



# Energy Act 2011

## 2011 CHAPTER 16

### PART 1

#### ENERGY EFFICIENCY

#### CHAPTER 1

#### GREEN DEAL

#### *Introductory*

### **1 Green deal plans**

- (1) This section applies for the purposes of this Chapter.
- (2) An energy plan is an arrangement made by the occupier or owner of a property for a person to make energy efficiency improvements to the property.
- (3) An energy plan is a green deal plan if—
  - (a) the energy efficiency improvements are to be paid for wholly or partly in instalments, and
  - (b) all of the requirements listed in paragraphs (a) to (e) of subsection (4) are met in relation to the plan at the time when it is made.
- (4) The requirements are—
  - (a) the property is an eligible property,
  - (b) the energy efficiency improvements fall within a description specified in an order made by the Secretary of State (“qualifying energy improvements”),
  - (c) the conditions mentioned in section 4 as to assessment of the property and other matters have been met,
  - (d) the conditions mentioned in section 5 as to the terms of the plan and other matters are met, and

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- (e) a relevant energy supplier supplies, or is to supply, energy to the property.
- (5) Subsection (6) applies to a green deal plan from the time when—
  - (a) improvements have been installed in accordance with section 7,
  - (b) the plan is confirmed in accordance with section 8, and
  - (c) the requirements imposed by virtue of section 9 or 10 are met.
- (6) The payments in instalments agreed in the plan are to be—
  - (a) made by the person who is for the time being liable to pay the energy bills for the property,
  - (b) made to the relevant energy supplier through the energy bills for the property,
  - (c) recoverable as a debt by the relevant energy supplier from the person referred to in paragraph (a), and
  - (d) recovered and held by the relevant energy supplier as agent and trustee for the person who made the improvements (unless the relevant energy supplier is also that person).
- (7) Subsection (6) applies irrespective of whether the person referred to in paragraph (a) is the person who entered into the plan.
- (8) Subsection (6) is subject to—
  - (a) provision made in regulations under section 34;
  - (b) any suspension or cancellation, by virtue of provision made in regulations under section 3(3)(h) or (i), 6(4), 16 or 35, of liability to make payments.
- (9) For the purposes of subsection (4)(a) a property is an eligible property unless it falls within a description specified in an order made by the Secretary of State.

## **2 Green deal plans: supplementary**

- (1) This section applies for the purposes of this Chapter.
- (2) The occupier or owner who makes the arrangement referred to in section 1(2) is the “improver” and the person who makes the improvements is the “green deal provider”.
- (3) The person referred to in section 1(6)(a) is the “bill payer”.
- (4) References to energy efficiency improvements, in relation to a property, are to—
  - (a) measures for improving efficiency in the use in the property of electricity, gas conveyed through pipes or any other source of energy which is specified in an order made by the Secretary of State, or
  - (b) measures falling within subsection (5) or (6).
- (5) Measures fall within this subsection if—
  - (a) they are any of the following—
    - (i) measures for increasing the amount of electricity generated, or heat produced, by microgeneration (within the meaning given by section 26(1) of the Climate Change and Sustainable Energy Act 2006);
    - (ii) any other measures for increasing the amount of electricity generated, or heat produced, using low-emissions sources or technologies;
    - (iii) measures for reducing the consumption of such energy as is mentioned in subsection (4), and

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- (b) they are specified in an order made by the Secretary of State.
- (6) Measures fall within this subsection if—
- (a) they are installed at the property for the purpose of supplying to it any of the following types of energy—
    - (i) electricity generated by a generating station operated for the purposes of producing heat, or a cooling effect, in association with electricity;
    - (ii) heat produced in association with electricity or steam produced from (or air or water heated by) such heat;
    - (iii) any gas or liquid subjected to a cooling effect produced in association with electricity, and
  - (b) they are specified in an order made by the Secretary of State.
- (7) For the purposes of subsection (5)(a)(ii) electricity is generated, or heat is produced, using low-emissions sources or technologies if it is generated, or produced, by plant which relies wholly or mainly on a source of energy or a technology mentioned in section 26(2) of the Climate Change and Sustainable Energy Act 2006.
- (8) For the purposes of subsection (6) “generating station” and “supplying” are to be read in accordance with section 64(1) of the Electricity Act 1989.
- (9) “Energy” (except in this section), “energy bill”, “occupier”, “owner” and “relevant energy supplier” have the meaning given in regulations made by the Secretary of State.
- (10) Regulations under subsection (9) may also make provision as to the circumstances in which a person who is not a bill payer for the purposes of this Chapter may be treated as a bill payer for those purposes.

### **3 Framework regulations**

- (1) The Secretary of State must by regulations establish a scheme making provision for the Secretary of State—
- (a) to authorise persons to act as green deal assessors, green deal providers or green deal installers in connection with green deal plans (either individually or through membership of a body specified in, or authorised under, the scheme);
  - (b) to regulate the conduct of those assessors, providers or installers (“green deal participants”).
- (2) Regulations under subsection (1) are referred to in this Chapter as “the framework regulations”.
- (3) The scheme established by the framework regulations may, in particular, make provision—
- (a) requiring the payment of a fee in connection with initial or continued authorisation under the scheme;
  - (b) for the establishment and maintenance of a register of green deal participants and of persons from whom authorisation under the scheme has been withdrawn;
  - (c) requiring green deal participants to provide the information required under the scheme;
  - (d) for the issuing, revision or revocation of a code of practice;
  - (e) requiring green deal participants to comply with the code of practice as a condition of their authorisation;

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- (f) requiring green deal providers to enter into an agreement with the holder of a licence under section 7 or 7A of the Gas Act 1986 (gas transporter, shipper or supply licences) or section 6(1)(c) or (d) of the Electricity Act 1989 (electricity distributor and supply licences) and to comply with that agreement as a condition of their authorisation;
  - (g) requiring that an agreement mentioned in paragraph (f) be approved by the Secretary of State before being entered into;
  - (h) for securing compliance with any condition or any other requirement of the scheme, code or agreement;
  - (i) as to the consequences of non-compliance with any such condition or requirement.
- (4) The code of practice issued for the purposes of the scheme may, in particular, make provision—
- (a) as to the qualification and training of green deal participants;
  - (b) as to their handling of queries or complaints;
  - (c) requiring green deal participants to have such arrangements for insurance as are specified in the code;
  - (d) as to the payment of green deal assessors by green deal providers or green deal installers and the payment of green deal installers by green deal providers;
  - (e) as to the circumstances in which green deal assessors may charge customers for qualifying assessments of properties and as to the amount of any such charge;
  - (f) requiring green deal assessors to act with impartiality;
  - (g) as to the provision of information by green deal providers to improvers and bill payers and prospective improvers and bill payers;
  - (h) as to marketing in connection with green deal plans.
- (5) The code may include provision for regulating a body specified or authorised for the purposes of subsection (1)(a).
- (6) The scheme and the code may make different provision for different circumstances or cases or for different purposes.
- (7) The provision made by the scheme or code in relation to green deal participants may also extend to matters in connection with any energy plans which are not green deal plans.
- (8) The provision made for the purposes of subsection (3)(h) or (i) may, in particular, include provision enabling the Secretary of State to—
- (a) cancel any liability to pay for a qualifying assessment of a property;
  - (b) require a green deal provider to suspend or cancel the liability of a bill payer to make payments under a green deal plan;
  - (c) require a green deal participant to rectify a qualifying energy improvement or its installation;
  - (d) require a green deal participant to pay compensation or a financial penalty;
  - (e) withdraw, or require a body specified or authorised for the purposes of subsection (1)(a) to withdraw, an authorisation to act as a green deal participant;

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- (f) withdraw authorisation from a body authorised for the purposes of subsection (1)(a) as a body whose members are authorised to act as green deal participants.
- (9) For the purposes of this section references to a qualifying assessment are to an energy efficiency assessment which meets the requirements specified in the framework regulations and deals with such other matters as may be so specified.
- (10) This section is without prejudice to the powers conferred on the Secretary of State by other provisions of this Chapter to make provision in or under the framework regulations.
- (11) In this Chapter references to a code of practice include references to a code of practice which has been revised by virtue of subsection (3)(d).