

Minimum Energy Performance of Buildings (No. 2) Bill

[AS INTRODUCED]

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Make provision to increase the energy performance of buildings; and for connected purposes.

BE 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 Domestic premises

- (1) *The Secretary of State must ensure that all domestic properties achieve at least EPC Band C by 2035, where practical, cost-effective and affordable.*
- (2) The duty in subsection (1) does not apply to a domestic property where the following exemptions apply —
 - (a) an occupant or anyone else whose permission is needed for works needed be carried out has explicitly refused such permission;
 - (b) it is not technically feasible to fulfil the duty; or
 - (c) the cost of carrying out works to fulfil the duty would exceed £20,000.
- (3) The Secretary of State may by regulations add to or change the exemptions referred to in subsection (2).
- (4) The Secretary of State may by regulations define the terms “practical”, “cost-effective” and “affordable”.

2 Privately rented properties

- (1) The Secretary of State must amend the Energy Efficiency (Private Rented Property) (England and Wales) Regulations 2015 (SI 2015/962) to require that, subject to subsection (2)—
 - (a) all new tenancies must have an energy efficiency performance of at least EPC Band C from 31 December 2025; and
 - (b) all existing tenancies must be at least EPC Band C from 31 December 2028 where practical, cost-effective and affordable as defined under section 1(4).
- (2) A landlord is exempt from the duty in subsection (1) to bring a property up to EPC Band C if they meet the criteria for an affordability exemption, as may be specified in regulations made by the Secretary of State.

- (3) The Secretary of State may, by notice in writing, direct a landlord to comply with this section.

3 Mortgage lenders

- (1) All mortgage lenders must by 31 December 2030 ensure that the average energy performance level of their domestic portfolios is at least EPC Band C. 5
- (2) The Secretary of State may by regulations require mortgage lenders to—
- (a) provide him or her with information regarding the energy performance of properties in their portfolio; and
 - (b) comply with this section.

4 Owner occupied properties 10

- (1) This section applies to owner occupied properties that are not mortgaged.
- (2) The Secretary of State must take reasonable steps to encourage owners of properties to which this section applies to improve the energy performance of their homes.
- (3) Homes to which this section applies must be EPC Band C by 2035, subject to the exemptions specified in subsection (4). 15
- (4) The exemptions referred to in subsection (3) are where carrying out the works necessary to achieve EPC Band C is not—
- (a) practical,
 - (b) cost-effective, or 20
 - (c) affordable,
- as defined under section 1(4).
- (5) The Secretary of State must make regulations for the purpose of achieving the target specified in this section.

5 Social housing 25

- (1) *All social landlords must ensure that a significant amount of their residential properties are at least EPC Band C by 2035.*
- (2) The Secretary of State may make regulations—
- (a) specifying what a “significant amount” is, and that different amounts may apply to different social landlords; and 30
 - (b) requiring that social landlords comply with this section.
- (3) In this section “social landlord” means a local authority or a registered social landlord.

6 New homes

- (1) The Secretary of State must by regulations set a Future Homes Standard that will require that all homes built from 1 January 2025 are zero carbon ready. 35

- (2) Regulations made under subsection (1) must define what the term “zero carbon ready” means.

7 Rented non-domestic buildings

- (1) All rented non-domestic buildings must be EPC Band B by 2030, subject to the exemptions under subsection (2). 5
- (2) The exemptions referred to in subsection (1) are—
- (a) where it is not technically feasible, and
 - (b) where it is not cost-effective as defined under section 1(4),
- to achieve EPC Band B, in which case such properties must be improved to an EPC level to which these exemptions do not apply. 10
- (3) The Secretary of State may, by notice in writing, direct any relevant person to comply with this section.
- (4) The Secretary of State may make regulations for the purpose of ensuring compliance with this section.

8 Regulations 15

- (1) Regulations made under this Act are to be made by statutory instrument, and a statutory instrument made under this Act is subject to annulment in pursuance of a resolution of either House of Parliament.
- (2) Regulations made under this Act and applying to Wales are, to that extent, subject to annulment in pursuance of a resolution of Senedd Cymru. 20

9 Interpretation

In this Act—

“EPC Band B” means either—

- (a) Level B on an “Energy Performance Certificate” issued under section 43 of the Energy Act 2011 (domestic energy efficiency regulations) or any amendment to that section made by the Secretary of State by regulations; or 25
- (b) an equivalent level on any new method of measuring the energy efficiency of properties that may be adopted by the Secretary of State by regulations; 30

“EPC Band C” means either—

- (a) Level C on an “Energy Performance Certificate” issued under section 43 of the Energy Act 2011 (domestic energy efficiency regulations) or any amendment to that section made by the Secretary of State by regulations; or 35
- (b) an equivalent level on any new method of measuring the energy efficiency of properties that may be adopted by the Secretary of State by regulations.

10 Short title, commencement and extent

- (1) This Act may be cited as the Minimum Energy Performance of Buildings Act 2021.
- (2) This Act extends to England and Wales.
- (3) This Act comes into force on the day on which it is passed.

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Make provision to increase the energy performance of buildings; and for connected purposes.

Presented by Sir David Amess

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