

**COOPER CALLS FOR INCENTIVES TO IMPROVE HOME ENERGY
RATINGS**

Energy Performance Certificates (EPCs) should be linked to incentives such as green mortgages, Housing Minister Yvette Cooper said today. EPCs could also be linked to schemes run by energy companies which give homebuyers cash upfront to make energy saving alterations to their houses.

Setting out the next steps on EPCs and Home Information Packs, the Minister said she would be meeting mortgage lenders and energy companies to discuss the development of these kinds of incentives.

EPCs, energy ratings for homes similar to consumer-friendly 'fridge ratings', will be compulsory as part of Home Information Packs from 1 June 2007. The EPCs will outline the costs of heating, hot water and lighting in homes and give practical advice on how to cut these costs and reduce emissions.

If only one fifth of homeowners made the basic changes set out in their EPC they could save around £100 million a year on their energy bills and cut carbon emissions by the equivalent of taking 100,000 cars off the roads.

Yvette Cooper said:

"We all need to work together to tackle climate change. Twenty-seven percent of carbon emissions come from homes. Until now householders haven't had

energy efficiency facts about their houses upfront; but next June every homebuyer will know exactly how energy efficient their homes are - and how they can improve this. Why shouldn't this information be used by mortgage lenders or energy companies?

"Other countries offer green mortgages which give homebuyers money to meet the costs of making energy saving improvements. In England, sixteen councils have piloted schemes with energy companies where council tax rebates are offered to people who make energy saving changes to their homes. EPCs offer great scope for incentives like these."

Director of Campaigns at WWF, Paul King, said:

"WWF has been campaigning for some time for financial incentives such as green mortgages to be introduced, to drive consumer demand for energy efficiency in the home. EPCs will provide financial services providers with a way of differentiating their products, such as mortgages or insurance, for more energy efficient homes for the first time."

Energy Performance Certificates will form part of Home Information Packs (HIPs). HIPs will also include searches and other legal documents and homeowners will be able to top up their packs with a voluntary Home Condition Report.

Yvette Cooper also pledged £4 million of funding today to support six area trials for the packs in Bath, Newcastle, Southampton, Northampton, Huddersfield and Cambridge in November 2006. The trials are taking place in partnership with the Association of Home Information Pack Providers (AHIPP) and aim to help test both the packs and full Home Condition Reports.

Sellers will be encouraged to take up voluntary HIPs and there will be independent monitoring to ensure lessons are learnt from first hand experiences. Regional campaigns will run simultaneously to support the trials, raise awareness and encourage voluntary take up.

Deputy Director of the Association of Home Information Pack Providers, Paul Broadhead said:

"We are delighted the Government are involved in our regional roll-outs. This reaffirms their commitment to HIPs and will give consumers in these locations the opportunity to experience the benefits of the Packs prior to June 2007."

Yvette Cooper also confirmed that a number of key milestones for the delivery of the programme have been met, with the first Certification Scheme, proposed to be run by the company SAVA (Surveyors and Valuers Accreditors), now going through the approval process. Certification Schemes will manage the registration and quality assurance of Home Inspectors and Energy Assessors. It is expected that the first scheme will be open for business in time for the area trials and that fully accredited Home Inspectors will be able start work at that time. Energy Performance Certificates and Home Condition Reports will all be registered.

Landmark Solutions has been chosen as the preferred bidder to set up the Home Condition Report Register, which will be operational later this year.

Next February, a National Occupation Standard for Energy Assessors will be in place, enabling people to train for a stand-alone Energy Assessors qualification.

Ian McCartney, Minister for Consumer Affairs, has also confirmed that his Department has today published on its website the criteria that the DTI Secretary of State will use to assess the suitability of applicants to run redress schemes available to those who have HIP related complaints. This will ensure that as from June 2007 home buyers and sellers will have the protection they need from unscrupulous agents and others marketing the Packs. The intention is that consumers will also have a single point of access for all complaints affecting the buying and selling of homes.

Notes to Editors

1. Home Information Packs

The Government is introducing Home Information Packs in England and Wales on 1 June 2007 and anyone selling a property must provide potential buyers with a Pack. Every Pack will include an Energy Performance Certificate. The Packs will also include information such as searches and other legal documents. A Home Condition Report giving details on the condition of a property can also be included in the Packs on a voluntary basis.

2. Energy Performance Certificates

An Energy Performance Certificate will provide buyers and sellers with A-G ratings on their homes, similar to fridge ratings, as well as a list of practical measures to cut their fuel bills and carbon emissions. By acting on the recommendations listed in the Energy Performance Certificate, the average homeowner is expected to save £300 a year on fuel bills and help to reduce the 27% of the UK's carbon emissions currently generated by our homes.

3. Home Condition Reports

The Home Condition Report contains information about the physical condition of the property on which sellers, buyers and lenders will be able to rely legally as an objective and authoritative report.

Sellers who provide a Home Condition Report will have an early opportunity to carry out repair work on the property or obtain quotes prior to marketing. Potential buyers will be made aware of repairs that they might need to make and fund, or they will be reassured that the property is in good condition, in both cases before they decide to put in an offer. Lenders can also benefit by using the reports to inform their valuations, reducing the need to repeat a detailed on site inspection at the buyer's expense.

The Government believes there will be significant benefits to home sellers from adding a Home Condition Report to their Packs, including greater certainty about sales being completed more quickly.

4. Certification Schemes

All Home Inspectors must belong to certification schemes. The schemes will operate under standards set by Government, which will make sure that these schemes operate robustly to protect consumers.

5. Home Condition Report Register

Energy Performance Certificates and Home Condition Reports will be lodged on a national register. The register is expected to be operational later this year.

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