

Energy Efficiency and Microgeneration Bill [HL]

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TO

Make provision about the energy rating of residential properties on the market; to make provision about energy efficiency and microgeneration; and for connected purposes.

BE 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:—

1 Energy rating of property to be included in home information packs

After section 163(6) of the Housing Act 2004 (c. 34) (contents of home information packs) insert—

“(6A) The regulations must require the home information pack to include prominent information about the energy rating of the property. 5

(6B) For the purposes of subsection (6A), the energy rating of the property is to be determined in accordance with criteria set out in the regulations.”

2 Information to be included in marketing material of property

(1) Where a residential property is put on the market, the estate agent responsible for marketing the property must include in all documentation produced for the purpose of marketing the property the energy rating as contained in the home information pack. 10

(2) It shall be the duty of any estate agent when offering a house for sale to include in any specified particulars the following notice displayed reasonably prominently: 15

“Climate change is damaging the planet: using too much energy causes climate change. Insulating your home or installing microgeneration equipment can save energy, cut fuel bills and protect the planet.”

(3) In this section— 20
the “energy rating” of the property has the same meaning as in section 163(6B) of the Housing Act 2004;

“estate agent”, “residential property”, “the market” and related expressions have the same meaning as in Part 5 of the Housing Act 2004 (c. 34) (home information packs);

“specified particulars” means—

- (a) any leaflets, brochures or similar written material advertising the sale of any property provided that this shall not include newspaper advertisements; and 5
- (b) any such advertisements on the internet.

3 Council tax and non-domestic rates

(1) Section 24 of the Local Government Finance Act 1992 (c. 14) (alteration of lists) is amended as follows. 10

(2) In subsection (10), at the end of the definition of “material increase” insert “, but this definition is subject to subsection (11);”.

(3) After subsection (10) insert—

“(11) Any increase in the value of a dwelling caused by the installation of an energy efficiency measure or a microgeneration system shall not be deemed a material increase under this section. 15

(12) In subsection (11)—

an “energy efficiency measure” is a measure to improve efficiency in the use of energy in the property; 20

“microgeneration system” has the same meaning as in section 4(9) of the Climate Change and Sustainable Energy Act 2006.”

(4) Section 87 of the Local Government Finance Act 1992 (alteration of lists) is amended as follows.

(5) In subsection (10), at the end of the definition of “material increase” insert “, but this definition is subject to subsection (11);”.

(6) After subsection (10) insert—

“(11) Any increase in the value of a dwelling caused by the installation of an energy efficiency measure or a microgeneration system shall not be deemed a material increase under this section. 30

(12) In subsection (11)—

an “energy efficiency measure” is a measure to improve efficiency in the use of energy in the property;

“microgeneration system” has the same meaning as in section 4(9) of the Climate Change and Sustainable Energy Act 2006.” 35

(7) In Schedule 6 to the Local Government Finance Act 1988 (c. 41) (non-domestic rating: valuation), after paragraph 2(7) insert—

“(7A) No alteration to a list under this Schedule which would have the effect of increasing the ratable value of a non-domestic hereditament may be made if that increase is caused by the installation of an energy efficiency measure or a microgeneration system. 40

(7B) In sub-paragraph (7B)—

an “energy efficiency measure” is a measure to improve efficiency in the use of energy in the property;

“microgeneration system” has the same meaning as in section 4(9) of the Climate Change and Sustainable Energy Act 2006.”

4 Review of permitted development orders

- (1) The Secretary of State shall for the purpose mentioned in subsection (2) carry out a review of the effect in England of development orders made by virtue of section 59(2)(a) of the Town and Country Planning Act 1990 (c. 8) (power by order to grant planning permission for development or a class of development specified in the order). 5
- (2) The purpose of the review is to enable the Secretary of State to form a view as to what provision (or further provision) such development orders should make to facilitate development in England consisting of the installation, on agricultural land or within the curtilage of an agricultural building, of equipment, apparatus or appliances for microgeneration. 10
- (3) As soon as reasonably practicable after he has carried out the review, the Secretary of State must lay before Parliament a report of the review, including his view as mentioned in subsection (2) and the reasons for it. 15
- (4) The report must also set out what provision (or further provision), if any, the Secretary of State proposes to make in development orders by virtue of section 59(2)(a) of the Town and Country Planning Act 1990 in consequence of the review. 20
- (5) Where the Secretary of State proposes to make provision (or further provision) in development orders in consequence of the review, he must—
 - (a) exercise his powers under section 59 of the Town and Country Planning Act 1990 so as to provide that development orders made by virtue of that section make such provision in consequence of the review as he considers appropriate, and 25
 - (b) exercise those powers as soon as reasonably practicable after laying the report before Parliament under subsection (3).
- (6) In this section “agricultural land” and an “agricultural building” have the same meaning as in paragraphs 2 to 8 of Schedule 5 to the Local Government Finance Act 1988 (c. 41) (non-domestic rating: exemption). 30

5 Mortgages for energy efficiency measures

- (1) A bank or building society which offers one or more mortgage products in the normal course of its business must provide a facility under which money may be lent, at a reasonable rate of interest, for the installation of an energy efficiency measure or microgeneration system. 35
- (2) In this section—
 - “bank” has the same meaning as in section 840A of the Income and Corporation Taxes Act 1988 (c. 1);
 - “building society” means a building society within the Building Societies Act 1986 (c. 53); 40
 - an “energy efficiency measure” is a measure to improve efficiency in the use of energy in the property;
 - “microgeneration system” has the same meaning as in section 4(9) of the Climate Change and Sustainable Energy Act 2006. 45

6 Short title, commencement and extent

- (1) This Act may be cited as the Energy Efficiency and Microgeneration Act 2007.
- (2) This Act shall come into force at the end of the period of two months beginning on the day on which it is passed.
- (3) This Act extends to England and Wales and Scotland.

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To make provision about the energy rating of residential properties on the market; to make provision about energy efficiency and microgeneration; and for connected purposes.

Lord Redesdale

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