

## Secretary of State's Statement on HIPs

### Home Information Packs: Ministerial Statement 22 May

With Permission, Mr Speaker, I would like to update the House on the Government's proposals for the implementation of Home Information Packs.

It had been the Government's intention to implement Home Information Packs, including Energy Performance Certificates, on 1 June.

In debate last week, reference was made to the Judicial Review requested by the Royal Institution of Chartered Surveyors. This Judicial Review focussed on Energy Performance Certificates - not Home Information Packs.

On Wednesday, the judge issued an interim order, which was received by my Department on Thursday. That Order would have effectively prevented the introduction of Energy Performance Certificates on 1 June, while the case was being considered.

The Government believes that introducing Home Information Packs without Energy Performance Certificates would be neither practical nor acceptable. It is important to introduce Energy Performance Certificates and Home Information Packs at the same time, because cutting carbon emissions should go hand in hand with market transformation.

We have been in detailed discussion with RICS to prevent lengthy legal delays. Both the Government and RICS are committed to the swift and smooth introduction of both Home Information Packs and Energy Performance Certificates. I am pleased we have today reached a pragmatic way forward that gives certainty and allows us to get on with implementation.

As a result, we are therefore proposing to withdraw the Home Information Pack regulations in order to clear the way for successful implementation of revised arrangements.

Although the issue of the judicial review is now resolved, long-running uncertainty has already had an impact on the numbers of energy assessors. For implementation on June 1, we would need at least 2,000 to be accredited, with over 2,500 by the end of the month. Today I am updating the House with the latest figures. There are over 2,500 people currently in training. A further 3,200 have already passed their home inspector or domestic energy assessor exams. Of those, 1,500 have been accredited or have applied for accreditation but only 520 of these have been fully accredited. These figures show that the number of assessors is unlikely to meet our needs for 1 June implementation. Equally, they show that in the long term, there will be enough assessors to meet demand.

The Government remains convinced of the importance of Home Information Packs and Energy Performance Certificates. Home Information Packs will cut costs and delays in buying homes. Energy Performance Certificates will help reduce energy bills and cut carbon emissions from our homes, which, as they make up 27% of our national carbon emissions, could make a big difference in our effort to tackle climate change. The measures in Energy Performance Certificates will cut carbon emissions by nearly a million tonnes every year.

I have always said that the right test of the legislation should be how it brings benefits for consumers and how it protects the environment. Today, therefore, I am setting out a practical way forward.

I propose to change the start date for Home Information Packs to August 1, and intend to phase its introduction.

From August 1 Home Information Packs - including energy performance certificates -will be required for the sale of four bedroom properties and larger. These are the properties where there is the greatest potential to make energy efficiency savings. This will ensure work for those energy assessors who have already been trained and accredited.

We will extend to smaller properties as rapidly as possible, as sufficient energy assessors become ready to work. As we see the number of accredited assessors rise, so more properties will be included in the system.

We are also introducing a number of transitional measures.

First, until the end of the year, we propose allowing people to market their properties as soon as they have commissioned a pack - rather than making them wait until they have received them, in order to avoid unnecessary delays when the systems come in.

Second, to allow energy performance certificates to be implemented at the earliest opportunity, we will make amendments to allow Energy Performance Certificates to be up to twelve months old when the property is put up for sale - extending the current three month age limit.

Third, we are inviting councils and registered social landlords to work with us to introduce Energy Performance Certificates on a voluntary basis in social housing, for example at the time of stock transfers. This will also provide work for energy assessors at an early opportunity.

I will shortly bring forward revised regulations to implement the changes I have outlined.

Towards the end of the year we will assess the implementation of Home Information Packs and consider what further steps might be needed to maximise the reduction in carbon emissions and drive forward the reform of homebuying and selling.

This assessment will be informed by the operation of the market from 1 August; by the results of the area trials; and by a further consultation on the next steps in implementing Home Information Packs and Energy Performance Certificates, which we will begin in the summer.

Mr Speaker, the approach I have set out gives clarity to everyone about the next steps.

It delivers Home Information Packs and Energy Performance Certificates, removes uncertainty for energy assessors and others, and ensures a smooth transition for the people buying and selling their property.

Most importantly, it provides an opportunity to make real progress towards cutting carbon emissions from our homes.

**May 2007**