
STATUTORY INSTRUMENTS

2022 No. 772

**The Warm Home Discount (England
and Wales) Regulations 2022**

PART 4

Non-Core Spending

CHAPTER 2

Obligation to incur spending etc.

Obligation to incur spending and amounts of spending

20.—(1) In each scheme year, a compulsory scheme electricity supplier must incur spending under this Part to the amount of its non-core spending obligation.

(2) In doing so, the supplier—

- (a) must include spending under Chapter 3 (industry initiatives), subject to the requirements and limits in paragraphs (3) to (5);
- (b) may include spending under Chapter 4 (activities specified by the Secretary of State).

(3) Where the aggregate non-core spending obligation for the scheme year exceeds £10 million, the amount of spending on financial assistance under regulation 21 which a supplier counts towards its non-core spending obligation—

- (a) must be no less than the obligation percentage of £5 million, but
- (b) must not, in total, exceed the obligation percentage of £10 million.

(4) Where the aggregate non-core spending obligation for the scheme year exceeds £6 million, the amount of spending on debt write-off under regulation 21 which a supplier counts towards its non-core spending obligation—

- (a) must not exceed the obligation percentage of £3 million in respect of customers who are supplied with neither electricity or gas through a pre-payment meter;
- (b) must not, in total, exceed the obligation percentage of £6 million.

(5) Where the aggregate non-core spending obligation for the scheme year exceeds £8 million, the amount of spending on the installation of boilers or central heating systems under regulation 21 which a supplier counts towards its non-core spending obligation must not in total exceed the obligation percentage of £8 million.

(6) In this regulation—

“financial assistance” means the activity listed in the final entry in the table in Part 1 of Schedule 2;

“obligation percentage”, in relation to a supplier, means the percentage determined in accordance with paragraph (3) of regulation 17.

(7) This regulation is subject to regulations 23 and 24.