

**EXPLANATORY MEMORANDUM TO
THE HOME ENERGY EFFICIENCY SCHEME (ENGLAND) (AMENDMENT)
REGULATIONS 2010**

2010 No. 1893

- 1.** This explanatory memorandum has been prepared by the Department of Energy and Climate Change and is laid before Parliament by Command of Her Majesty.

This memorandum contains information for the Joint Committee on Statutory Instruments.

2. Purpose of the instrument

2.1 This explanatory memorandum has been prepared for the Home Energy Efficiency Scheme (England) (Amendment) Regulations 2010 which amends the existing Home Energy Efficiency Scheme (England) Regulations 2005 (S.I. 2005/1530)

2.2 The Home Energy Efficiency Scheme Regulations provide the Warm Front Scheme with powers to accept applications from people who are vulnerable to fuel poverty and to install heating and insulation measures that will improve the thermal efficiency of their homes. The Scheme operates with an annual budget and at the point that this has all been allocated the administering agency (Eaga plc) needs to be able to refuse new works applications. The amendment Regulations clarify the administering agency's ability to refuse applications in these circumstances.

3. Matters of special interest to the Joint Committee on Statutory Instruments

3.1 The amendment Regulations will enable applications for new work to be refused when all sums of money allocated by the Secretary of State for Warm Front have been awarded to already approved works applications.

4. Legislative Context

4.1 The Home Energy Efficiency Scheme (England) Regulations 2005 (S.I. 2005/1530, as most recently amended by The Home Energy Efficiency Scheme (England) (Amendment) Regulations 2009 (S.I. 2009/1816) are made under Section 15 of the Social Security Act 1990 and provide for the payment of grants to improve the energy efficiency of eligible households.

5. Territorial Extent and Application

5.1 This instrument applies to England.

6. European Convention on Human Rights

6.1 The Minister of Energy and Climate Change has made the following statement regarding Human Rights:

In my view the provisions of the Home Energy Efficiency Scheme (England) (Amendment) Regulations 2010 are compatible with the Convention rights.

7. Policy background

7.1 Warm Front is part of a package of key programmes for tackling fuel poverty in the private sector in England. Originally launched as the Home Energy Efficiency Scheme, it was re-branded in February 2001 as Warm Front. This rebranding is relevant only in so far as it is the public name given to the Scheme as implemented by the Regulations.

7.2 Warm Front provides insulation and heating measures to eligible households in receipt of the benefits and credits specified in regulation 4 of the Home Energy Efficiency Scheme Regulations 2005. Following an application, an assessment is carried out to establish whether the applicant is eligible for assistance. If eligibility is confirmed, a survey is arranged to establish which insulation and/or heating measures are appropriate for the applicant's property. Thereafter, those measures are installed in the applicant's property.

7.3 Warm Front has had £1.1 billion funding for the spending period 2008-11, with £345m in 2010/11. The Scheme continues to be popular and it is possible that Scheme funds may have all been allocated before the end of the financial year. To ensure that the Scheme will spend to budget this year and that all applicants that have been approved can receive measures this amendment Regulation helps to clarify the circumstances in which an application must be refused.

8. Consultation outcome

8.1 There was no statutory requirement to consult [on the changes implemented by these Regulations] and therefore no public consultation took place.

9. Guidance

9.1 We continue to work closely with the administering agency to monitor the budget and spend profile. Should we have to begin to refuse new applications before the end of the financial year the Scheme will continue to install measures for those who have already been approved.

9.2 In the event that new applications are refused we will ensure the administering agency and the Department amends all publicity materials and that correspondence lines with the public and stakeholders is clear.

10. Impact

10.1 The amending instrument will not impact on business, charities or voluntary bodies when used as a temporary measure therefore impact assessments have not been prepared.

10.2 The possibility of refusing applications will impact on vulnerable customers. This will be closely monitored and all publicity materials will contain advice about other potential options for customers to improve the thermal efficiency of their homes.

11. Regulating small business

11.1 The legislation does not apply to small business.

12. Monitoring & review

12.1 The Government will continue to monitor the budget for 2010/11 with a view to continuing to take new applications for as long as possible. If it is necessary to begin temporarily refusing new applications Government will closely monitor the impact it may have on those vulnerable to fuel poverty.

13. Contact

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