

# Domestic Premises (Energy Performance) Bill [HL]

## CONTENTS

### **PART 1**

#### HOUSEHOLDS IN FUEL POVERTY

- 1 Meaning of “fuel poverty”
- 2 Objective for addressing fuel poverty
- 3 Duty of the Secretary of State: households in fuel poverty

### **PART 2**

#### OTHER HOUSEHOLDS

- 4 Duty of the Secretary of State: all households
- 5 Information from mortgage lenders

### **PART 3**

#### HEATING IN DOMESTIC BUILDINGS

- 6 Duties of the Secretary of State

### **PART 4**

#### OTHER PROVISIONS

- 7 Financial provisions
- 8 Consequential provisions
- 9 Interpretation, extent, commencement and short title



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**B I L L**

TO

Require the Secretary of State to ensure that domestic properties have a minimum energy performance rating of C on an Energy Performance Certificate; to make provision regarding performance and insulation of new heating systems in existing properties; and for connected purposes.

**B**E IT ENACTED by the Queen’s most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows: –

**PART 1**

HOUSEHOLDS IN FUEL POVERTY

**1 Meaning of “fuel poverty”**

- (1) For the purposes of this Act, a person is living “in fuel poverty” if he or she is a member of a household living on a lower income in a home which cannot be kept warm at reasonable cost. 5
- (2) The Secretary of State may by regulations made by statutory instrument –
  - (a) specify what is a lower income or a reasonable cost for the purposes of subsection (1) and the circumstances in which a home is warm for those purposes, or 10
  - (b) substitute for the definition in subsection (1) such other definition as may be specified in the regulations.
- (3) Before making regulations under subsection (2), the Secretary of State must consult –
  - (a) persons appearing to the Secretary of State to represent the interests of persons living in fuel poverty, and 15
  - (b) such other persons as the Secretary of State thinks fit.
- (4) A statutory instrument containing regulations under subsection (2) may not be made unless a draft of the instrument has been laid before and approved by a resolution of each House of Parliament. 20

**2 Objective for addressing fuel poverty**

- (1) The objective for addressing the situation of persons in England who live in fuel poverty (“the objective”) is to ensure that all domestic premises in which such persons live, subject to the exceptions in subsection (3), have a minimum energy performance rating of Band C on an energy performance certificate. 5
- (2) The objective does not apply to domestic premises where –
- (a) an occupant or anyone else whose permission is needed to do works to achieve the objective has explicitly refused such permission,
  - (b) it is not technically feasible to achieve the objective, or
  - (c) the cost of carrying out works to achieve the objective would exceed £20,000. 10
- (3) The Secretary of State may by regulations made by statutory instrument amend subsection (2) so as to add further exceptions to the objective.
- (4) Before making regulations under subsection (3), the Secretary of State must consult – 15
- (a) representatives of the energy efficiency industry
  - (b) representatives of the microgeneration industry;
  - (c) environmental organisations; and
  - (d) such other persons as the Secretary of State considers appropriate.
- (5) A statutory instrument containing regulations under subsection (3) may not be made unless a draft of the instrument has been laid before and approved by a resolution of each House of Parliament. 20

**3 Duty of the Secretary of State: households in fuel poverty**

- (1) The Secretary of State must, within twelve months of the day on which section 2 comes into force, publish a strategy (“the strategy”) for achieving the objective by 31 December 2030 (“the target date”). 25
- (2) Before publishing the strategy, the Secretary of State must consult the persons listed in subsection (3) on –
- (a) ways of describing the households to which it applies;
  - (b) ways of identifying households in fuel poverty; 30
  - (c) ways of encouraging people to have works done to improve energy performance; and
  - (d) any other matters that the Secretary of State considers may assist in achieving the objective by the target date.
- (3) Those persons are – 35
- (a) representatives of the energy efficiency industry;
  - (b) representatives of the microgeneration industry;
  - (c) environmental organisations;
  - (d) local authorities or associations of local authorities;
  - (e) persons appearing to the Secretary of State to represent the interests of persons living in fuel poverty; 40
  - (f) the Gas and Electricity Markets Authority; and
  - (g) such other persons as the Secretary of State thinks fit.
- (4) Subsection (2) may be satisfied by a consultation that took place wholly or partly before the commencement of this section. 45

- (5) The Secretary of State must –
  - (a) take such steps as are in the Secretary of State’s opinion necessary to implement the strategy or any revised strategy made under this subsection;
  - (b) annually assess and report to both Houses of Parliament the progress made in achieving the objective by the target date; and
  - (c) make any revision of the strategy which in the opinion of the Secretary of State is necessary to ensure that the objective and the target date are met.
- (6) If the Secretary of State revises the strategy, the Secretary of State must publish the strategy as revised.
- (7) The Secretary of State must make reasonable attempts to persuade any occupant of premises to which the objective applies to allow works to achieve the objective to be carried out.
- (8) For the purposes of this section, the Secretary of State has made “reasonable attempts” if the occupant has, within the past two years, been the recipient of at least two communications regarding energy performance from a person acting with the permission of the Secretary of State, at least one of which was a face-to-face conversation.
- (9) The Secretary of State must take reasonable steps to ensure that all domestic premises occupied by persons in fuel poverty are identified.

## PART 2

### OTHER HOUSEHOLDS

#### 4 Duty of the Secretary of State: all households

- (1) The Secretary of State must, within twelve months of this Act being passed, publish a report (“the report”) on measures that will in his or her opinion ensure that, subject to the exceptions in subsection (6), all domestic properties have a minimum energy performance rating of Band C on an Energy Performance Certificate (“EPC”) by 1 January 2035.
- (2) The report must include –
  - (a) a comprehensive list of measures for achieving the objective in subsection (1) by 1 January 2035;
  - (b) an assessment of the expected impact of those measures; and
  - (c) how the measures will be funded.
- (3) Without prejudice to the generality of subsection (2)(a), a comprehensive list of measures may include fiscal, economic and regulatory measures.
- (4) Before publishing the report, the Secretary of State must, unless he or she has already done so within the period of twelve months prior to the passing of this Act, consult –
  - (a) representatives of the energy efficiency industry;
  - (b) representatives of the microgeneration industry;
  - (c) environmental organisations; and
  - (d) such other persons as the Secretary of State thinks fit.
- (5) The Secretary of State must –

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- (a) implement the measures in the report published under subsection (1) and any amendments made under this subsection, and begin to do so within six months of the date on which the report is published;
- (b) monitor and report annually to both Houses of Parliament on progress towards achieving the objective in subsection (1); and 5
- (c) if any monitoring indicates that the objective may not be met, review the content of the report and amend it accordingly.
- (6) The exceptions are any property where –
- (a) carrying out the works necessary to upgrade its energy performance is not – 10
- (i) practical,
- (ii) cost-effective, or
- (iii) affordable; or
- (b) the owner or the occupant refuses to carry out works or permit works to be carried out which are necessary to improve its energy performance. 15
- (7) The report must include a definition of the terms in subsection (6)(a).
- (8) The Secretary of State must take reasonable steps to identify all properties with an EPC rating of less than Band C.
- (9) If an occupant refuses to allow necessary works to be carried out, the Secretary of State must make reasonable attempts to persuade them to change their mind. 20
- (10) For the purposes of subsection (9), the Secretary of State has made “reasonable attempts” if the occupant has, within the past two years, been the recipient of at least two communications about energy performance from a person acting with the permission of the Secretary of State. 25
- (11) The Secretary of State, or his or her representative, must make reasonable attempts to ensure that home owners and tenants are aware of the importance of energy performance improvements and which measures and funding may be available to them. 30
- (12) For the purposes of subsection (11), “reasonable attempts” means providing communications about energy performance to home owners and tenants in accordance with the provisions in the report published by the Secretary of State under subsection (1).
- 5 Information from mortgage lenders 35**
- (1) The Secretary of State may by regulations made by statutory instrument require mortgage lenders to provide him or her with information regarding the energy performance of properties in their portfolio.
- (2) A statutory instrument containing regulations under subsection (1) may not be made unless a draft of the instrument has been laid before and approved by a resolution of each House of Parliament. 40

### PART 3

#### HEATING IN DOMESTIC BUILDINGS

#### 6 Duties of the Secretary of State

- (1) The Secretary of State must within twelve months of the passing of this Act provide by regulations made by statutory instrument that – 5
  - (a) all new heating systems installed in existing domestic premises have a return flow temperature of not more than 55 degrees centigrade from 1 January 2021, and
  - (b) where practicable all new heating systems installed in existing domestic premises are future proofed from 1 January 2021. 10
- (2) In this Act –
  - (a) “return flow temperature” means the temperature of the water in the pipe through which the water returns to the heat source;
  - (b) “future proofed” means provided with adequately sized and insulated heat emitters and water storage space. 15
- (3) A statutory instrument containing regulations under this section is subject to annulment in pursuance of a resolution of either House of Parliament.

### PART 4

#### OTHER PROVISIONS

#### 7 Financial provisions 20

There is to be paid out of money provided by Parliament –

- (a) any expenditure incurred under or by virtue of this Act by the Secretary of State, or by a government department, and
- (b) any increase attributable to this Act in the sums payable under any other Act out of money so provided. 25

#### 8 Consequential provisions

- (1) The Warm Homes and Energy Conservation Act 2000 is amended as follows.
- (2) In section 1 (meaning of “fuel poverty”) –
  - (a) in subsection (2), omit “Secretary of State (as respects England) or the”,
  - (b) in subsection (3), omit in each place it appears “the Secretary of State or”, 30
  - (c) in subsection (4), omit the words from “; and” to “Parliament”.
- (3) Omit section 1A (objective for addressing fuel poverty: England).
- (4) Omit section 1B (strategy relating to fuel poverty: England).
- (5) In section 4 (interpretation, short title, commencement and extent), in subsection (1), omit paragraph (a). 35

**9 Interpretation, extent, commencement and short title**

- (1) In this Act, “Energy Performance Certificate” has the meaning given by section 43 of the Energy Act 2011.
- (2) This Act extends to England and Wales only.
- (3) This Act comes into force on such day or days as the Secretary of State may by regulations made by statutory instrument appoint. 5
- (4) Regulations made under subsection (3) may make different provisions for different purposes.
- (5) This Act may be cited as the Domestic Premises (Energy Performance) Act 2020. 10



# Domestic Premises (Energy Performance) Bill [HL]

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## **B I L L**

To require the Secretary of State to ensure that domestic properties have a minimum energy performance rating of C on an Energy Performance Certificate; to make provision regarding performance and insulation of new heating systems in existing properties; and for connected purposes.

*Lord Foster of Bath*

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