

# Fuel Poverty Bill

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## CONTENTS

- 1 Purpose
- 2 Duty of the Secretary of State to eradicate fuel poverty
- 3 The Fuel Poverty Strategy
- 4 Fuel poverty annual report
- 5 Changes in the number of properties to be made fuel poverty proof under the principal duty
- 6 Hard to treat properties
- 7 Duty to fuel poverty proof the homes of the fuel poor
- 8 Revision of the Fuel Poverty Strategy
- 9 Duty to consult and try to reach agreement
- 10 Energy assistance packages
- 11 Changes to the energy performance certificate scheme
- 12 Expenses
- 13 Interpretation
- 14 Short title and extent

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**B I L L**

TO

Make further provision about fuel poverty; 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:—

**1 Purpose**

The purpose of this Act is to promote the eradication of fuel poverty by increasing the energy efficiency of domestic premises to a specified standard.

**2 Duty of the Secretary of State to eradicate fuel poverty**

- (1) Subject to section 5, it shall be the duty of the Secretary of State to ensure that not less than the number of existing properties specified in section 3(2)(a) as being occupied by households in fuel poverty are made “fuel poverty proof” by 31 December 2016. 5
- (2) For the purpose of subsection (1) an “existing property” is a property in England that has been constructed prior to the commencement of this Act. 10
- (3) In this Act, and subject to section 11 (changes to energy performance certificate scheme) a property shall be deemed to have been made fuel poverty proof where—
- (a) it is a property in respect of which an energy performance certificate graded no less than Band B has been issued; or 15
- (b) in the case of a hard to treat property, as defined in section 6 (hard to treat properties), it is a property in respect of which an energy performance certificate graded no less than Band C has been issued.

**3 The Fuel Poverty Strategy**

- (1) The Secretary of State must, not later than six months after the commencement of this Act, publish a document containing plans, policies and proposed measures (referred to in this Act as the “Fuel Poverty Strategy”) that will be used to meet the duty in section 2(1) (“the principal duty”). 20

- (2) The Fuel Poverty Strategy must—
- (a) include an assessment of the number of properties in England inhabited by households in fuel poverty on 31 December 2008;
  - (b) explain how each of the plans, policies and proposed measures in the Fuel Poverty Strategy will contribute to meeting the the principal duty; 5
  - (c) include the estimated cost of each of the plans, policies and proposed measures, together with details in each case of the funding sources for those policies;
  - (d) state which person or persons are responsible for delivery of each of the plans, policies and proposed measures contained in the Fuel Poverty Strategy. 10
- (3) The Fuel Poverty Strategy must include—
- (a) policies to promote energy efficiency measures and the use of microgeneration installations and locally supplied sustainable energy in existing buildings; 15
  - (b) proposals for financial and fiscal measures to promote energy efficiency, microgeneration and locally supplied sustainable energy;
  - (c) such new functions for the Gas and Electricity Markets Authority as in the opinion of the Secretary of State will assist in meeting the principal duty; and 20
  - (d) such other plans, policies and measures as the Secretary of State considers appropriate.
- (4) The Fuel Poverty Strategy must specify the number of existing properties that are intended to be made fuel poverty proof in each calendar year until 31 December 2016. 25
- (5) The Secretary of State shall take such steps as are necessary to implement the Fuel Poverty Strategy.

#### 4 Fuel poverty annual report

- (1) In accordance with the provisions of this section the Secretary of State must publish an annual report on progress towards fulfilling his duties under this Act (a “Fuel Poverty Annual Report”). 30
- (2) The first Fuel Poverty Annual Report must be published within 12 months of the publication of the Fuel Poverty Strategy and thereafter a further Fuel Poverty Annual Report must be published once each calendar year until 2017 and in each such case not later than 12 months after the publication of the previous Fuel Poverty Annual Report. 35
- (3) A Fuel Poverty Annual Report must—
- (a) include details of measures taken in the reporting year in pursuance of the Fuel Poverty Strategy;
  - (b) include an assessment of whether the Secretary of State considers that adequate progress is being made towards securing compliance with the principal duty and the duty under section 3(5) (the duty to implement the Fuel Poverty Strategy); 40
  - (c) state the number of existing properties made fuel poverty proof in the reporting year; 45
  - (d) contain an assessment of the number of existing properties in England inhabited by households in fuel poverty on 31 December in the reporting year;

- (e) contain an estimate of the number of existing properties in England that are likely to be inhabited by households in fuel poverty on 31 December in each subsequent year to 2020.
- (4) A Fuel Poverty Annual Report may contain such other information about measures, plans, policies and proposals under this Act as the Secretary of State considers appropriate. 5
- (5) In this section “the reporting year” shall be the calendar year ending on the 31 December in the year prior to the date of publication of the relevant Fuel Poverty Annual Report.
- 5 Changes in the number of properties to be made fuel poverty proof under the principal duty 10**
- (1) Subject to the further provisions of this section, where an assessment made pursuant to section 4(3)(d) concludes that a greater number of households is in fuel poverty than was specified in the Fuel Poverty Strategy the principal duty shall henceforth be deemed to apply to that latest assessment. 15
- (2) This subsection applies where the number specified in section 4(3)(d) in the Fuel Poverty Annual Report published in 2016 exceeds the number to which the principal duty previously applied by an amount such that in the opinion of the Secretary of State it is not reasonably practicable to comply with the principal duty by 31 December 2016 in respect of those additional properties. 20
- (3) Where subsection (2) applies –
- (a) the principal duty shall apply in respect of the number of properties that was subject to that duty prior to the publication of the 2016 Fuel Poverty Annual Report; and
- (b) the Secretary of State shall seek to ensure that at least the number of additional properties under subsection (2) shall be made fuel poverty proof by 31 December 2017. 25
- 6 Hard to treat properties**
- (1) A property shall be deemed to be a “hard to treat property” where the interventions required to bring the property to the standard specified in section 2(3)(a) would be excessively expensive or not practicable. 30
- (2) The Secretary of State shall within six months of the coming into force of this Act make regulations setting out the circumstances in which, and the means for determining whether, a property falls within subsection (1).
- 7 Duty to fuel poverty proof the homes of the fuel poor 35**
- (1) In exercising any of his functions under this Act the Secretary of State shall act in accordance with the purpose of this Act.
- (2) The Secretary of State shall take all practicable measures to ensure that as many as possible of the properties that are made fuel poverty proof under this Act are properties that are occupied by persons in fuel poverty. 40

## 8 Revision of the Fuel Poverty Strategy

- (1) Where at any date prior to 1 January 2016 one or both of the conditions in subsection (2) applies the Secretary of State must revise the Fuel Poverty Strategy.
- (2) The conditions referred to in subsection (1) are—
  - (a) that in any Fuel Poverty Annual Report the Secretary of State reports that inadequate progress is being made towards securing compliance with the principal duty; or
  - (b) that the number of properties reported in a Fuel Poverty Annual Report to have been made fuel poverty proof in the reportable year is less than the number of properties required to have be made fuel poverty proof under section 3(4). 10
- (3) The Secretary of State may amend and publish the Fuel Poverty Strategy at any time if, in his opinion, it is necessary or desirable to do so in order to ensure that the principal duty or the duty to implement the Fuel Poverty Strategy under section 3(5) are met. 15
- (4) The duty under section 3(5) shall apply to any revised strategy in the same way as it applies to the Fuel Poverty Strategy as originally published.

## 9 Duty to consult and try to reach agreement

- (1) Before carrying out any of the specified acts the Secretary of State must consult and try to reach agreement on the matter under consultation with—
  - (a) organisations representing the interests of persons living in fuel poverty; 20
  - (b) organisations representing environmental interests; and
  - (c) organisations representing business interests. 25
- (2) In subsection (1) the specified acts are—
  - (a) the publication of the Fuel Poverty Strategy;
  - (b) the publication of any revision to the Fuel Poverty Strategy;
  - (c) making regulations under section 6 (hard to treat properties); and
  - (d) making regulations under section 10 (social tariffs). 30

## 10 Energy assistance packages

- (1) The Secretary of State shall, within six months of the commencement of this Act, make regulations prescribing that energy suppliers of one or more specified descriptions shall be required to provide energy assistance packages to such of their customers as are prescribed in the regulations. 35
- (2) Regulations under this section shall prescribe—
  - (a) those energy suppliers to which the regulations shall apply (prescribed suppliers); and
  - (b) those persons who shall be eligible for energy assistance packages (prescribed customers). 40
- (3) Energy assistance packages provided for by regulations under this section shall, as a minimum, require prescribed suppliers to supply energy to all of their prescribed customers at a tariff that is lower than any other tariff available

to other customers of that supplier until such time as their homes have been made fuel poverty proof.

- (4) The Secretary of State shall consult with the Welsh Assembly Government and the Scottish Executive on the application of this section to gas and electricity customers in Wales and Scotland.

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## 11 Changes to the energy performance certificate scheme

- (1) Where any relevant changes to the scheme of energy performance certificates are made any reference in this Act to a property being made fuel poverty proof shall be a reference to a property being made at least as energy efficient as a property in respect of which an energy performance certificate in Band B, or Band C in the case of a hard to treat property, would have been issued had it been assessed on 31 December 2008.
- (2) In this section a relevant change to the energy performance certificate scheme is any change in legislation, policy or guidance having the effect that—
- (a) energy performance certificates cease to operate; or
  - (b) Band B or Band C of an energy performance certificate no longer represent the same level of energy efficiency as at 31 December 2008.

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## 12 Expenses

*There shall be paid out of money provided by Parliament—*

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

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## 13 Interpretation

In this Act—

- (a) “energy performance certificate” has the same meaning as under the Energy Performance of Buildings (Certificates and Inspections) (England and Wales) Regulations 2007 (SI 2007/991) (the 2007 Regulations).
- (b) A reference to an energy performance certificate being graded at “Band A” or “Band B” or “Band C” is a reference to the expression on a graphical scale of the energy performance of the property under Regulation 11 of the 2007 Regulations in a manner approved by the Secretary of State under regulation 17A of the Building Regulations 2000 (SI 2000/2531).
- (c) “sustainable energy” means those sources of energy and technologies set out in section 26(2) of the Climate Change and Sustainable Energy Act 2006 (c. 19) as amended.
- (d) A “household in fuel poverty” is a household that would need to spend at least 10 per cent of its disposable income on all fuel use in order to achieve a temperature of 21°C in the living room or main living area and 18°C in all other rooms for at least 16 hours a day.

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## 14 Short title and extent

- (1) This Act may be cited as the Fuel Poverty Act 2009.

- (2) Subject to subsection (3), this Act extends to England only.
- (3) Section 10 (energy assistance packages) extends to England and Wales and Scotland.

# Fuel Poverty Bill

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## B I L L

To make further provision about fuel poverty; and for connected purposes.

*Presented by Mr David Heath  
supported by  
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