



Energy Act 2011

2011 CHAPTER 16

PART 1

ENERGY EFFICIENCY

CHAPTER 1

GREEN DEAL

Modifying consumer credit legislation

^{F1}25 Exemption from Consumer Credit Act 1974 in relation to credit to business debtors

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Textual Amendments

- F1** S. 25 omitted (26.7.2013 for specified purposes, 1.4.2014 in so far as not already in force) by virtue of [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) \(No.2\) Order 2013 \(S.I. 2013/1881\)](#), art. 1(2)(3)(6), [Sch. para. 17\(3\)](#)

Commencement Information

- I1** S. 25 in force at 28.1.2013 by [S.I. 2013/125](#), [art. 3\(b\)](#)

^{F2}26 Energy suppliers not to be treated as carrying on ancillary credit business

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Changes to legislation: There are currently no known outstanding effects for the Energy Act 2011, Cross Heading: Modifying consumer credit legislation. (See end of Document for details)

Textual Amendments

- F2** S. 26 omitted (26.7.2013 for specified purposes, 1.4.2014 in so far as not already in force) by virtue of [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) \(No.2\) Order 2013 \(S.I. 2013/1881\)](#), [art. 1\(2\)\(3\)\(6\)](#), [Sch. para. 17\(3\)](#)

Commencement Information

- I2** S. 26 in force at 28.1.2013 by [S.I. 2013/125](#), [art. 3\(b\)](#)

27 Duties to give debtors information and statements

- (1) The Consumer Credit Act 1974 is amended as follows.
- (2) In section 77 (duty to give information to debtor under fixed-sum credit agreement) after subsection (2) insert—
 - “(2A) Subsection (2B) applies if the regulated agreement is a green deal plan (within the meaning of section 1 of the Energy Act 2011).
 - (2B) The duty imposed on the creditor by subsection (1) may be discharged by another person acting on the creditor's behalf.”
- (3) In section 77A (statements to be provided in relation to fixed-sum credit agreement) after subsection (2) insert—
 - “(2A) Subsection (2B) applies if the regulated agreement is a green deal plan (within the meaning of section 1 of the Energy Act 2011).
 - (2B) Any duty imposed on the creditor by this section may be discharged by another person acting on the creditor's behalf.”
- (4) In section 77B (statement of account to be provided on request in relation to fixed-sum credit agreement) after subsection (7) insert—
 - “(7A) Subsection (7B) applies if the regulated agreement is a green deal plan (within the meaning of section 1 of the Energy Act 2011).
 - (7B) The duty imposed on the creditor by this section may be discharged by another person acting on the creditor's behalf.”

Commencement Information

- I3** S. 27 in force at 28.1.2013 by [S.I. 2013/125](#), [art. 3\(b\)](#)

28 Exemption from requirement to give notice of sums in arrears

In section 86B of the Consumer Credit Act 1974 (requirement to give notice of sums in arrears) for subsection (12) substitute—

“(12) In this section “applicable agreement” means an agreement which falls within subsection (12A) or (12B).

(12A) An agreement falls within this subsection if—

- (a) it is a regulated agreement for fixed-sum credit; and

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- (b) it is not—
 - (i) a non-commercial agreement;
 - (ii) a small agreement; or
 - (iii) a green deal plan (within the meaning of section 1 of the Energy Act 2011).

(12B) An agreement falls within this subsection if—

- (a) it is a regulated consumer hire agreement; and
- (b) it is neither a non-commercial agreement nor a small agreement.”

Commencement Information

I4 S. 28 in force at 28.1.2013 by S.I. 2013/125, art. 3(b)

29 Early repayment of green deal finance

- (1) The Consumer Credit Act 1974 is amended as follows.
- (2) After section 95A (compensatory amount to creditor in relation to early repayment) insert—

“95B Compensatory amount: green deal finance

- (1) This section applies where—
 - (a) a regulated consumer credit agreement provides for the rate of interest on the credit to be fixed for a period of time (“the fixed rate period”),
 - (b) the agreement is a green deal plan (within the meaning of section 1 of the Energy Act 2011) which is of a duration specified for the purposes of this section in regulations, and
 - (c) under section 94 the debtor discharges all or part of his indebtedness during the fixed rate period.
- (2) The creditor may claim an amount equal to the cost which the creditor has incurred as a result only of the debtor's indebtedness being discharged during the fixed rate period if—
 - (a) the amount of the payment under section 94 is not paid from the proceeds of a contract of payment protection insurance, and
 - (b) such other conditions as may be specified for the purposes of this section in regulations are satisfied.
- (3) The amount in subsection (2)—
 - (a) must be fair,
 - (b) must be objectively justified,
 - (c) must be calculated by the creditor in accordance with provision made for the purposes of this section in regulations, and
 - (d) must not exceed the total amount of interest that would have been paid by the debtor under the agreement in the period from the date on which the debtor makes the payment under section 94 to the date fixed by the agreement for the discharge of the indebtedness of the debtor.

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- (4) If a creditor could claim under either section 95A or this section, the creditor may choose under which section to claim.”
- (3) In section 94 (right to complete payments ahead of time)—
- (a) in subsection (1) after “section 95A(2)” insert “ or section 95B(2) ”;
 - (b) in subsection (5) after “section 95A(2)” insert “ or section 95B(2) ”.
- (4) In subsection (2)(c) of section 97A (duty to give information on partial repayment) after “section 95A(2)” insert “ or section 95B(2) ”.

Commencement Information

- I5** S. 29 in force at 21.3.2012 for specified purposes by [S.I. 2012/873, art. 3\(1\)\(d\)\(2\)](#)
- I6** S. 29 in force at 28.1.2013 in so far as not already in force by [S.I. 2013/125, art. 2\(d\)](#)

30 Power to amend Consumer Credit Act 1974

- (1) The Secretary of State may by order make such amendments to the Consumer Credit Act 1974^{F3}, the Financial Services and Markets Act 2000 and any statutory instrument made under that Act] as the Secretary of State considers appropriate in consequence of provision made by or under this Chapter.
- (2) Before exercising the power under subsection (1) the Secretary of State must consult—
- (a) the ^{F4}Financial Conduct Authority], and
 - (b) such other persons as the Secretary of State considers appropriate.

Textual Amendments

- F3** Words in s. 30(1) inserted (26.7.2013 for specified purposes, 1.4.2014 in so far as not already in force) by [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) \(No.2\) Order 2013 \(S.I. 2013/1881\), art. 1\(2\)\(3\)\(6\), Sch. para. 17\(4\)\(a\)](#)
- F4** Words in s. 30(2)(a) substituted (26.7.2013 for specified purposes, 1.4.2014 in so far as not already in force) by [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) \(No.2\) Order 2013 \(S.I. 2013/1881\), art. 1\(2\)\(3\)\(6\), Sch. para. 17\(4\)\(b\)](#)

Commencement Information

- I7** S. 30 in force at 21.3.2012 by [S.I. 2012/873, art. 2\(a\)\(vi\)](#)

Changes to legislation:

There are currently no known outstanding effects for the Energy Act 2011, Cross Heading:
Modifying consumer credit legislation.