Title: **Making better use of energy performance data**	Impact Assessment (IA)
Lead department or agency: Communities and Local Government	**IA No:** CLG0106
Other departments or agencies: Department for Energy and Climate Change	**Date: 09/12/2010**
	Stage: Final
	Source of intervention: Domestic
	Type of measure: Primary legislation
	Contact for enquiries: Amy Ruffle 030344 44278

Summary: Intervention and Options

What is the problem under consideration? Why is government intervention necessary?

Energy Performance Certificates (EPCs), Display Energy Certificates (DECs) and some Air Conditioning Reports (ACRs), which contain information on the energy efficiency of buildings, are lodged on a central register controlled by a Register Administrator on behalf of Government. At present, the Energy Performance of Buildings Regulations specify that data in the register can only be disclosed to prescribed list of recipients. Making this data more widely available would have a range of benefits, which could ultimately result in more energy efficient buildings and lower carbon emissions in the UK. The Government would need to intervene to make this change because it can only be achieved through amendments to regulations.

What are the policy objectives and the intended effects?

Making this data more widely available will facilitate research which may be used to inform the household energy efficiency market and Government policy. It could give accredited Green Deal providers (see para 10 of evidence base for definition) and other organisations which market or promote energy efficiency measures, a better understanding of the market. It should also increase awareness among the general public of the energy efficiency of buildings. It is hoped that these effects will result in more building owners improving the energy efficiency of their buildings, reducing fuel costs and carbon emissions.

What policy options have been considered? Please justify preferred option (further details in Evidence Base)

(1) Do nothing.
(2) Allow different levels of access to different groups, upon request. Allow certain organisations (government departments, local authorities and researchers) access to all data on the register; and allow the general public access to non-personal data (i.e. data excluding addresses).
(3) Preferred option Give everyone the right to access all data on the register, subject to certain safeguards and technical capability. In addition, allow certain organisations (accredited Green Deal providers, organisations which provide energy efficiency advice, government departments, local authorities, and researchers) access to the data in bulk. By removing unnecessary restrictions on access to the data, there would be greater scope for making use of valuable energy performance data and the benefits outlined above would be maximised. Access to address data in particular enables commercial organisations promoting energy efficiency, such as accredited Green Deal providers, to target households which will benefit most from energy saving measures.

When will the policy be reviewed to establish its impact and the extent to which the policy objectives have been achieved?	It will be reviewed 5 years after implementation
Are there arrangements in place that will allow a systematic collection of monitoring information for future policy review?	Yes

SELECT SIGNATORY Sign-off for interim/final proposal stage Impact Assessments:

I have read the Impact Assessment and I am satisfied that (a) it represents a fair and reasonable view of the expected costs, benefits and impact of the policy, and (b) the benefits justify the costs.Signed by the responsible Minister: ***Date:09/12/2010***

Summary: Analysis and Evidence — Policy Option 2

Description: Allow different levels of access to different groups, upon request. Allow certain organisations (government departments, local authorities and researchers) access to all data on the register; and allow the general public access to non-personal data

Price Base Year 2010	PV Base Year 2010	Time Period Years n/a	Net Benefit (Present Value (PV)) (£m)		
			Low: Optional	High: Optional	Best Estimate: -0.6

COSTS (£m)	Total Transition (Constant Price)	Years	Average Annual (excl. Transition) (Constant Price)	Total Cost (Present Value)
Low	1.2	1	Optional	**Optional**
High	0.2		Optional	**Optional**
Best Estimate	0.6		0	**0.6**

Description and scale of key monetised costs by 'main affected groups'

Landmark is the contracted operator of the England and Wales domestic and non-domestic EPC registers. The cost of operating and developing the registers is covered by the lodgement fee. The change in regulations will increase the workload for Landmark (see evidence base para 24), but the current view is that the lodgement fee is already sufficient to cover this. Government departments, local authorities and researchers will incur some cost from requesting, processing and securely storing data. There would also be costs to run an information campaign to inform current EPC holders how their data will be used and how to opt out.

Other key non-monetised costs by 'main affected groups'

BENEFITS (£m)	Total Transition (Constant Price)	Years	Average Annual (excl. Transition) (Constant Price)	Total Benefit (Present Value)
Low	Optional		Optional	**Optional**
High	Optional		Optional	**Optional**
Best Estimate				

Description and scale of key monetised benefits by 'main affected groups'

See evidence base paras 32-38.

Other key non-monetised benefits by 'main affected groups'

Government departments, local authorities, researchers and business will benefit from having access to data which will allow them to analyse the energy efficiency of buildings. This could inform policy making and the energy efficiency market leading to a reduction in carbon, some of which will have a value in the carbon trading market.

Key assumptions/sensitivities/risks — **Discount rate (%)** n/a

Assumptions: (a) On the basis of previous requests for data, we expect there to be some considerable interest in the data from researchers and statisticians. (b) Landmark continues to be the contracted operator of the England and Wales domestic and non-domestic EPC registers.
Risks: There is a risk that users of personal data fail to adhere to DPA requirements; and inappropriate sharing of data could lead to it not being used for its intended purpose. It is proposed that safeguards will be put in place which should mitigate this risk, particularly where it might have a negative impact on individuals.

Impact on admin burden (AB) (£m): 0			Impact on policy cost savings (£m):	In scope
New AB:	AB savings:	Net:	Policy cost savings:	Yes/No

Enforcement, Implementation and Wider Impacts

<table>
<tr><td colspan="3">What is the geographic coverage of the policy/option?</td><td colspan="3">England and Wales</td></tr>
<tr><td colspan="3">From what date will the policy be implemented?</td><td colspan="3">01/10/2012</td></tr>
<tr><td colspan="3">Which organisation(s) will enforce the policy?</td><td colspan="3">CLG</td></tr>
<tr><td colspan="3">What is the annual change in enforcement cost (£m)?</td><td colspan="3">0</td></tr>
<tr><td colspan="3">Does enforcement comply with Hampton principles?</td><td colspan="3">Yes</td></tr>
<tr><td colspan="3">Does implementation go beyond minimum EU requirements?</td><td colspan="3">Not applicable</td></tr>
<tr><td colspan="3">What is the CO_2 equivalent change in greenhouse gas emissions?
(Million tonnes CO_2 equivalent)</td><td>**Traded:**
0</td><td colspan="2">**Non-traded:**
0</td></tr>
<tr><td colspan="3">Does the proposal have an impact on competition?</td><td colspan="3">Yes</td></tr>
<tr><td colspan="3">What proportion (%) of Total PV costs/benefits is directly attributable to primary legislation, if applicable?</td><td>**Costs:**
0</td><td colspan="2">**Benefits:**
0</td></tr>
<tr><td>Annual cost (£m) per organisation
(excl. Transition) (Constant Price)</td><td>**Micro**
0</td><td>**< 20**
0</td><td>**Small**
0</td><td>**Medium**
0</td><td>**Large**
0</td></tr>
<tr><td>Are any of these organisations exempt?</td><td>No</td><td>No</td><td>No</td><td>No</td><td>No</td></tr>
</table>

Summary: Analysis and Evidence **Preferred Policy Option 3**

Description: Give everyone the right to access all data on the register, subject to certain safeguards. In addition, allow certain organisations (accredited Green Deal providers, organisations which provide energy efficiency advice, government departments, local authorities, and researchers) access to the data in bulk.

Price Base Year 2010	PV Base Year 2010	Time Period Years n/a	Net Benefit (Present Value (PV)) (£m)		
			Low: Optional	**High:** Optional	**Best Estimate: -0.6**

COSTS (£m)	**Total Transition** (Constant Price)	Years	**Average Annual** (excl. Transition) (Constant Price)	**Total Cost** (Present Value)
Low	0.2	1	Optional	**Optional**
High	1.2		Optional	**Optional**
Best Estimate	0.6		0	**0.6**

Description and scale of key monetised costs by 'main affected groups'

Landmark is the contracted operator of the England and Wales domestic and non-domestic EPC registers. The cost of operating and developing the registers is covered by the lodgement fee. The change in regulations will result in a one-off increase in workload for Landmark, a lesser burden than under option 2 which envisages CLG considering each request for data (see evidence base para 27), but the current view is that the lodgement fee is already sufficient to cover this. Green Deal Providers, Government departments, local authorities and researchers should also incur less cost given there would be no need to request the data on a case-by-case basis. There would be costs for running a campaign to inform current EPC holders how their data will be used and how to opt out.

Other key non-monetised costs by 'main affected groups'

BENEFITS (£m)	**Total Transition** (Constant Price)	Years	**Average Annual** (excl. Transition) (Constant Price)	**Total Benefit** (Present Value)
Low	Optional		Optional	**Optional**
High	Optional		Optional	**Optional**
Best Estimate				

Description and scale of key monetised benefits by 'main affected groups'

See evidence base paras 32-38.

Other key non-monetised benefits by 'main affected groups'

Government departments, local authorities, researchers and business will benefit from having access to data which will allow them to analyse the energy efficiency of buildings. This could inform policy making and the energy efficiency market. Green Deal Providers will be able to target marketing material at the most receptive customers. Customers should benefit from tailored advice. We do not currently have an estimate of the potential size of the Green Deal market; however we estimate the value of personal data on take up of the Green Deal could be in the region of 2-12% depending on how the information is used (see para 37 of evidence base).

Key assumptions/sensitivities/risks **Discount rate (%)** n/a

Assumptions: (a) On the basis of previous requests for data, we expect there to be some considerable interest in the data from researchers and statisticians. (b) Suitably accredited Green Deal providers are created and opt for bulk EPC data. (c) Landmark continues to be the contracted operator of the England and Wales domestic and non-domestic EPC registers.
Risks: There is a risk that users of address data fail to adhere to DPA requirements; and inappropriate sharing of data could lead to it not being used for its intended purpose. It is proposed that safeguards will be put in place which should mitigate this risk, particularly where it might have a negative impact on individuals.

Impact on admin burden (AB) (£m): 0			**Impact on policy cost savings (£m):**	**In scope**
New AB:	**AB savings:**	**Net:**	**Policy cost savings:**	Yes/No

Enforcement, Implementation and Wider Impacts

What is the geographic coverage of the policy/option?			England and Wales		
From what date will the policy be implemented?			01/10/2012		
Which organisation(s) will enforce the policy?			CLG		
What is the annual change in enforcement cost (£m)?			0		
Does enforcement comply with Hampton principles?			Yes		
Does implementation go beyond minimum EU requirements?			Not applicable		
What is the CO_2 equivalent change in greenhouse gas emissions? (Million tonnes CO_2 equivalent)			**Traded:** 0	**Non-traded:** 0	
Does the proposal have an impact on competition?			Yes		
What proportion (%) of Total PV costs/benefits is directly attributable to primary legislation, if applicable?			**Costs:** 0	**Benefits:** 0	
Annual cost (£m) per organisation (excl. Transition) (Constant Price)	**Micro** **0**	**< 20** **0**	**Small** **0**	**Medium** **0**	**Large** **0**
Are any of these organisations exempt?	No	No	No	No	No

Specific Impact Tests: Checklist

Does your policy option/proposal have an impact on…?	Impact	Page ref within IA
Statutory equality duties[1] Statutory Equality Duties Impact Test guidance	No	20
Economic impacts		
Competition Competition Assessment Impact Test guidance	Yes	20
Small firms Small Firms Impact Test guidance	No	20
Environmental impacts		
Greenhouse gas assessment Greenhouse Gas Assessment Impact Test guidance	Yes	20
Wider environmental issues Wider Environmental Issues Impact Test guidance	No	20
Social impacts		
Health and well-being Health and Well-being Impact Test guidance	Yes	20
Human rights Human Rights Impact Test guidance	Yes	20
Justice system Justice Impact Test guidance	No	20
Rural proofing Rural Proofing Impact Test guidance	Yes	20
Sustainable development Sustainable Development Impact Test guidance	No	20

Evidence Base (for summary sheets)

Annual profile of monetised costs and benefits* - (£m) constant prices

	Y_0	Y_1	Y_2	Y_3	Y_4	Y_5	Y_6	Y_7	Y_8	Y_9
Transition costs (will only apply to Landmark)	0.6	0	0	0	0	0	0	0	0	0
Annual recurring cost (administrative costs of organisations that request data)	0	0	0	0	0	0	0	0	0	0
Total annual costs	0.6	0	0	0	0	0	0	0	0	0
Transition benefits	0	0	0	0	0	0	0	0	0	0
Annual recurring benefits	0	0	0	0	0	0	0	0	0	0
Total annual benefits	0	0	0	0	0	0	0	0	0	0

* For non-monetised benefits please see summary pages and main evidence base section

[1] Race, disability and gender Impact assessments are statutory requirements for relevant policies. Equality statutory requirements will be expanded 2011, once the Equality Bill comes into force. Statutory equality duties part of the Equality Bill apply to GB only. The Toolkit provides advice on statutory equality duties for public authorities with a remit in Northern Ireland.

Rationale for Government intervention

Existing legal framework and implementation

1. The Energy Performance of Buildings Directive[1] (EPBD) is an EU Directive designed to tackle climate change by reducing the amount of carbon produced by domestic and non-domestic buildings. Implementation of EPBD was completed in the UK on 1 October 2008. Under the terms of the Directive:

    - an Energy Performance Certificate (EPC) must be produced whenever a building is sold, constructed or rented out. The EPC shows the energy efficiency of a property and includes recommendations on how it can be improved;
    - a Display Energy Certificate (DEC) must be produced every year for public buildings over 1,000m². The DEC shows the actual running costs of the building and must be displayed in a prominent place;
    - air conditioning installations above a certain size must be inspected every 5 years;
    - boiler installations with an effective rated output above a specified threshold must either be inspected regularly over a period of time; or advice must be provided to users.

2. Although there is no obligation in EPBD, the Energy Performance of Buildings (Certificates and Inspections) (England and Wales) Regulations 2007[2] (EPB Regulations) also require the Secretary of State to maintain or keep a register or registers of EPCs and DECs. There is currently no statutory requirement for the Secretary of State to keep Air Conditioning Reports (ACRs) but these are lodged on a voluntary basis with the Register Administrator. The Energy Performance of Buildings Directive recast (EPBD2) is due to be transposed by 2012-2013.

3. Landmark, are contracted operators of the managers of the England and Wales domestic and non-domestic EPC registers (the Registers) with responsibility for maintainance and development. The cost of maintaining and developing the Registers is paid for by the lodgement fee (which is currently £1.15 for domestic EPCs and £5.36 for non domestic EPCs, DECs and ACRs). The EPC is valid for ten years; the DEC for one year (with an advisory report every seven years) and the ACR is valid for five years. The lodgement fee is reviewed every three years.

4. Benefits of having a central register include:

- Enabling owners and occupiers to obtain additional copies of the EPC for their property;
- Enabling prospective purchasers and tenants to check that any EPC provided to them is valid;
- Enabling enforcement bodies to verify the authenticity of any EPC provided to them;
- Enabling accreditation scheme operators to review EPCs produced by their energy assessors as part of their quality assurance schemes;
- Enabling the Department to use anonymised data to improve energy performance benchmarks and for other statistical or research purposes; and
- Enabling the Department to access anonymised data to monitor the application and enforcement of, and compliance with, the duties imposed by the EPB Regulations.

Removing unnecessary restrictions

5. Access to the data held within the register is restricted by EPB Regulations to specific groups because it was deemed to be personal data and a decision was taken that it should not be disclosed. Annex 2 provides a full list of those who currently have access to the data, but in summary, the person making the request for disclosure must either be:

- one who is already in possession of the unique reference number assigned to the document of which they are seeking disclosure;
- the operator of an approved accreditation scheme of which the energy assessor who prepared the particular certificate and report was a member;
- an authorised officer of an enforcement authority; or
- an officer of the Secretary of State for Communities and Local Government.

6. However, as the register has grown, it has become evident that it represents an extremely valuable source of information about the energy efficiency of buildings. The benefits of making use of the data, subject to rules on careful handling, have made it desirable to widen access to the register. In addition, the current restrictive policy is considered inconsistent with the more open way in which data in the Land Registry, which might be considered equally sensitive, is handled and shared.

7. If no action is taken, access to the data will remain restricted to the groups listed in Annex 2.

8. To make better use of data in the register, we propose to increase access to it. This will require a change in regulation.

Policy objectives and intended effects

9. In order to make informed choices people need to be able to make them in an environment where many features, noticed and unnoticed can influence their decisions. In the context of EPC data, knowing that, for example, their property has a lower energy efficiency rating than other comparable homes may "nudge" individuals to make improvements to their home. Ultimately, it is expected that this approach would create a virtuous circle whereby action by some individuals to improve their home would persuade others to make similar improvements. That in turn, it is hoped, would result in a general ratcheting up of the energy performance of the housing stock.

10. There are several additional reasons for widening access to the data:

- It will give organisations which market or promote energy efficiency measures a better understanding of the market.
- Under the Green Deal, due to be launched in 2012, private entities known as Green Deal Providers will arrange and pay for a tailored eco-upgrade to a property in return for a stream of payments which will be charged on the electricity or gas bill of the property for a period of time. If accredited Green Deal Providers are given access to address-level data (option 3) it would enable them to market their services more effectively to individual households and businesses.
- It will facilitate research which may be used to inform Government policy. There has been growing demand for research and statistical analysis - CLG receives requests from Government departments, researchers and statistical analysts for data relating to energy efficiency of buildings to have access to the data.
- It will increase access for the general public to useful data and should increase awareness among the general public of the energy efficiency of buildings.
- It supports the Government's transparency agenda.

11. The Climate Change Act[3] 2008 commits the UK to a statutory target to reduce its emissions (from all sources) by 80% by 2050 from a 1990 baseline. Buildings account for 47% of the UK's carbon emissions. Ultimately, it is hoped that these effects of widening access to data on EPCs will result in more building owners improving the energy efficiency of their buildings, reducing fuel costs and carbon emissions.

12. Specifically, it is proposed to use enabling powers in the Energy Security and Green Economy Bill to provide the Secretary of State with the power to create regulations which will set out wider access rights.

13. Safeguards will need to be put in place to ensure that data is securely processed and stored in accordance with the Data Protection Act. These are detailed in Annex 4.

Options considered

14. We have considered three main options:

(1) Do nothing – maintain the current regulations limiting access to data.

(2) Allow different levels of access to different groups, upon request.

- Allow certain organisations (Government departments, local authorities and researchers) access to all data on the register
- Allow the general public access to anonymised data (i.e. data excluding addresses).

(3) Preferred option

Give everyone the right to access all the data, subject to certain safeguards. In addition, allow certain organisations (accredited Green Deal providers, organisations which provide energy efficiency advice, Government departments, local authorities, and researchers) access to the data in bulk. Full details can be found in Annex 3. This maximises the benefits outlined above by making more of the data more easily available to a wider audience. By giving access to address data, it enables commercial organisations promoting energy efficiency, in particular accredited Green Deal providers, to target households which will benefit most from energy saving measures.

Key Assumptions/sensitivities and risks

Assumptions/sensitivities

15. This assessment takes note of the intention to create suitably accredited Green Deal providers and assumes that they will use EPC data. It also assumes that Landmark continues to be the contracted operator of the England and Wales domestic and non-domestic EPC registers; that rate of EPC/DEC growth remains steady (ie no dramatic growth or fall off in number of EPCs and DECs produced and lodged which would have implications for cost of data sharing and fee income); and that solutions can be implemented in good time to meet technical requirements.

16. The cost of enabling access to data via the registers is estimated to be in the range £0.2m to £2.0m. This will vary according to the type of requests for data and also depending on the staff and operational resources required. It is assumed that this will involve development, testing, the operational change management process, delivery and provision of a helpdesk facility.

17. There is little evidence to help us quantify the value of this data or how it can best be used to achieve the desired outcomes. However, the work of the Energy Saving Trust (EST), in using data to target advice and support on energy efficiency to householders with F and G rated properties, will help us understand the take up and effects of using data in this way. This work has only recently begun, so it will not be until 2010 and beyond that we can evaluate the effects.

Risks

18. There are risks associated with greater access to address data, for example:

- increase in junk mailing/contact and organisations making unsolicited contact with individuals to market services – this has a low probability but high impact, potentially leading to loss of trust in EPCs; and negative associations with Green Deal if customers receive junk mail.
- potential for lobbying by interest groups – this has a high probability but is not expected to have an impact on individuals.

19. These risks will be mitigated through:

- careful consideration of data protection issues during the policy development process, including completion of a small-scale privacy impact assessment;
- following requirements of the Data Protection Act; and
- incorporating safeguards into regulations governing how data will be handled and for what purposes.

20. Safeguards are likely to include:

- Advising consumers of potential use of data and enabling them to opt out. An information campaign will be run to inform holders of existing EPCs how their data will be used by research organisations, Government, and (under option 3) by commercial organisations to promote their services; and will inform them how they can prevent their data from being used in these ways.
- Ensuring compliance with existing statutory regimes, such as the Data Protection Act[4] (DPA). The Act regulates the manner in which personal data can be collected, used and stored. It will be a condition of access to the Register by anyone accessing it that they comply with the DPA.
- It is intended that further safeguards will be introduced through software design to prevent data mining by organisations not approved by the Secretary of State to receive bulk data. The software will be designed to have a facility to impose a limit on the number of searches of the Registers that can be carried out by a user in any 24 hour period.
- Under option 3, conditions are to be placed on the use of data by Green Deal Providers and others.

21. Further details of safeguards are listed in Annex 4.

One In, One Out rule

22. The proposed measure will not impose any cost to business. As noted at paragraph 6, the cost of maintaining and developing the EPC Register is met from the lodgement fee. Making EPC data publicly available will require some minor modifications to the EPC Register. Those costs have been quantified in the summary sheets. Making EPC data publicly available is regarded as forming part of the maintenance and development of the Register. We do not envisage that there will need to be an increase in the size of the lodgement fee to cover the cost of the minor modifications necessary to make EPC data publicly available. Income from the current lodgement fee will be adequate to cover those costs. As this measure will not impose any cost on business, its impact is neutral for the purposes of the One In, One Out Rule.

Estimate of costs for preferred and alternative options

Option (1)

23. There are no additional costs for this option as it proposes to maintain the current regulations.

Option (2)

24. This option will result in an increased workload for Landmark because they will need to share different types of data with different organisations and individuals, responding to requests on a case-by-case basis. Landmark is unable to give firm estimates of development and other costs at this

time but it would appear to be in the range of £0.2m to £1.2m. Landmark operate the contract on a concession basis which means that they recover their costs of developing and maintaining the Registers from the lodgement fee (see para 3 above). The current view is that the lodgement fee would be sufficient to cover this.

25. Government departments, local authorities and researchers will incur some cost from requesting, processing and securely storing data.

26. There would also be costs for running an information campaign to inform current EPC holders how their data would be used and how to opt out. Although it has not been decided who would incur this cost, it would likely be borne by those organisations using the data for research purposes.

Option (3) – Preferred Option

27. Under this option Landmark would incur a one-off increase in development costs. Landmark would need to make certain types of data available to the public, and to share bulk data with certain organisations. This should be a lesser burden than under option 2, which envisages CLG considering each request for data and passing requests onto Landmark for processing. Landmark is unable to give firm estimates of development and other costs at this time but it would appear to be in the range of £0.2m to £1.2m. Landmark operate the contract on a concession basis which means that they recover their costs of developing and maintaining the Registers from the lodgement fee (see para 3 above). The current view is that the lodgement fee would be sufficient to cover this.

28. Green Deal Providers, Government departments, local authorities and researchers may incur some cost from processing and securely storing the data. However, they should also incur less cost than under option 2 because there would be no need to request data on a case-by-case basis.

29. There would be costs for running an information campaign to inform current EPC holders how their data will be used by Green Deal Providers and other organisations promoting energy efficiency to market their services and how to opt out. Although it has not been decided who would incur this cost, it would likely be borne by those organisations using the data to market their services.

30. If building owners decide to install energy saving measures as a result of being targeted by commercial companies who have identified them on the register, they may incur a cost. However, there is no obligation for them to do so as a result of this policy.

Administrative costs

31. There would be zero impact on administrative burdens as a result of the policy. Landmark regularly receive requests from CLG through change control procedures to make adjustments to the database, in order to fulfil contractual obligations related to development of the register. As a concession contract is operated, costs of development can be passed through and recovered by increased lodgement fees. However, it is not anticipated that development of the register will require an increase in the lodgement fee, or additional budget stipulated to be set aside for these development costs.

Estimate of benefits

32. The benefits of these proposals are currently non-monetised; there has been little analysis to date of the monetary value of the EPC data itself, for example, to marketing companies. However, the data would allow more cost-effective targeting of advice and information, resulting in cost savings for organisations offering energy efficiency advice. This is an issue that we will need to revisit in a few years when we have data on the size of the market generated by the Green Deal (see para 37 below).

33. The wider benefits of access to the data might include the following:

- giving organisations which market or promote energy efficiency measures a better understanding of the market;
- if accredited Green Deal Providers are given access to address-level data (option 3), enabling them to target energy efficiency support to individual households and businesses;
- facilitating research which may be used to inform Government policy; and
- increasing access for the general public to useful data and raising awareness among the general public of the energy efficiency of buildings.

34. Ultimately, it is hoped that these effects of widening access to data on EPCs will result in more building owners improving the energy efficiency of their buildings, reducing fuel costs and carbon emissions.

35. The English House Condition Survey[5] (EHCS) concludes that one or more recommendations covered by the EPC could benefit some 20.2 million homes (91% of the housing stock) If the cost effective improvement measures considered in the analysis were fully implemented, it is calculated that carbon dioxide (CO2) emissions from homes would fall resulting in a total saving of 33 million tonnes of CO2.

36. Although the proposal does not have a direct impact on innovation, it could support the development of a market for innovative energy efficiency products.

37. The scale of the benefits will be dependent on how the data is used and the effect of incentives and advice schemes such as those run by Green Deal providers. We do not currently have an estimate of the potential size of the Green Deal market; however there are potentially analogous impacts on markets from other information provision which we can draw on to inform our thinking. For example, Tesco Club Card information is estimated to have a positive impact on turnover in the region of 12%. However, if the data is not able to be harnessed to the same effect as Tesco the impact could be much less. Given the learning curve of Green Deal providers in using the data it is likely that there will be a greater than zero impact. A suitable range for the purposes of this impact assessment could 2-12%, however this will need to be looked at more clearly as the Green Deal policy is developed.

38. We would expect the benefits described above to be greater under preferred option 3 because more of the data will be available to a wider audience and will be easier to access. Under this option Green Deal providers should be able to target those who could benefit most from energy efficiency measures.

Consultation process

39. This impact assessment has been developed following a consultation Making Better Use of EPCs and Data[6] which ran between 2 March 2010 and 25 May 2010 which was carried out in line with current best practice guidance. We sought views on the consultation and the Impact Assessment by publishing on the CLG website and sending links to approximately 35 individuals and organisations most of whom had responded to a previous consultation. We also jointly hosted a seminar organised by EEPH to discuss some of the questions in more detail. The consultation received approximately 140 responses from a range of interested parties; a significant number of recipients had commercial interests.

40. The consultation proposed measures which have been described above as option 2. The consultation proposed to provide the Secretary of State with the power to grant access to:

- address level data to specified organisations including local authorities for approved purposes; and

- anonymised data.

41. The total number of responses to the question on sharing address level data was 73, 59 of who agreed with the approach to giving access to address level data. Therefore, 81% of respondents were in favour of the proposal. Of the respondents who opposed, some did so on the grounds that the proposal did not go far enough. The total number of responses to the question on sharing anonymised data was 73, 61 of who agreed with giving access to anonymised data. Therefore, 84% of respondents were in favour of the proposal. The majority of respondents considered the safeguards to be sufficient – of the 55 who responded to this question, 41 agreed that the proposed safeguards relating to the sharing of address data were adequate. Therefore, 75% of respondents were in favour of the proposal. Although the majority agreed with the proposal, it is evident, that a significant number of respondents considered the restrictions and safeguards to be too restrictive and unnecessary. Respondents felt that access to the EPC database should be available to all to help encourage the uptake of energy efficiency measures.

42. We are now proposing to make data more widely available (preferred option 3) than was proposed in the consultation in line with the Government's transparency agenda and to realise the benefits outlined above.

Enforcement and compliance

43. The proposals do not envisage any major new enforcement or compliance regime. Sanctions will include:

- Anyone found to have either abused the DPA or any other conditions/requirements in respect of access would be precluded from access to the register in future.
- The sanction for breach of conditions imposed on Green Deal Providers on the use to which the data can be put (under option 3) would be suspension or revocation of their authorisation/accreditation.

Monitoring and review

44. We will be seeking feedback on the impact of the policy from those with whom we share the data (see Annex 1 for more detail).

Evidence Base (for summary sheets) – Notes

Use this space to set out the relevant references, evidence, analysis and detailed narrative from which you have generated your policy options or proposal. Please fill in **References** section.

References

Include the links to relevant legislation and publications, such as public impact assessment of earlier stages (e.g. Consultation, Final, Enactment).

No.	Legislation or publication
1	http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2003:001:0065:0071:EN:PDF
2	http://www.legislation.gov.uk/uksi/2007/991/contents/made
3	http://www.legislation.gov.uk/ukpga/2008/27/pdfs/ukpga_20080027_en.pdf
4	http://www.legislation.gov.uk/ukpga/1998/29/contents
5	http://www.communities.gov.uk/housing/housingresearch/housingsurveys/englishhousecondition/
6	http://www.communities.gov.uk/publications/planningandbuilding/epceffectivenessconsult?view=Standard

+ Add another row

Annex 1: Post Implementation Review (PIR) Plan

45. A PIR should be undertaken, usually three to five years after implementation of the policy, but exceptionally a longer period may be more appropriate. A PIR should examine the extent to which the implemented regulations have achieved their objectives, assess their costs and benefits and identify whether they are having any unintended consequences. Please set out the PIR Plan as detailed below. If there is no plan to do a PIR please provide reasons below.

Basis of the review: In 2012, the Committee on Climate Change's Fourth Progress Report to Parliament will consider emission trends, progress reducing emissions and evidence of the step change – which should be happening by this time. In addition, the Climate Change Act 2008 requires an adaptation report to be completed every 5 years. Departments will have to submit reports to Defra Secretary of State in 2014/15 for publication of the Second UK Climate Change Risk Assessment in 2016. Three main criteria embedding the principles for good adaptation are proposed: effectiveness – the ability of an instrument to correct for the existing market or non-market failure; economic efficiency – the ability of an instrument to achieve the greatest social benefits at the lowest cost; and equity – the distributional impacts of an instrument.
Review objective: To be confirmed but likely to have the following objectives (1) To ensure the system is working properly (2) To identify cash and carbon savings
Review approach and rationale: To be confirmed but ideally, would commission research into the effectiveness of the system to test that the system is working as it should. Key outputs would be the number of households that implement one or more recommendations from their EPC; carbon emissions savings; and impact on fuel bills. This is also likely to form part of the evidence for the CCC's progress report and Defra's adaptation report in 2014/15. It will be necessary to ensure that there is no double counting in relation to other initiatives.
Baseline: EPCs are currently valid for 10 years. The baseline is likely to be average ratings at the date of implementation. The baseline for carbon savings for the purposes of the Second UK Climate Change Risk Assessment is 1990 data. We do not currently have an estimate of the potential size of the Green Deal market and will need to develop evidence on that basis.
Success criteria: An increase in the take-up of recommendations on EPCs leading to reductions in fuel bills and carbon emissions. The scale of the benefits will be dependent on how the data is used and the effect of incentives and advice schemes such as those run by Green Deal providers.
Monitoring information arrangements: Data is held on the England and Wales domestic and non-domestic registers. It is proposed to develop the registers to include the new rating following remedial energy efficiency measures as a result of accessing the Green Deal.
Reasons for not planning a PIR: Not applicable

Annex 2: Current access to England and Wales Domestic and Non-Domestic EPC and DEC Registers

46. CLG: the Secretary of State (SoS) for CLG, as the ‘keeper of the register’, may disclose any document or data to an officer of CLG: to enable the SoS to monitor the application and enforcement of, and compliance with, the duties imposed by the Regulations; or for statistical or research purposes, provided that no particular property is identifiable from the document or data disclosed; and any display energy certificate.
47. Approved accreditation scheme operators: any document which was prepared by an energy assessor who was a member of the scheme at the time the document was entered into the register; and any associated data.
48. Energy assessors: any document or data concerning a dwelling for the purpose of the assessment of the dwelling concerned; or for any other purpose undertaken on behalf of the owner or tenant of the dwelling concerned.
49. Trading Standards authorities: any document or data for their duties as the enforcement authority.
50. Approved inspectors: any document or data in connection with functions under Part 2 of the Building Act 1984 in relation to the building to which the document or data relates.
51. Those that can provide a reference number: the document, that they request relating to that reference number only, and any others produced in the previous ten years relating to the same building, or part of building.
52. Any person, in relation to a specified building other than a dwelling: whether an EPC is entered on the register for the building in question; and the date on which any such certificate was issued.
53. EST: In August 2009 revised Regulations came into force to allow for disclosure from the EPC register, EPCs that have been produced in order to comply with duties arising on sales of dwellings, and that show an F or G asset rating along with their recommendation reports, to EST for specified purposes only. The purposes are to provide owners and occupiers of those lowest energy rated dwellings with information on measures that may be taken to improve the energy performance of the dwelling and on any financial assistance that may be available for such measures.

Annex 3: Proposed access to England and Wales Domestic and Non-Domestic EPC and DEC Registers (under preferred option 3)

54. There are separate categories of use and the government will in some way want to make different provision for these different categories.

Members of the public

55. Although the Register will be open to all members of the public (and any organisation), the search facilities available will be limited to five searches per day, reflecting the need to prevent the Register from being overloaded and also reflecting the more limited affect a completely open Register might have on increasing energy efficiency (as opposed to having a more open Register for those organisations with energy efficiency as their main agenda).
56. In the case of an EPC or a DEC, a member of the public should be able to access the following particular information:
    - the address of the building;
    - the rating of the building's energy efficiency on an A-G scale;
    - the recommendation report in the case of an EPC or, in the case or a DEC, the advisory report; and
    - the fact that a Green Deal exists at a property.
57. In the case of air conditioning inspection reports, any member of the public should only be able to access the following particular information:
    - the address of the building;
    - the assessment of the air-conditioning efficiency and the sizing of the system compared to the cooling requirements of the building; and
    - the advice on possible improvements to the air-conditioning system, replacement of the system and alternative solutions. Alternative solutions could include removing the air-conditioning system and relying on natural ventilation or reconfiguring the internal layout of the building to maximise the benefits of the air-conditioning system.

Other Organisations, including local authorities, those providing energy efficiency advice and for research purposes

58. Where an organisation comes within one of the following categories, they should be permitted access to EPC data:
    - local authorities;
    - Government Departments (including CLG and DECC);
    - universities and other institutions that carry out research where the purpose of obtaining such access is to promote the improved energy performance of buildings;
    - organisations that provide advice on how to improve the energy efficiency of buildings (an example of which is the Energy Saving Trust); and
59. As a minimum, the data these organisation will have access to is the:
    - address of each building;
    - EPC rating of each building;
    - recommended measures for each building. In the case of an EPC or a DEC, any person should only be able to access the following particular information; and
    - the fact that a Green Deal exists at a property.

Green Deal Providers and other related organisations, such as the Green Deal Regulator

60. In addition to accessing the information that a member of the public can have access to (as provided for above) an accredited Green Deal Provider, will also have access to details of any Green Deal charge that has been attached to the property. Those details include, for example:

- who the Green Deal Provider is;
- the total amount of the finance;
- the annual charge on the electricity bill;
- the repayment period;
- any period for which the requirement to make payments has been frozen; and
- the measures which have been installed

Annex 4: Proposed Safeguards (under preferred option 3)

61. It is recognised that there will need to be safeguards to ensure that access to data on the Registers is not misused and that data protection principles are taken into account. The safeguards are to be addressed in one or more of the following ways:

62. Utilising safeguards which already exist at law. For example, compliance with existing statutory regimes, such as the DPA. It could be a condition of access to the Register by anyone accessing it, so that anyone found to have either abused the DPA or any other conditions/requirements in respect of access would be precluded from access in future. In relation to Green Deal Providers, this can be achieved by providing in the regulations that such safeguards must be complied with.

63. It is intended that further safeguards will be introduced through software design to prevent data mining, i.e. collection of large amounts of data from the Registers for the purpose, for example, of sending advertising material to those who have been issued an EPC, DEC or air-conditioning report. The software will be designed to have a facility to impose a limit on the number of searches of the Registers that can be carried out by a user to a certain maximum in any 24 hours. In the case of those who are permitted access to large amounts of data for marketing purposes this restriction will not apply or arrangements will be made to supply this information separately.

64. Conditions are to be placed on the use to which the data can be put by Green Deal Providers and others under the Green Deal scheme. The sanction for breach of such a condition would be suspension or revocation of their authorisation/accreditation. The following examples of the type of conditions envisaged include requirements to:

    - make clear in any marketing material that the recipient can request their details are removed from the Green Deal provider’s marketing list;
    - remove from their marketing list the details of anyone whose data was obtained from the registers where that person or organisation has failed to respond to the marketing offers after a specified number of offers have been dispatched;
    - making it a condition of receiving the data that it is only used to inform householders about energy efficiency improvements they could make;
    - a requirement that the consumer is informed how their address details were obtained;
    - prohibiting the Green Deal providers from passing the information on to others
    - prohibiting the Green Deal providers from attempting a data matching exercise with any other datasets they may hold

Annex 5: Specific Impact Tests

Privacy impact:

65. We have performed a Privacy Impact Screening in accordance with the guidance from the Information Commissioners Office[11]. Taking into consideration the responses to the consultation, we will undertake a full/small-scale Privacy Impact Assessment to consider and manage the risks of sharing potentially personal data, in advance of implementing the data strategy. It is proposed to install safeguards, for example, before access was granted, data users would have to sign a binding agreement that they would ensure the data would be kept secure, only used for the agreed purposes, not be shared more widely and that opt out requests would result in removal of data from data store.

Competition assessment:

66. Some respondents to previous consultations on data sharing have raised concern about unfair competition as a result of granting access to personal data only to selected organisations. Whilst we recognise these concerns we believe that the proposals achieve the best balance between making data more widely available to help support building owners to implement energy efficiency measures, whilst protecting their privacy and minimising exposure to unsolicited mailings and contact (see above).

Small Firms Impact:

67. These proposals do not impose or reduce costs on small business although the SMEs that take advantage of the Green Deal itself may benefit in terms of a reduction in their fuel bills.
68. **Legal Aid:** These proposals do not have any implications for Legal Aid
69. **Environmental impact:** (Incorporating sustainable development; carbon assessment and other environment): whilst the data sharing proposals will have no direct impact on the environment, the aim of these proposals is to support delivery of Government's climate change commitments. The research set out above identifies the very significant reduction in carbon emissions that would be achieved by the comprehensive adoption of energy efficiency measures.
70. **Health Impact:** The proposal does not have any health implications.
71. **Equalities and social impact**: An Equalities Impact Assessment screening has been completed, covering race, age, health, disability and gender equality issues. Cost savings and improved home thermal comfort could have most benefit for the most vulnerable and a range of grants and other support is available to the poorest households to help them improve energy efficiency. There is no obligation on any household to implement energy efficiency measures.
72. **Human Rights:** We need to ensure that the proposal does not interfere with rights under the European Convention on Human Rights (ECHR) in a way which would be disproportionate to the achievement of any legitimate aim and unnecessary in a democratic society. Furthermore, we have to ensure that it does not breach any common law obligations of confidence. We have considered the possible impacts on an individual's human rights in terms of the right to enjoy home life, the right to a fair hearing, the right not to be deprived of property and the right to equal treatment and also the common law obligations of confidence and our view is that these proposals do not have a detrimental effect provided that we put in safeguards to ensure that the data owner and data users adhere to the principles set out in the DPA 1998 (see above).
73. **Rural proofing:** These proposals which may result in better targeting of F and G rated properties and potentially greater uptake of energy efficiency measures may benefit rural communities more. Data from the EHCS 2007 Report suggests that rural dwellings are much more likely to be energy inefficient than those in urban areas:

    - 19.4% rural dwellings failed on thermal comfort standards, as opposed to 18% all city and urban areas, and 13% of suburban areas (Summary Statistics Table SST3.3: Decent homes – area)

- the SAP rating of rural homes is 43.2, compared to 51.3 in city and urban areas and · 35.6% rural homes have an F or G energy efficiency rating, compared to only 16.1% in city and urban areas.