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## EXPLANATORY NOTE

*(This note is not part of the Regulations)*

These Regulations, which come into force on the day after the day on which they are made, amend the Warm Home Discount Regulations 2011 (the “WHD Regulations”) and make consequential amendments to the Disclosure of State Pension Credit Information (Warm Home Discount) Regulations 2011 (“the Disclosure Regulations”).

The WHD Regulations established the Warm Home Discount scheme (“the scheme”), which was to run for four years, and places obligations on electricity suppliers who have 250,000 or more domestic customer accounts (or who are part of a group of electricity or gas supply companies which together have 250,000 or more domestic customer accounts) to incur spending on providing benefits to customers who are in, or are at risk of, fuel poverty. In brief, the scheme requires those electricity suppliers to provide their “core group customers” (that is, domestic customers who are, or who have a partner who is, in receipt of state pension credit) with a rebate in each scheme year. It also requires those suppliers to provide the rebate to other domestic customers (“broader group customers”) who meet their eligibility criteria, and it provides for those suppliers to undertake “industry initiatives”, such as the provision of energy advice or debt assistance, in relation to energy consumers.

These Regulations amend the WHD Regulations to extend the operation of the scheme for a fifth year, until 31st March 2016. They also make amendments to the way in which the scheme will operate in scheme year 5. In particular: they introduce standard criteria by which suppliers must assess the eligibility of potential broader group customers; they add new measures which qualify as an industry initiative, including the provision of assistance to mobile home residents (that is, people who live in mobile homes who cannot qualify as core, or broader group, customers as they are not supplied directly with electricity); and they make amendments to the way in which a supplier’s “non-core spending obligation” may be calculated (that is, the amount the supplier must spend in a scheme year, other than on payments to core group customers).

The Disclosure Regulations authorise the sharing of data between the Secretary of State and electricity suppliers about customers, or their partners, who are in receipt of state pension credit, to facilitate the operation of the scheme. These Regulations amend the Disclosure Regulations so that they continue in operation during the extended operation of the scheme.

A full impact assessment of the effect that this instrument will have on the costs of business and the voluntary sector, is annexed to the Explanatory Memorandum which is available alongside these Regulations on [www.legislation.gov.uk](http://www.legislation.gov.uk).