could be made (including energy efficiency measures and low carbon heating systems).

However, there was appetite from some owner-occupiers and professionals for estate agents to support home decarbonisation by educating consumers on measures or by connecting owner-occupiers with suppliers, who could install relevant measures following a property purchase. This was happening already in some cases, where more educated consumers were asking these kinds of questions of estate agents (as illustrated by the following quote).

*"If they have questions we can't answer, we pass them onto the domestic assessor. We've had people before who thought their rating should be higher than it is and then we've had to pass it over because we can't answer why that is." (Estate agent)*

### Concerns around RSLs professionals' role in supporting home decarbonisation

Despite the possible opportunities for RSLs professionals supporting home decarbonisation to a greater degree, some RSLs professionals and consumers felt that professionals lacked the required knowledge, mindset and incentives to effectively contribute to this role.

RSLs professionals and consumers agreed that their current awareness and knowledge of energy efficiency and low carbon heating measures were limited. RSLs professionals did not perceive themselves to be well placed to provide technical expertise in this area, and neither did their customers. Owner-occupiers' expectations of estate agents' knowledge were particularly low, as the consumers perceived them to be motivated chiefly by sales price. This raised further questions amongst both RSLs professionals and consumers about the rationale for professionals discussing these topics with consumers.

*"I don't know whether it [knowledge of energy efficiency] would extend much beyond knowing what an EPC is and knowing some of the techniques. Knowing the nitty gritty is probably more for engineers or an expert." (Estate agent)*

*"How accurate would that information be? With some estate agents I get the impression they kind of tell you one thing and then you find out it's not [true]... I think I'd prefer to find out the information myself than take what they say." (Owner-occupier)*

Consumers' previous experiences with the RSLs also raised questions about the future ability of professionals to provide home decarbonisation support. In one case, a landlord had asked a property manager about the implications of EPCs and was disappointed with the level of advice they had been able to provide. Buyers also stated that they were surprised by estate agents' general lack of property knowledge when certain questions were asked during viewings.

*"They [estate agents] need to know at least the basics...they recruit people who do not do research on the property, and they can't give you the basics...do not know anything about energy efficiency." (Owner-occupier)*

Furthermore, both consumers and RSLs professionals felt that professionals' current mode of operation was reactive, with a focus on dealing with day-to-day customer requests and needs. They tended to perceive support around decarbonisation as requiring a proactive mindset that needed longer-term thinking, which would require a change in their working practices.

More generally, RSLs professionals associated home decarbonisation with environmental issues, as it was seen to primarily relate to overarching issues such as climate change and reduction of greenhouse gas emissions. This felt jarring to professionals, as they felt discussing environmental issues was outside of their role and had no direct benefit to the consumer.

## Home decarbonisation considerations in the current practices of RSLs professionals

The next section details how home decarbonisation is currently considered within RSLs professionals' current practice. It will first look at overall consideration of home decarbonisation, and how energy efficiency and clean heating are each considered as part of this. Finally, it identifies specific measures that are more likely to be considered by RSLs professionals.

### Overall consideration of home decarbonisation by RSLs professionals

Overall, RSLs professionals displayed limited consideration of energy efficiency and low carbon heating in their practice. This was because RSLs professionals were primarily focused on achieving commercial gains and for the most part, energy efficiency measures and low carbon heating systems were seen to result in additional costs, but not add commercial value. In some circumstances, this led to RSLs professionals actively preventing the incorporation of low carbon heating and energy efficiency into their practice, and as a result, limiting homeowners' consideration of these.

*“My role is to sell the house and at the moment solar and other things are coming up more negative than positive so my advice would be to steer away from them at the moment.” (Estate Agent)*

In the PRS, property managers and letting agents were focused on achieving the highest yield through rental prices and limiting vacant periods. Therefore, they avoided suggesting (and sometimes actively discouraged):

- Improvements that did not obviously increase the rental value, which could mean stating that certain measures should not be made. For example, one landlord stated that their property manager told them not to replace blown glass windows for this reason.
- Works that would prevent tenants moving in or mean fixing an issue in a way that would cause otherwise avoidable disruptions and lead to tenant complaints (e.g., heat pumps to replace a broken boiler). RSLs professionals tended to perceive that decarbonisation measures would require significant work.
- Maintenance work that might be perceived as too expensive to landlords without a clear benefit. Most measures were perceived to be very costly.

Estate agents concentrated on achieving the highest possible price for the seller in a reasonable timeframe and ensuring that sellers chose their services over competitors'. Therefore, they often reported:

- Focusing on highlighting features within the property they perceived to have 'emotional' appeal (e.g., gardens, kitchens, fireplaces), which have the potential to increase buyers' offers. RSLs professionals categorised energy efficiency measures and low carbon heating as practical measures that were unlikely to be discussed with consumers.

- Telling sellers to spend the least amount possible on making improvements (often £500 or under) and limiting improvements to aesthetic changes. They perceived that suggesting the installation of energy efficiency measures and low carbon heating systems would mean: adding time to the process; increasing costs for sellers, without adding tangible value to the price; and that sellers may ultimately decide to use another agent.
- Avoiding discussing possible energy efficiency measures and low carbon heating systems with buyers, as they perceived that this could lead to lower offers or buyers being put off by the thought of potential additional costs and disruption.

RSLs professionals were most likely to consider low carbon heating and energy efficiency in practice when raised by a customer (due to their individual priorities) or when they personally believed it was an important issue to discuss, as it helped maintain or enhance a property's appeal. Whether RSLs professionals considered energy efficiency measures and low carbon heating systems depended on their own attitude towards home decarbonisation, as well as how they perceived their customers' attitudes.

- Some professionals felt consumers had no interest in relevant measures, or making changes, and so would not proactively raise these issues. This was particularly the case if they assumed that benefits such as lower heating costs and less damp and mould were more relevant for tenants and buyers, and not their direct customers – landlords and sellers.
- Other professionals thought specific consumers might be interested and would therefore selectively have conversations with those consumers, who they felt might be more open to making changes.

The influence of tenants was perceived as limited within the current housing market, due to relative tenant disempowerment due to competition for housing.

*"I don't know whether tenants can afford to say, 'I'm not going to move in unless you insulate the loft'... there's not a lot of choice." (Property manager)*

### Consideration of energy efficiency measures by RSLs professionals

RSLs professionals considered energy efficiency measures to a greater extent than low carbon heating measures. They perceived that more energy efficient properties were more marketable, as tenants and buyers felt that they were of a higher quality. Due to the regulatory context and nature of the PRS, energy efficiency was more likely to be considered in property managers and letting agents practice, although it was also a consideration for estate agents.

Several aspects drove consideration of energy efficiency measures in the PRS. If energy efficiency measures were already installed, property managers and letting agents drew attention to them for potential tenants to 'sell' the property and ultimately achieve the best rental price. Property managers and letting agents perceived that tenants were often on the look-out for certain types of installation (e.g., double glazing, loft insulation, draught proofing, quality of doors) for reassurance about running costs, as well as cold, damp and mould issues. EPC ratings in some cases were also used to reassure tenants.

If these measures were not already installed, some property managers and letting agents would discuss the potential benefits of different options with landlords. The main potential benefits they communicated to landlords included: increase in rental price, minimisation of tenant complaints, and attainment of longer-term tenancies. Some RSLs professionals and landlords also felt that making these changes helped to futureproof the property in terms of its EPC rating and the general standard versus other properties on the market.

*“This is something they [landlords] have never done before and we have done this for a long time. From experience, we can know if there are going to be any issues because of poor energy efficiency, we can pre-empt that. And if we see damp and mould, it could be due to the energy efficiency of the house – we can tell the landlord.” (Letting agent)*

Similar factors drove consideration of energy efficiency practices in the owner-occupied sector. Estate agents perceived that energy efficiency measures made a property more sellable, as they felt most buyers wanted to avoid the time, effort and cost associated with needing to make improvements themselves. Estate agents would often therefore highlight these measures, occasionally using EPCs to support this. However, most estate agents were unsure or did not believe that EPCs had an impact on sales price.

*“Our role will be when it’s advantageous to the house we’re selling, so if it’s an investment buyer or a first-time buyer where it has a good [EPC] rating we will probably use it in the conversation to help try and sell it, but it’s us leading it because it’s a selling point.” (Estate agent)*

*“It’s something we’re including [in marketing materials] – if something does have solar panels it’s part of the spec, if somebody has made some improvements and they’ve got solar panels or they’ve got air source heating we’d write about it in the brochure now. It’s not the main focus of the brochure [though].” (Estate agent)*

In contrast to the PRS, if energy efficiency measures were not already installed in a house, estate agents were very unlikely to mention this to sellers or buyers. This was because they were concerned that highlighting this would restrict the sales price or sale itself. However, in a small number of cases, energy efficiency measures might be suggested by estate agents to avoid issues coming up in the survey and stalling the sale later in the process.

### Consideration of low carbon heating measures by RSLs professionals

RSLs professionals did not consider low carbon heating unless they had very specific reasons for doing so, for example, if they were selling off-grid properties with a heating system that required an update or if they wanted to distinguish their business by having green credentials. However, many RSLs professionals had never come across low carbon heating in their practice and considered interest in low carbon heating systems to be a niche market, desirable for a specific type of consumer.

RSLs professionals had low levels of knowledge about low carbon heating, so they did not understand the benefits of such systems and were therefore unable to communicate the

benefits to consumers. Their poor knowledge also led to them having misperceptions about low carbon heating, causing some RSLs professionals to be cynical about their benefits, believing that they make properties less comfortable to live in, or even more expensive to run.

*“Air source heat pumps are not that green as they need electricity to run, they are not free energy, just not using gas or oil.” (Estate agent)*

This led to RSLs professionals being uncertain on how to incorporate discussion of low carbon heating systems into their practice. The small number of RSLs professionals who had come across low carbon heating systems admitted they actively avoided mentioning them in adverts or in conversation with consumers, as they felt unable to answer queries. Additionally, RSLs professionals were unsure about how to value a property for rental and sale when these measures were installed. They were concerned that the measures could even lower the value of a property in the owner-occupied sector.

### Decarbonisation measures more frequently considered by RSLs professionals

RSLs professionals considered some energy efficiency measures as part of their practice more than others and this was driven by several factors.

RSLs professionals were most likely to consider measures that could be easily seen, as consumers could judge a property on them (e.g., double glazing, solar panels, the quality of doors). RSLs professionals believed that these practices visually elevated a property, leading to quicker sales and rentals, as well as higher price points.

*“From a snagging point of view, we are looking at what we can see with our eyes, and we don’t see insulation – it’s behind the walls. So, if I am doing a move in, move out, I wouldn’t be up in the loft looking at insulation.” (Letting agent)*

Further to this, RSLs professionals were more likely to discuss measures with consumers when they were more knowledgeable about the benefits of measures. Double glazing was the measure most mentioned by professionals, as the benefits of it were well known by them and consumers. Additionally, the benefits were perceived as wide-ranging, including preventing damp and mould issues, increasing safety, helping with soundproofing, and ultimately improving wellbeing.

RSLs professionals also perceived some measures to be more cost-effective and straightforward to install than others (e.g., draught proofing, door replacements and loft insulation). RSLs professionals were therefore more likely to mention these measures to consumers as easier ways to increase warmth, decrease damp and mould issues, reduce costs and in some cases improve EPC ratings.

Other forms of insulation (e.g., cavity, internal/external wall, etc.) and low carbon heating measures (e.g., biomass boilers, heat pumps) were rarely or never mentioned by RSLs professionals. This was because RSLs professionals felt that these measures were ‘hidden’ within a property, costly or disruptive to install, or had limited or unknown benefits that they would not be confident marketing or discussing with consumers.

Lastly, RSLs professionals had mixed views of solar panels. While they were believed to instil curiosity among consumers, knowledge of them remained low among both RSLs professionals and consumers. Additionally, if solar panels were leased, estate agents believed that they caused issues in sales and were therefore not desirable, so did not want to draw attention to them. When solar panels were present in a property, RSLs professionals often relied on sellers to communicate the benefits and reassure any potential buyers if they had concerns.

*“Certain clients are attracted to solar panels because it speaks volumes, it’s going to save you money in the long run on your bills but at the same time we need to make sure they have the right documents and certificates. We need to make sure if we go down that route and we put that forward as an aspect of the property that everything checks out with it.” (Estate agent)*

*“I would tell the seller to cancel the solar panels, they are a headache on property sales especially when they are leased.” (Estate agent)*

## Stages of the consumer journey at which RSLs professionals may support decision-making around home decarbonisation

RSLs professionals identified several key touchpoints where they could support owner occupier and landlord decision-making around home decarbonisation. For both landlords and owner-occupiers, the window before a property goes onto the market is a crucial period for RSLs professionals to provide home decarbonisation support, although this was seen likely to be more valuable within the PRS overall.

### Key stages within the PRS

Property managers and letting agents reported that landlords are more likely to welcome support around home decarbonisation before a property goes onto the rental market (between rentals, or at a point of refurbishment), as this is the point at which landlords are open to learning how they can make their property as appealing as possible to attract the best tenants for the long-term and secure the highest rent.

Property managers and letting agents also felt that, once occupied, maintenance requests or tenant complaints (e.g., mould/damp issues or if a boiler breaks down) provide key moments at which to support landlords with home decarbonisation. However, the relevance of these moments depends on the nature of the issue, as landlords' focus is more likely to be on maintaining the standard of the property quickly, rather than making any major improvements.

*“They [landlords] very rarely look into it once they’ve got a new tenant in the property. They’ll pretty much wait until something might break down and it’s reported to them from us from the tenant.” (Property manager)*

### Key stages within the owner-occupied sector

By contrast, in the owner-occupied sector, opportunities for having discussions about home decarbonisation were more limited and generally only occurred before a property went on the market. This was due to the more transactional nature of owner-occupiers' interactions with RSLs professionals, as well as the focus on minimising spending costs for the seller, and the speed of the sale.

*“The crucial point is before it goes onto the market. Once it goes onto the market then ultimately the market takes it to where it’s going to go.” (Estate agent)*

Estate agents identified the valuation stage as a key point at which they could provide sellers with support around home decarbonisation. The valuation stage provided scope to have conversations about how current features affect the property's value and what work could improve it. However, opportunities to support consumer decision-making beyond this timepoint were perceived as limited, as sellers were often eager to sell their property as quickly as possible.

## ISM behavioural analysis of RSLs professionals supporting homeowners with home decarbonisation

In this section, we have used the Individual Social Material (ISM) model to identify and frame key behavioural barriers and facilitators to professionals supporting homeowners with home decarbonisation observed in this study.<sup>14</sup> The ISM model can be used to identify the multiple factors that influence behaviour, ultimately supporting policy and intervention design. The model classifies factors into three categories:

- Individual factors. The individual context includes factors that are held by individuals that affect their choices and their behaviours. This might include an individual's values, attitudes, and skills.
- Social factors. These include factors that exist beyond the individual, such as the understandings shared among groups like social norms, as well as people's networks and relationships and the institutions that shape how individuals behave.
- Material factors. These describe environmental influences on behaviour. These influences include existing 'hard' infrastructures, technologies, and regulations, as well as 'softer' influences such as time and schedules.

The ISM analysis below identifies the key factors affecting RSLs professionals' propensity to support home decarbonisation, and specifies the behavioural barriers and facilitators associated with each factor. Overall, RSLs professionals and consumers found it more challenging to identify facilitators than barriers.

### Individual factors

#### **Attitudes towards home decarbonisation amongst RSLs professionals and consumers**

- Barrier. Current consideration of home decarbonisation was driven by the attitudes of individual RSLs professionals and consumers. Within this research, a mix of attitudes were observed, ranging from those who desired home decarbonisation to become more of a priority in the sector, to those who did not see it playing a role.
  - Facilitator. The individual attitudes of RSLs professionals were often the main drivers of whether they incorporated home decarbonisation into their practice and their feelings about whether it should be involved in their role.
- Barrier. Consumers and RSLs professionals tended to view their role with a short-term, reactive mindset. They felt that implementing practices around home decarbonisation would require a more proactive, longer-term mindset, that would mean changes to how they are accustomed to practicing.

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<sup>14</sup> Scottish Government (2013), 'Influencing behaviours – moving beyond the individual: ISM user guide' available at: <https://www.gov.scot/publications/influencing-behaviours-moving-beyond-individual-user-guide-ism-tool/>

- Facilitator. To support steps towards decarbonising homes, it may be necessary to prompt both consumers and professionals to think about their properties from a longer-term and more proactive perspective.

### **Lack of skills and knowledge amongst RSLs professionals and consumers**

- Barrier. Generally, RSLs professionals felt they did not have the knowledge, skills or confidence to discuss home decarbonisation with consumers.
  - Facilitator. More expectation setting around what levels of knowledge are valuable in the role, and education on the details of installation, would help professionals to start conversations about home decarbonisation with consumers.

*“I get asked for advice quite a lot. Usually, my response is, ‘I’m probably not the best person to ask’. I’m not in a position to be giving advice.” (Estate agent)*

### **Lack of knowledge around costs and benefits**

- Barrier. RSLs professionals and consumers assumed improving energy efficiency and installing low carbon heating is costly but were unclear about the benefits and whether these outweighed the costs. This meant that RSLs professionals tended not to mention measures to consumers, as they presumed this lack of knowledge would constitute barriers to buyers or show a lack of understanding of landlords’ priorities.
  - Facilitator. Increased understanding of how measures can benefit consumers and understanding of financial support available will be important in supporting conversations around home decarbonisation.

*“I think there should be more guidance to help landlords. If you go on Google, is there any help? Not really... [landlords would want to know] things like ways to improve your energy efficiency, potential costs, how much you should save.” (Independent landlord)*

## Social factors

### **RSLs professionals’ perceptions of consumer priorities**

- Barrier. RSLs professionals did not consider home decarbonisation to be a priority for consumers. As a result, professionals did not proactively start conversations about energy efficiency measures and low carbon heating systems with consumers. Even when considering larger works on a property, RSLs professionals assumed consumers were more motivated by other priorities.

*“If it’s a toss-up between a new kitchen or a heat pump, chances are they’re going to go for a new kitchen.” (Estate agent)*

### **Consumer expectations and trust in professionals**

- Barrier. Consumers tended to be cynical about the role of RSLs professionals expanding too far beyond expected parameters in the current context. This was primarily due to consumers perceiving that professionals have a commercial motive and

relatively limited levels of ‘specialist’ knowledge around home decarbonisation. This led to a lack of trust in the profession giving support on home decarbonisation, as consumers questioned whether RSLs professionals would have the competence or impartiality to offer appropriate advice (as they assumed that they would be earning commission on any suggestions they made).

*“All they [estate agents] want is the sale; they want their commission.” (Owner-occupier)*

### Perceptions of technologies

- Barrier. RSLs professionals were sometimes cynical about the benefits of energy efficiency measures and low carbon heating systems, which was driven by a lack of awareness and knowledge about different technologies. However, even when RSLs professionals felt more knowledgeable about measures, some were cautious to highlight them to consumers, as they believed that consumers also lack the knowledge and so would be unlikely to want to put any relevant measures in place.
  - Facilitator. Education and information were recognised as key facilitators in addressing misconceptions about these different technologies amongst both consumers and professionals.
- Barrier. Misconceptions or nervousness towards home decarbonisation technologies stemmed from a belief that they were relatively new and therefore not widely tested.
  - Facilitator. Participants accepted that over time, as these technologies are more widely adopted by individuals, societal attitudes towards them will improve.

### Suppliers of energy efficiency measures and low carbon heating systems

- Barrier. While many RSLs professionals had lists of recommended companies who can fit boilers or address other maintenance needs, there were very limited connections between RSLs professionals and installers of home decarbonisation measures.
  - Facilitator. Facilitating suppliers and RSLs professionals to link up has the potential to support knowledge sharing, build trust and increase dialogue and consideration of home decarbonisation measures.

### Business priorities and specialisms

- Barrier. For most RSLs businesses, professionals highlighted that commercial goals are the primary focus, which limits the need for RSLs businesses to differentiate themselves from others, beyond price, due to high levels of demand.
  - Facilitator. In circumstances where businesses were required to think more creatively, home decarbonisation was more likely to be considered. For example, for businesses selling older properties, with old, or off-grid heating systems; or for those who prioritised green credentials more.

*“People are mostly interested in how much you’re going to sell the property for and what we’re going to charge them. We can be the most amazing estate agent, but if we charge the most, they will go for somebody cheaper.” (Estate agent)*

## Material factors

### Current regulatory context

- Barrier. At the time of research, the RSLs was an unregulated sector in terms of energy efficiency meaning most professionals (and owner-occupiers) had no regulatory incentive. Independent landlords and landlord customers were subject to PRS MEES (minimum energy efficiency standards) but landlords were not incentivised to exceed the minimum standard. This meant RSLs professionals and consumers lacked regulatory incentive to decarbonise homes beyond the required minimum standards or seek out decarbonised properties when looking to move. As a result, many home decarbonisation measures were considered an unnecessary additional cost.
  - Facilitator. Professionals acknowledged that regulations are ultimately one of the key drivers in encouraging uptake of energy efficiency practices (as currently observed within the PRS).

*“If they’re buying a house to do up and let, now they will probably put the extra energy efficient elements in [because of legislation]. They’ll do it if they’re refurbishing, but they won’t do it just by choice.” (Property manager)*

*“Most landlords won’t spend a penny unless they absolutely have to.” (Letting agent)*

*“Landlords won’t take any notice, unless EPC rules are changed.” (Letting agent)*

### Future policy plans around home decarbonisation

- Barrier. RSLs professionals and consumers were uncertain about what may be required in the future regarding home decarbonisation in the UK RSLs. They felt that, without further clarity on what rules would come into practice and when, it was difficult to have an incentive to act or be confident in decision-making.
  - Facilitator. RSLs professionals felt that to support consumers with home decarbonisation, the government needs to set out future plans around expected policy changes.

*“Now it’s been discussed [increasing the EPC rating for rental properties] it will come at some point, it’s just a matter of when.” (Estate agent)*

### Property types and condition

- Barrier. RSLs professionals and consumers questioned the extent to which home decarbonisation is actually feasible in all situations, due to the wide variety of properties both in terms of type and condition. They flagged that not all properties are eligible for energy efficiency improvements or low carbon heating systems, irrespective of the level of promotion from RSLs professionals.

This led to perceptions amongst professionals and consumers that implementing measures is complex and highly personalised, and therefore dependent on technical factors, such as the foundations of a building and expertise of suppliers. These

complexities raised concerns that if the personalised nature of home decarbonisation was not acknowledged in future government plans, then this could signal a lack of understanding by the government of the context, which could decrease trust and willingness of the industry to act.

*“In one of my properties we’ve just put in double glazing, it’s got a new boiler, it’s very easy to keep that house energy efficient...whereas we struggle with our other property because it’s a converted barn...we can’t do the things that would make it energy efficient.” (Property manager)*

### **Technology maturity levels**

- Barrier. RSLs professionals and consumers considered many energy efficiency improvements and low carbon heating systems to still be relatively new technologies. The age of the technology directly impacts current social attitude towards their adoption, as many professionals and consumers were apprehensive about whether installing them was the right decision.

*“People are hearing about it [energy efficiency and low carbon heating systems] but it’s not tried and tested... let someone else be the guinea pig.” (Estate agent)*

## Conclusions and implications

Home decarbonisation is not currently a priority for RSLs professionals or consumers who are buying, selling or letting properties, and RSLs professionals do not perceive supporting home decarbonisation as being part of their role. RSLs professionals actively discussing energy efficiency measures or low carbon heating options with consumers is normally driven by professionals with a relevant interest, as they either want to differentiate their business or they perceive that there is a benefit for their individual customers in putting relevant measures in place.

RSLs professionals are open to playing a greater role in the future in supporting home decarbonisation. This is particularly true within the PRS, because the relationships between professionals and landlords tend to be long-term and advisory in nature. RSLs professionals find it easier to engage in discussions about home decarbonisation with landlords who are: professional landlords with larger portfolios; currently buying or refurbishing; have houses of multiple occupation, older properties and / or poor EPC ratings; have trusted relationships with their property managers; or own property in areas where there is more interest in home decarbonisation for different reasons (e.g., specifically Brighton in England, and Wales as a whole).

RSLs professionals and consumers perceived the opportunity within the owner-occupied sector to be more limited, as relationships between professionals and consumers were comparatively short-term and transactional. However, there may be opportunities to engage with buyers who have long-term investment in mind, are buying properties that require refurbishment and / or are focused on property running costs.

RSLs professionals and consumers referenced three main challenges that prevent home decarbonisation from being considered more in RSLs professionals' practices. These are described below, along with suggestions for how they could be addressed:

**Low awareness and knowledge:** RSLs professionals and consumers felt they had limited understanding of the details and benefits of energy efficiency measures and low carbon heating systems. They both felt this could be overcome by provision of:

- Information on measures, their benefits and recommendations for installers and suppliers provided via a centralised information point (e.g., government website).
- Formal training and recognised qualifications or accreditation for professionals to improve confidence and trust in the advice given.

**A perceived lack of financial incentives for installing energy efficiency measures and low carbon heating:** RSLs professionals felt this prevented them from encouraging uptake of these measures. RSLs professionals felt that this could be overcome by:

- Provision of information that informs RSLs professionals about how decarbonisation measures can affect property values and / or running costs.

- Highlighting the availability of grants or financial benefits RSLs professionals could highlight to their customers (e.g., preferential mortgage rates, discounts on stamp duty / council tax or tax benefits).

**A perceived lack of clarity on government policy:** RSLs professionals and consumers stated they lacked incentive to make changes to their properties or practice, or were unaware of the need to do so. They both felt that this could be addressed by communication that:

- Outlines long-term government strategy around home decarbonisation and the timetable for this (e.g., a roadmap for home decarbonisation).
- Supports home decarbonisation improvements via regulation in both the PRS and owner-occupier sector (e.g., minimum EPC standards or banning of fossil fuel heating systems).

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