Private Rented Homes

Funded Energy Improvements
Draft Bill and Analysis

England and Wales
United Kingdom

17 September 2026

Contents

Purpose and status

This document contains a proposed public Bill for England and Wales and a separate analysis of its legal, empirical and computational basis. It is a legislative proposal, not an enacted instrument. The analysis reflects sources reviewed on 17 September 2026.

The proposed operating arrangement is to deliver safe energy improvements when funding, consent, occupation, net tenant benefit and effective rectification can be secured together. The calculations compare specified delivery conditions. They do not establish that a new Act produces better outcomes than identical delivery under existing lawful powers.

The draft contains 34 clauses and four Schedules. The analysis following the legislative text reports six completed JudgeAI comparisons, their results and the conditions to which those results apply.

Draft public Bill

A Bill to provide for the coordinated delivery of funded voluntary energy improvements to privately rented homes in England and Wales; to make provision about project assessment, consent, finance, occupation, installation, verification and records; to preserve existing requirements relating to energy performance, housing conditions and occupation; and for connected purposes.

Be it enacted by the King'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:-

Part 1 - Application and existing duties

1. Application of this Act

(1) This Act applies to a proposed project for improving the energy performance of a domestic private rented property in England or Wales where-

(a) the landlord voluntarily seeks assistance for the project under an existing public funding programme;

(b) the proposed improvement goes beyond the discharge of an obligation identified under section 3; and

(c) the body administering the programme accepts the project for consideration under this Act within its lawful functions and available programme resources.

(2) Acceptance for consideration is not an award of assistance, approval of the works, or confirmation that the property or project complies with another enactment.

(3) Where a proposed project includes both an improvement mentioned in subsection (1)(b) and work required to discharge an existing obligation, the project plan must distinguish those elements and identify the lawful source of payment for each.

(4) A body must not use acceptance under this Act to fund work which the applicable programme rules prohibit it from funding.

(5) This Act does not require a landlord to undertake an improvement above the requirements otherwise applicable to the property merely because financial assistance might be available.

2. Interpretation

(1) In this Act-

“appropriate national authority” means the Secretary of State in relation to England and the Welsh Ministers in relation to Wales;

“delivery body” means the public authority, programme administrator or other person lawfully responsible for administering an accepted project under an existing funding programme;

“domestic private rented property” has the meaning given by section 42 of the Energy Act 2011;

“existing funding programme” means a programme under which financial assistance may lawfully be provided otherwise than by virtue of this Act;

“funding confirmation” means a confirmation satisfying section 12;

“landlord” means the person who lets or proposes to let the property, and includes each person whose participation is necessary for that person to perform the project agreement;

“occupant” means a tenant or contract-holder of the property and, where relevant to the arrangements for occupation, a person lawfully residing with that tenant or contract-holder;

“project agreement” means the written agreement required by section 17;

“project coordinator” means the person identified in the project agreement as responsible for coordinating the project;

"project plan" means the plan required by section 9.

(2) References to a tenant or tenancy include, in relation to Wales, a contract-holder or occupation contract under the Renting Homes (Wales) Act 2016 where the context requires.

(3) References to a consent include a consent required from a tenant, superior landlord, freeholder, mortgagee, co-owner or other person with a relevant right in the property.

(4) An approval includes a planning permission, listed building consent, building-control approval or other public authorisation required for the proposed work.

3. Preservation of existing obligations

(1) Nothing in this Act disapplies, suspends or reduces an obligation imposed by or under-

(a) the Energy Act 2011 or the Energy Efficiency (Private Rented Property) (England and Wales) Regulations 2015;

(b) the Energy Performance of Buildings (England and Wales) Regulations 2012;

(c) Part 1 of the Housing Act 2004;

(d) sections 9A to 11 of the Landlord and Tenant Act 1985, so far as applicable;

(e) sections 91 and 92 of the Renting Homes (Wales) Act 2016 or regulations made for the purposes of section 91 of that Act;

(f) the Building Act 1984 or building regulations; or

(g) any other enactment concerning the safety, condition or lawful occupation of the property.

(2) The absence, withdrawal, insufficiency or expiry of funding, consent or a project agreement under this Act does not constitute an exemption from an obligation mentioned in subsection (1).

(3) An exemption from an energy-performance requirement does not, by virtue of this Act, exempt the landlord from a fitness, repair or safety obligation.

(4) Neither acceptance nor completion of a project determines whether an existing breach has occurred or prevents the exercise of an existing enforcement power in relation to that breach.

4. Voluntary participation and legal effect

(1) A project may proceed under this Act only on the conditions specified in this Act and the project agreement.

(2) Failure to satisfy those conditions does not-

(a) create a new prohibition on letting the property;

(b) create a civil or criminal penalty under this Act; or

(c) invalidate a tenancy or occupation contract.

(3) Subsection (2) does not affect a prohibition, liability or contractual consequence arising otherwise than under this Act.

(4) This Act does not create a right to receive a grant or loan, obtain credit, secure a tax advantage or require another person to contribute to a project.

(5) Failure to qualify under this Act does not of itself prohibit voluntary works carried out otherwise than under this Act in accordance with applicable law.

Part 2 - Administration and admission of projects

5. Territorial administration

(1) Functions under this Act relating to a programme administered for England are to be exercised by the authority or delivery body lawfully responsible for that programme.

(2) Functions relating to a programme administered for Wales are to be exercised by the Welsh Ministers or the authority or delivery body lawfully responsible for that programme in Wales.

(3) Where an existing programme operates in both England and Wales, this Act does not alter the allocation of functions under that programme.

(4) The appropriate national authorities may coordinate information and administrative arrangements within their existing powers, but an arrangement under this subsection does not transfer a function, extend eligibility or authorise expenditure.

(5) A provision applicable to a programme in England does not become applicable to a programme in Wales merely because both programmes concern energy improvements.

6. Responsibility of delivery bodies

(1) A delivery body accepting a project must identify in writing-

(a) its legal capacity to administer the project;

(b) the programme under which assistance is sought;

(c) the person responsible for decisions on eligibility and funding;

(d) the person responsible for coordination and project records; and

(e) the existing arrangements for complaints and review of programme decisions.

(2) Acceptance must be within the body's available and lawfully allocated administrative resources.

(3) A delivery body must not represent resources allocated to another recipient or another purpose as available to the project unless their use for the project has been lawfully authorised independently of this Act.

(4) This Act does not require the displacement of an existing recipient or the diversion of an existing award in order to admit a project.

7. Information on application

(1) An application must identify the property, landlord, relevant occupation arrangements, proposed work and proposed funding programme.

(2) The applicant must disclose, so far as known after reasonable enquiry-

(a) existing energy-performance certificates and relevant assessments;

(b) subsisting notices or orders concerning the condition or safety of the property;

(c) relevant title, lease and consent restrictions;

(d) assistance already awarded or sought for the same work; and

(e) any circumstance materially affecting occupation during the proposed work.

(3) The delivery body must seek only information necessary to determine whether to consider the project and must deal with personal information in accordance with section 28.

(4) An application must not be treated as consent to entry, work, borrowing, relocation or a variation of a tenancy.

8. Explanation of the proposed process

(1) Before obtaining a project agreement, the delivery body must give the landlord and each affected tenant or contract-holder a written explanation of-

(a) the voluntary nature of participation;

(b) the difference between an application, an award and authority to begin work;

(c) the proposed benefits and material uncertainties;

(d) the contributions and responsibilities proposed for that person;

(e) the arrangements for occupation, complaints and project changes; and

(f) the preservation of existing rights and obligations.

(2) The explanation must distinguish a forecast of energy use, bills or comfort from a contractual performance requirement or a measured result.

(3) Information must be provided in a form the recipient can reasonably understand, with arrangements for communication needs identified for the project.

(4) Providing an explanation does not authorise a person to give financial, legal or other regulated advice without any authorisation required by law.

Part 3 - Conditions before work begins

9. Independent assessment and project plan

(1) A project must have a written plan prepared or independently reviewed by a person competent to assess the dwelling and proposed measures.

(2) The assessment must consider the dwelling as a whole, including interactions between measures, occupation, moisture, ventilation, heating, electrical systems and the building of which the dwelling forms part.

(3) A person is not independent for a particular assessment if that person is responsible for installing the work being assessed or has an interest which would prevent an objective assessment of its suitability.

(4) The identity, competence and relevant interests of the assessor must be recorded.

(5) The plan must contain the particulars required by Schedule 1 and must identify-

(a) the applicable assessment method and performance specification;

(b) the work required to satisfy that specification;

(c) any work which is unsuitable, dependent on another measure or outside the project; and

(d) the method by which completed work will be checked.

(6) Neither an appraisal assumption nor a projected certificate rating constitutes a statutory minimum standard by virtue of its inclusion in a plan.

10. Consents and approvals

(1) The project coordinator must identify every consent and approval necessary for the proposed works, access and occupation arrangements.

(2) Work for which a consent or approval is required must not begin until it has been obtained, is effective and permits the work to proceed on the proposed terms.

(3) A consent must be recorded separately from an application for funding and must identify the work or arrangement to which it relates.

(4) Silence, participation in an assessment or receipt of project information is not consent.

(5) This Act does not authorise compulsory entry, dispense with a private right or public approval, or confer a power to substitute consent.

(6) Where necessary consent cannot be obtained, the project must be revised or must not proceed; section 3 continues to apply.

11. Complete cost allocation

(1) Before a project agreement is made, the project coordinator must prepare a cost allocation satisfying Schedule 2.

(2) The allocation must cover all costs necessary to execute the agreed project, including-

(a) assessment, design and obtaining necessary approvals;

(b) installation and associated enabling and making-good work;

(c) verification, commissioning and documentation;

(d) agreed temporary occupation, moving and return arrangements where needed;

(e) project administration; and

(f) executable contractual provision for rectification, necessary occupation and verification following a defect, and the consequences of identified delivery risks.

(3) Each cost must have an identified payer, funding source, payment trigger and treatment if the project changes or does not complete.

(4) An anticipated saving on a tenant's energy bill is not a source of payment for the landlord's expenditure unless a lawful and expressly agreed payment arrangement actually makes funds available.

(5) An unidentified residual cost must not be allocated by default to an occupant or another public programme.

12. Confirmed eligible funding

(1) A funding confirmation must identify an actual award made by a person with authority to make it, the amount available, its permitted use and the conditions of payment.

(2) Eligibility must be determined under the rules of the programme making the award, including territorial, household, property, landlord, subsidy and previous-assistance conditions.

(3) An indication of possible eligibility, an application awaiting decision, an unaccepted quotation or an expectation of future finance is not a funding confirmation.

(4) Where payment follows performance of a stage of work, the project agreement must identify a binding and lawful arrangement that covers expenditure falling due before payment.

(5) The delivery body must be satisfied that the confirmed award and signed lawful contributions together cover the allocated costs and their payment timing.

(6) This section does not vary a programme's allocation, grant limit, eligible measures or conditions of recovery.

13. Affordability of contributions

(1) A person required to make a contribution must agree it in writing after receiving the allocation and information required by sections 8 and 11.

(2) The agreement must identify the resources or binding finance from which the contribution will be met and the time at which those resources will be available.

(3) In confirming affordability, the project coordinator must take account of the contributor's disclosed existing payment obligations and circumstances relevant to meeting the contribution when due.

(4) Ownership of property, a valuation, gross income or eligibility to apply for borrowing must not, without evidence of available resources or binding finance, be treated as proof that a contribution is affordable.

(5) No person is required by this Act to borrow, grant security or disclose information unrelated to the affordability of the contribution.

(6) If a necessary contribution cannot be confirmed as affordable and available, the proposed project must be reduced, otherwise funded on agreed lawful terms, or must not proceed.

14. Subsidy, tax and occupant charges

(1) A cost allocation must identify other assistance or relief relating to the same expenditure and must comply with the applicable programme and subsidy-control rules.

(2) The same expenditure must not be represented as payable twice or as an unfunded private contribution when it is funded by an award.

(3) A project agreement must not impose on an occupant a charge for expenditure paid by a public award.

(4) A payment or rent arrangement remains subject to the law governing permitted charges, rent variation, occupation contracts and consumer protection.

(5) This Act creates no deduction, credit, exemption or alteration of a tax rate.

(6) Estimates must use the tax treatment applicable to the relevant supply or taxpayer and must distinguish a prospective relief from a relief already available on its conditions.

(7) Before readiness is confirmed, the project agreement must be accompanied by an assessment of the net financial effect on each affected tenant or contract-holder, comparing credible bill-saving scenarios with-

(a) any contribution, incremental rent or other charge attributable to the project;

(b) the cash costs of disruption, moving, temporary occupation and return which that person would bear; and

(c) the amount, timing and enforceability of any agreed refund, payment or protection against those costs.

(8) The assessment must state its period, assumptions, uncertainty and relevant alternative scenarios, and must distinguish a forecast from a guaranteed payment or limit on liability.

(9) Every promised refund, payment, limit or other financial protection relied on in the assessment must have an identified enforceable obligor and an identified funding arrangement within the project cost allocation.

(10) If a positive net financial benefit cannot be established on the basis of that assessment, the charges, scope or funding must be revised or the project must not be confirmed or represented under this Act as a qualifying tenant-beneficial project.

(11) This section does not guarantee a forecast saving, create an unfunded obligation of a public authority or prevent otherwise lawful voluntary work outside this process.

15. Continuity of occupation

(1) A project must not require an occupant to leave the home unless a written occupation agreement satisfying Schedule 3 has been made with the tenant or contract-holder.

(2) Where temporary occupation elsewhere is necessary, the agreement must identify suitable accommodation, its availability, the costs of occupation and moving, and arrangements for return.

(3) Those costs and arrangements must be included in the funded project before the occupant is required under the agreement to move.

(4) Suitability must be considered in relation to the occupants concerned, including relevant accessibility, health, household, location and practical needs.

(5) Temporary absence under the agreement does not constitute a surrender of the tenancy or occupation contract.

(6) Participation in a project does not create a ground for possession or waive an existing protection against eviction or retaliation.

(7) If suitable agreed arrangements cannot be secured, work requiring the home to be vacated must not proceed under this Act.

(8) The occupation agreement must secure funded continuation of suitable temporary occupation, or an agreed funded alternative, if safe return is not possible on the expected date; the expiry of that date alone must not end the agreed protection.

16. Competence, capacity and lawful procurement

(1) The project coordinator must identify the persons contracted to undertake and verify each material element of the project and confirm their capacity to perform the agreed work.

(2) Persons undertaking work must have the competence, certification and authorisation required by applicable law and the relevant funding programme.

(3) A project must comply with applicable procurement, construction, occupational safety and product-safety requirements.

(4) Forecast availability of an installer is not a contract for delivery.

(5) The coordinator must record arrangements for supervision, coordination of trades, safe access, protection of occupants and response to an identified hazard.

(6) This section does not create a separate licensing scheme or exempt a person from an existing one.

17. Project agreement

(1) The landlord, delivery body and persons undertaking a contractual responsibility must enter into a written project agreement before installation begins.

(2) The agreement must incorporate the project plan, cost allocation, funding conditions and occupation arrangements, and identify the person responsible for each obligation.

(3) It must specify-

(a) the work, specification, sequence and agreed delivery dates;

(b) payments and the evidence required for each payment;

(c) the persons entitled to enforce each contractual obligation;

(d) arrangements for changes, suspension, cancellation and funding recovery;

(e) independent verification and contractual rectification;

(f) complaints and applicable dispute-resolution arrangements; and

(g) the records to be supplied on completion.

(4) A tenant or contract-holder must be an identified party to, or have an identified enforceable benefit under, each contractual undertaking made for that person's temporary occupation, return, rectification, charge protection, refund or other financial protection relied on under section 14.

(5) A project agreement must not exclude or restrict a right which applicable law prohibits the parties from excluding or restricting.

18. Confirmation of readiness

(1) Before installation begins, the project coordinator must record that-

(a) the plan is complete and independently assessed;

(b) necessary consents and approvals are effective;

(c) costs, affordable contributions and funding are confirmed;

(d) occupation arrangements are agreed and available;

(e) contractors, verification and executable rectification arrangements are secured;

(f) the assessment and enforceable funded protections required by section 14 are recorded; and

(g) the project agreement has been made.

(2) The confirmation must identify the evidence supporting each condition and any condition relevant to a later stage.

(3) Confirmation is an administrative record of project readiness; it is not planning permission, building approval, a new energy-performance certificate or an exemption from existing law.

(4) A copy must be given to the landlord, delivery body and affected tenant or contract-holder, with personal information withheld where its disclosure to that recipient is unnecessary.

Part 4 - Delivery, change and completion

19. Independently funded stages

(1) A project may be delivered in separate stages where the independent whole-dwelling plan identifies the scope and sequence of those stages.

(2) A stage may proceed before funding for a later stage has been secured only if the independent assessment confirms that the proposed stage-

(a) produces an identifiable benefit in its own right;

(b) leaves the dwelling safe and suitable for continued occupation, including by providing any necessary ventilation and associated work;

(c) does not depend for its safe or effective operation on an unfunded later stage; and

(d) does not prejudice the practicability of the later work identified in the plan.

(3) Sections 10 to 18 apply to that stage as they apply to a project, and its confirmed funding and cost allocation must cover installation, associated work, verification, occupation arrangements and administration necessary for that stage.

(4) The agreement and record must distinguish the funded stage from any later proposal for which funding, consent or delivery capacity is not secured.

(5) An unfunded later stage must not be represented as an awarded project, an obligation of another public programme or a confirmed future benefit.

(6) A gap in funding for a later stage does not create a higher energy-performance prohibition on letting under this Act, but does not relieve a person of any existing duty preserved by section 3.

20. Execution of the agreed work

(1) Work must be carried out in accordance with the project agreement, applicable consents and approvals, and applicable law.

(2) The project coordinator must keep affected occupants informed of the work, access arrangements, interruptions and any material change affecting occupation.

(3) A person carrying out work must not treat a funding award or project agreement as authority to enter premises without a lawful right and any necessary consent.

(4) The project coordinator must maintain a record of installation, relevant inspections and material departures from the specification.

21. Material changes

(1) A change is material if it affects the specification, safety, consent, occupation, cost, funding, timing or verification of the project.

(2) A material change must be recorded and assessed before the affected work proceeds.

(3) Where necessary, the plan must be independently revised, additional consent obtained and funding and contributions reconfirmed.

(4) No additional contribution or change to occupation arrangements binds an affected person merely because it has been agreed by another project participant.

(5) An unspent award must not be used for a changed purpose without the authorisation required by its conditions.

22. Failure of a condition during delivery

(1) Where a condition required by section 18 ceases to be satisfied, the coordinator must identify the affected work and notify the persons responsible for addressing the failure.

(2) Work dependent on that condition must be suspended unless a lawful revision satisfying this Act has been agreed.

(3) Suspension must be managed so that the property is left safe and the agreed arrangements protecting occupation continue, or are replaced by an agreed funded alternative, until safe return is possible in accordance with the occupation agreement.

(4) The agreement must determine the outstanding contractual payments, rectification, cancellation and recovery consequences; this Act does not transfer an unpaid cost to a person who did not lawfully assume it.

(5) Failure or cancellation of a project does not legalise an existing breach or suspend a duty preserved by section 3.

23. Independent verification

(1) Completed work must be checked by a competent person independent of the installer against the specification and verification method in the project plan.

(2) Verification must address, as applicable-

(a) the identity and installation of the agreed measures;

(b) commissioning, ventilation, moisture and safety interactions;

(c) the assessments, tests and documents required by the specification;

(d) material deviations and unresolved defects; and

(e) the information and operating instructions needed by occupants.

(3) A verification report must distinguish inspected or measured results from forecasts, assumptions and matters not verified.

(4) A forecast of bills or energy consumption must not be certified as an observed saving merely because installation is complete.

(5) Any certificate required by another enactment must be produced by a person and method authorised under that enactment.

24. Rectification and unresolved defects

(1) The project agreement must place responsibility for rectifying defective or non-conforming work on the person contractually responsible for it and identify a valid and executable contractor, insurance or guarantee arrangement securing the relevant obligation.

(2) The coordinator must verify the applicable coverage, beneficiary, responsible provider, claim conditions, exclusions and limits; the existence of a contractor, certificate or scheme membership is not by itself proof of valid coverage, available funds or continuing solvency.

(3) On identification of a material defect, the coordinator must record and notify it, invoke the valid rectification or guarantee route and pursue the funded arrangements for safe and effective repair.

(4) Those arrangements must identify who will carry out and fund the repair, necessary temporary occupation and independent verification, and the agreed steps for executing the work.

(5) The coordinator must record the repair actually carried out and obtain independent verification before the affected work is recorded as satisfying the specification.

(6) Withholding payment, sending a notice or relying on earlier installer paperwork does not constitute rectification or verified completion.

(7) Where coverage is unavailable, insufficient or disputed, the coordinator must identify any further lawful funding and contractual arrangements required for effective repair; this Act does not transfer the unpaid cost automatically to an occupant, the landlord, a public authority or an unrelated programme.

(8) The affected work must not be recorded as complete while a material failure remains unresolved. The absence of a funded repair route does not remove an existing safety, fitness, repair or contractual obligation.

(9) A payment or completion decision must comply with the agreement and programme conditions concerning unresolved defects.

(10) Nothing in this section prevents urgent action required by existing safety law or the exercise of an existing contractual or statutory remedy.

25. Completion and subsequent responsibilities

(1) On completion, the project coordinator must provide the landlord, delivery body and affected tenant or contract-holder with the documents relevant to their respective responsibilities and rights.

(2) Those documents must include the specification, verification outcome, necessary certificates, instructions, guarantees, complaint contacts and any continuing maintenance or monitoring arrangements.

(3) A completion record must state any outstanding matter and must not imply that an unverified result has been achieved.

(4) A completion record for previously defective work must identify the repair and independent verification required by section 24; the original certificate, a payment hold or the mere availability of a complaint route is insufficient.

(5) Subsequent maintenance and monitoring responsibilities must be those expressly allocated by the project agreement or imposed by existing law.

(6) Monitoring of occupied homes must comply with the agreement and section 28; completion does not create a right of continuing entry or access to an occupant's private energy or health records.

Part 5 - Complaints, records and existing remedies

26. Accessible complaints

(1) The delivery body must ensure that each participant is told how to complain about eligibility decisions, administration, work, occupation arrangements and verification.

(2) The project agreement must identify the person responsible for each class of complaint and the applicable contractual or programme route for its consideration.

(3) A complaint must be recorded, acknowledged and directed to the responsible person without avoidable delay, taking account of any immediate risk to safety or continued occupation.

(4) A person considering a complaint must provide a reasoned response identifying the evidence considered and any action proposed.

(5) The procedure must identify any existing external review, ombudsman, alternative dispute-resolution or court route applicable to the matter, without representing a body as having jurisdiction which it does not possess.

(6) Use of the complaints procedure does not suspend an applicable limitation period or existing enforcement process unless another enactment or an effective agreement provides otherwise.

27. Project records

(1) The delivery body must keep, or arrange for the keeping of, a project record containing the particulars required by Schedule 4.

(2) Records must show the version of the plan and agreement applying to each material decision, the evidence relied on and any change in the project's status.

(3) A project register under this section is an administrative record and is not a new public register of landlords, occupants or their finances.

(4) The record must enable the delivery body to distinguish-

(a) applications from awards;

(b) awards from payments;

(c) planned from completed work;

(d) forecasts from verified results; and

(e) unresolved from rectified defects.

28. Personal information

(1) A person performing a function under this Act must process personal information only to the extent necessary for that function and in accordance with data protection legislation.

(2) The delivery body must identify the controller, purposes, lawful basis, permitted recipients and retention arrangements for the project record.

(3) Information about an individual's income, liquidity, debts, health, disability or household circumstances must not form part of a public project record.

(4) Such information must be restricted to persons who need it for eligibility, affordability, safe occupation or another identified lawful project purpose.

(5) A need to verify an eligibility or suitability condition does not of itself authorise the collection of an entire financial or medical record.

(6) Special-category information may be processed only where the requirements of data protection legislation for that processing are met.

(7) The project arrangements must provide for accuracy, correction, security, retention and disposal, and information to the individuals concerned, in accordance with that legislation.

(8) This Act does not create a general power to obtain bank, tax, health, meter or benefits records from another person.

29. Programme reporting

(1) In reporting on projects under its existing accountability arrangements, a delivery body must distinguish the categories mentioned in section 27(4).

(2) Any published account of project outcomes must identify the population and period covered and distinguish measured results from estimates.

(3) Publication must use aggregate or otherwise lawfully disclosable information and must not disclose information prohibited from public records by section 28(3).

(4) Reporting under this section must be carried out within the resources lawfully available for programme administration; this section does not authorise their diversion from another recipient or purpose.

30. Preservation of remedies and jurisdiction

(1) Nothing in this Act limits a contractual remedy, a remedy concerning fitness, repairs, occupation, consumer protection or unlawful conduct, or the power of a court to review the lawfulness of a public decision.

(2) This Act does not confer additional jurisdiction on the First-tier Tribunal, a Welsh tribunal, an ombudsman or another dispute-resolution body.

(3) A complaint or project record under this Act does not determine a matter reserved to a court, tribunal or other body under another enactment.

(4) Existing MEES review and appeal provisions continue to apply to decisions made under that regime; a project decision is not converted into a MEES penalty decision by its subject matter.

Part 6 - Financial and final provisions

31. Financial provision

(1) Expenditure for a project must be met only from an existing lawful programme award or a lawful contractual contribution identified in the project agreement.

(2) Administrative functions under this Act may be performed only within the resources lawfully available for the relevant programme and included in the project's administrative arrangements.

(3) This Act does not authorise an additional appropriation, increase a programme allocation, create a guarantee or borrowing entitlement, impose a tax, or confer a tax relief.

(4) Nothing in this Act excuses compliance with subsidy-control, public-finance, procurement or programme-recovery requirements.

32. Extent

This Act extends to England and Wales only.

33. Commencement

This Act comes into force on the day on which it is passed.

34. Short title

This Act may be cited as the Private Rented Homes (Funded Energy Improvements) Act 2026.

Schedule 1 - Project plan

Property and legal position

1. The plan must identify the property, its relevant tenure and occupation arrangements, the parts of any shared building affected and the persons whose rights or functions are engaged.

2. It must record the existing energy assessment, relevant defects, applicable minimum duties, existing notices and the distinction required by section 1(3).

Assessment and specification

3. The plan must identify the assessor, assessment date, method, source information, material assumptions and limitations.

4. It must state the intended improvements in terms capable of verification, the measures proposed, their interactions and any necessary sequence of work.

5. The assessment must consider moisture, ventilation, heating suitability, electrical and structural implications, safe operation, maintenance and relevant occupant needs.

6. Where alternatives have been considered, the plan must record their technical suitability and the reasons for the specification agreed by the participants.

7. Forecast energy use, bill effects or comfort outcomes must identify their basis and must be separately recorded from contractual requirements and measured conditions.

8. The plan must include the assessment required by section 14 of tenant contributions, incremental rent and charges, cash costs of disruption and credible bill-saving scenarios, with any promised protections identified separately from forecasts.

Execution and verification

9. The plan must identify required permissions, installers, access arrangements, the sequence and agreed dates of work, verification arrangements and the persons responsible for each.

10. It must identify the consequences of foreseeable interruptions, technical incompatibility, unavailable consent or funding failure and the contractual arrangements for addressing them.

11. The plan must identify completion evidence, instructions, maintenance requirements and any agreed monitoring, together with its costs and data requirements.

Schedule 2 - Funding and cost allocation

Sources and timing

1. The allocation must identify each award and contribution, its legal basis, recipient, permitted purpose, amount, payment timing and material conditions.

2. A funding source must be supported by an effective award or binding commitment; an application or general scheme description is insufficient.

3. Where a payment is conditional on a stage of performance, the allocation must identify who lawfully finances expenditure before that payment becomes due.

Costs and affordability

4. Costs must distinguish assessment, approvals, equipment, installation, making good, verification, occupation arrangements, administration and contractual rectification arrangements.

5. The allocation must state the applicable VAT treatment and distinguish gross cost, grant funding, private contribution and any separately available tax treatment.

6. Each contributor must sign the allocation applying to that person's contribution. The record of affordability must identify available resources and payment timing without collecting unrelated personal information.

7. A property valuation or unapproved credit application must not be recorded as cash available for a payment.

Other assistance and changes

8. The allocation must identify assistance already provided or sought for the same expenditure and explain how duplicate funding is prevented.

9. It must identify applicable subsidy-control conditions and the person responsible for checking them.

10. It must state how changes in cost, loss of funding, cancellation, default and recovery are dealt with under the project agreement, and must not impose an unagreed residual liability on an occupant.

11. It must identify the obligor and funding arrangement for each tenant refund, charge protection or other financial protection, and the valid coverage and funding for rectification, associated occupation and independent verification.

12. A contingent guarantee or insurance claim must be described with its actual coverage, exclusions, limits and conditions. Neither assumed solvency nor an expectation of an additional public award is confirmed funding.

Schedule 3 - Occupation agreement

Work while occupied

1. The agreement must identify permitted access, notice and communication arrangements, interruptions to essential services, protection of possessions, safety measures and the person to contact if the arrangements fail.

2. Agreement to one visit or assessment does not constitute unrestricted consent to later entry or work.

Temporary occupation and return

3. Where temporary absence is necessary, the agreement must identify the accommodation, its suitability for the actual household, the period for which it is secured and funded arrangements if work takes longer than expected.

4. The agreement must identify the person bound to secure continued suitable occupation or an agreed funded alternative until safe return is possible. An expected completion date must not operate as the sole limit on that protection, and an extension must not depend merely on an unawarded public grant.

5. It must allocate the costs of moving, temporary occupation, essential services and return and state the treatment of rent and other lawful payments during absence.

6. It must preserve the existing tenancy or occupation contract during the agreed temporary absence and provide an enforceable undertaking for return when the agreed conditions for safe reoccupation are met, together with the funded continuation or alternative required by paragraph 4.

7. It must identify the condition in which the home is to be returned, the process for identifying damage or incomplete work and the contractual responsibility for making good.

8. It must not require an occupant to surrender an existing statutory protection as a condition of funded temporary occupation or return.

Schedule 4 - Project record and disclosure

Administrative record

1. The record must contain a project identifier, the property identifier, the delivery body, coordinator, applicable programme, relevant dates and current project status.

2. It must retain the applicable plan, funding confirmation, signed allocation, necessary consents, occupation agreement, project agreement and readiness confirmation, with material revisions identified.

3. It must record work performed, payments, independent verification, defects, rectification, complaints and completion documents to the extent necessary for the project and lawful programme administration.

Restricted information

4. Detailed financial, health and household information must be held separately from routine project records where that is necessary to restrict access to persons with a lawful need.

5. A recipient must receive only information relevant to that recipient's obligations, rights or authorised functions. A general disclosure to every contractor or participant is not required.

6. Published information must not include individual income, debt, liquidity, health, disability or identifiable household circumstances.

Accuracy and evidence

7. A record must identify whether a statement is supplied by an applicant, verified against evidence, predicted by an assessment or observed after work.

8. A correction must preserve a sufficient record of the decision to which the earlier information related while preventing continued reliance on information known to be inaccurate.

9. Retention and disposal must follow the applicable lawful programme, contractual, financial-accountability and data-protection requirements; this Schedule does not create indefinite retention.

Analysis of the proposed legislation

Research date: 17 September 2026. Subject: domestic private-rental energy performance in England and Wales.

Proposed approach

The proposed Bill establishes a delivery process for voluntary improvements above the existing minimum. A project qualifies when a safe whole-dwelling specification, necessary consents, actual funding, affordable contributions, occupation arrangements and competent delivery are secured together. The process then requires independent verification and executable rectification. The Bill retains existing minimum-performance, fitness, repair and tenancy obligations.

This design addresses a practical dependency: an improvement produces its intended benefit only when someone can lawfully carry it out, pay for it, accommodate the occupants and correct defective work. A higher specification accompanied by unavailable finance does not produce the same outcome as a funded installation. Likewise, a forecast energy saving does not establish a tenant's net financial benefit if additional charges or disruption absorb it.

The legislation therefore makes these dependencies part of project qualification. It creates no universal grant entitlement, new tax relief, compulsory borrowing or unfunded public guarantee. Existing programmes retain their eligibility and allocations. Ordinary lawful voluntary works remain available outside the process.

Circumstance	Treatment in the proposed Bill
Whole project is safe, consented, funded and executable	Proceed under the signed project agreement and verify the result.
Only a separable stage is funded	Proceed only if that stage is independently beneficial, safe and fully funded, and does not prejudice later work.
Occupants must temporarily leave	Secure suitable funded occupation and return arrangements, including funded continuation or an agreed alternative if work overruns.
A material defect is discovered	Invoke the valid repair or guarantee arrangement; fund and execute rectification and verify it before recording completion.
Funding, consent or a positive net tenant benefit cannot be established	Revise the project or withhold the relevant qualification. Existing legal duties continue.

Current law and the policy comparator

The operative domestic MEES floor is EPC band E. The 2015 Regulations govern the letting restriction, relevant improvements, expenditure accounting, exemptions, local-authority enforcement and appeals. Their £3,500 framework is not an absolute ceiling on wholly third-party-funded work. Regulation 26 preserves the tenancy's validity despite a MEES breach. Energy Act 2011 section 45 currently limits a domestic civil penalty under its power to £5,000. [1, 2]

The January 2026 government response announces a different future approach: a C-equivalent fabric requirement followed by a heating-system or smart-readiness requirement, with a £10,000 cap and a proposed 1 October 2030 compliance date. It expressly requires legislative implementation and parliamentary approval. The announcement was assessed as an alternative, not treated as an instruction to continue government policy or as law already in force. EPC reform is now expected in the second half of 2027. [3, 4]

England and Wales share this MEES framework but have different housing and programme arrangements. English tenancy reforms principally commenced on 1 May 2026. Welsh occupation contracts remain governed by the Renting Homes (Wales) Act 2016. The Bill accordingly preserves territorial responsibilities, existing remedies and programme eligibility; it does not extend an English grant to Wales by implication. [5]

Evidence used in the comparison

The research distinguished observations, official forecasts and constructed comparison assumptions. Those categories answer different questions.

The government's 2026 impact assessment supplies forecasts for three higher-standard configurations. Its central results illustrate why one economic indicator cannot settle the choice: fabric-only has the highest published benefit-cost ratio, while fabric plus a smart-or-heating choice has the highest net present value; fabric plus smart readiness has the largest estimated tenant bill saving. These are modelled outcomes under the assessment's assumptions, including implementation assumptions, rather than observations of the proposed law. [6]

Monetary outcomes are in 2025 prices. The property, cost and bill-saving rows concern 2030; the published benefit-cost ratios cover 2025-2071.

Official forecast	Fabric only	Fabric plus smart	Fabric plus smart or heating
Properties upgraded by 2030	1,314,905	1,752,819	1,753,974
Mean landlord upgrade cost	£3,220	£5,388	£5,387
Annual tenant bill saving	£105	£233	£210
Published benefit-cost ratio	1.19	1.09	1.11

The MEES evaluation adds observed administrative and survey evidence. Recorded compliance among EPC-registered private-rental properties was approximately 95.3% in August 2023, including exemptions. Among surveyed landlords undertaking improvements, savings were commonly used; reported financing through rent increases was much less common. These responses identify financing channels, not the amount of available liquidity or a causal rent increase. The planned causal analysis of market exits and rents was not completed. Consequently, neither stable aggregate stock nor statements of landlord intention were treated as proof of the housing-supply effect of a new rule. [7]

Metered evidence provides a separate check on physical mechanisms. NEED estimates matched consumption changes after specific measures. Median gas savings were approximately 17.3% for solid-wall insulation, 12.0% for cavity-wall insulation and 3.2% for loft insulation. The sample and estimation method matter: flats are excluded, package effects cannot be obtained by adding individual percentages, and variation between households is not a confidence interval around a national policy effect. These findings establish plausible measurable channels, not an automatic conversion from an EPC grade into household welfare. [8]

Welsh Warm Homes research supports a connection between targeted improvements and respiratory outcomes in its studied population. Its conditional event-frequency estimates are not probabilities that a generic tenant will become healthy. Similarly, the 2025 ECO4/GBIS installation audit documents material defects and the importance of actual remediation; it does not establish the defect rate of 2026 Warm Homes Local Grant projects. The Bill carries these distinctions into assessment and verification. [9, 10]

What the normative computation established

Six completed comparisons used the existing JudgeAI normative criterion. They considered 26 option-world evaluations and 46 within-comparison pairs; repeated alternatives across questions are included in those counts, which do not represent 26 unique policies. The criterion was not replaced by government preference, benefit-cost ratio, net present value or a newly selected weighting of interests.

The numerical effect inputs were declared ordinal reference states: a common reference of 0.50, a specified favourable state of 0.35 and an adverse state of 0.65, using the existing input contract's minimum reliability of 0.50. The defect-response comparison used 0.65 for the already defective starting condition. These values express conditional scenarios used for comparison. They are not source-estimated severities, measured prevalence, monetary amounts or population probabilities. Sources support identified mechanisms, observed quantities, forecast consequences and feasibility conditions; they do not directly estimate those ordinal coordinates. The calculations therefore establish results conditional on the declared reference states and execution conditions. The nine retained channels cover tenants, landlords, installation workers, public-service recipients and other residents. Channels without an estimated difference were held common within the comparison; this is a scope condition, not evidence that their real effects are zero. Raw score differences between separate questions are not comparable measures of policy improvement.

Comparison	Alternatives and result	Meaning for the proposal
General regulatory approach	Repeal, retention and voluntary improvement tied exactly; the three higher mandatory configurations also tied within their group. Repeal was first only through procedural ordering of the leading tie.	No empirical superiority of repeal was inferred. The trace identified financing and implementation as questions requiring a more concrete alternative.
Funded delivery	Funded delivery ranked ahead of the unchanged-world group and the compared mandatory configurations, without a tie for first place.	Develop a process conditional on actual funding, safe work, positive net tenant savings and covered delivery costs.
Matched legal implementation	A statutory process, equivalent delivery under existing powers and matched delivery alongside repeal tied exactly.	The calculation assigns no benefit to a legal label when realised consequences are held equal.
Funding gap	A safe funded stage ranked first, followed by the specified tenant-gap, whole-project deferral and landlord-gap alternatives.	Permit staging only where the independently useful stage actually exists and all its costs are covered.
Defect response	Funded contractual rectification ranked first; owner-funded replacement followed; paper completion and pausing without repair tied.	Require execution of a funded remedy, not merely an administrative hold or earlier certificate.
Combined configuration	Integrated funded delivery under the Bill and identical delivery under existing powers tied for first place; owner-gap funding ranked next and incomplete delivery last. The existing-powers identifier was selected procedurally.	The combined check supports the specified delivery conditions without establishing superiority of a new Act.

The first comparison did not distinguish several alternatives whose supplied consequence profiles were equal. The procedural identifier was therefore not converted into a policy recommendation. Instead, the next question examined an additional complete configuration: an improvement with binding eligible funding, effective work, safe occupation and covered costs, without assumed diversion from other recipients. Under those conditions, the funded-delivery world separated from its comparators.

The matched third comparison then tested a different proposition. Keeping funding, completed work, occupation and costs identical removed any calculated difference between the legal implementation routes. That is an exact matched-outcome result. It does not show that the routes generate equal uptake nationally, that repealing the floor is harmless outside the matched projects, or that Parliament must create a new Act. The Bill presents a statutory implementation of the selected operating design; causal regulatory additionality requires evidence of differences in actual delivery.

The fourth comparison concerned a genuine funding shortfall. Its preferred stage already had the properties necessary to work independently. The result does not mean that every dwelling can be divided into useful stages or that an unsafe half-completed installation is acceptable. The fifth similarly concerned a known defect and an available valid coverage route. Its preference for contractual rectification cannot be transferred to a project whose installer has failed and whose guarantee excludes the defect without first identifying another executable arrangement.

How traceability developed the legislation

Traceability connected each comparison to a specific question about the proposed norm. It exposed where the result depended on uncompensated owner expenditure, where identical outcome descriptions generated a tie, and where a promised benefit depended on actual execution rather than documentation. Those findings became new questions and concrete drafting conditions.

This produced substantive changes in the design. Funding confirmation must cover cash timing, not just eventual reimbursement. A partial award can support a safe separate stage, but cannot be recorded as funding the whole project. Temporary occupation must continue through an overrun on funded enforceable terms. A repair route must match the actual defect and include necessary occupation and verification costs. Tenant benefits must be assessed after attributable rent, charges and disruption, with any promised protection assigned to an enforceable obligor and identified funding.

The fixed normative criterion makes these dependencies inspectable. Improving the empirical description can change the input world while leaving the rule of comparison intact. Here that process developed increasingly specific conditional decisions. It did not constitute a statistically calibrated national optimisation or an executed joint uncertainty study. Numerical differences between separate comparisons are therefore not presented as measured improvement over time or confidence levels in the policy.

Operation of the Bill

The 34 clauses and four Schedules organise the whole project: application, independent specification, title and consent, finance, occupation, procurement, delivery, changes, verification, remedies and records. The result is a connected process rather than a performance requirement detached from its means of execution.

Finance remains programme-specific. Warm Homes Local Grant permits particular landlord-funding configurations subject to its conditions; Nest has separate Welsh eligibility.

An award is not assumed simply because a property needs improvement. Tax treatment remains that provided by existing law, including the scheduled end of the temporary zero VAT rate for qualifying installations after 31 March 2027. Costs must be assessed at the rate applicable to the actual supply. [11-13]

The draft also distinguishes a paper commitment from a legal and financial mechanism. A tenant-facing undertaking identifies who can enforce it and who must perform it. Contractor or guarantee coverage is checked for limits and exclusions. Personal financial and health evidence is restricted to the necessary administrative purpose; the project record is not a public register of private finances. The Bill adds no compulsory entry, deemed consent, new fine or unselected tribunal jurisdiction.

Current obligations remain operative when a project fails qualification. An unavailable award does not permit continued unlawful letting or an unfit home. Conversely, failure to qualify for this additional process does not create a new higher-standard letting ban. This separates the existing legal floor from the conditions for claiming the additional funded project's benefits.

Combined-package comparison

The sixth comparison evaluated the combined funding-gap and defect situation. Its complete delivery configurations included a safe funded stage, valid covered repair, continuous funded occupation until safe return, enforceable tenant protections and verified warmth and net-cash outcomes. Those configurations were compared with an owner-funded shortfall and incomplete funding followed by paper completion.

The integrated statutory configuration and identical delivery under existing lawful powers tied for first place. Owner-gap funding ranked next and incomplete delivery last. The code returned the existing-powers identifier through procedural ordering; that identifier does not express a substantive advantage over the matched Bill configuration. The result preserves the distinction established by the third comparison: the consequential delivery arrangement matters, while a different legal label adds no calculated benefit when every realised condition is the same.

The proposed Bill supplies a complete statutory expression of that arrangement. Existing lawful powers remain an equally ranked route for the same delivery conditions in this comparison. The practical conclusion is conditional and specific: verify funding, safe execution, continued occupation, net tenant benefit and effective repair together; do not treat the enactment of a new process as proof that those conditions have been delivered.

Primary sources

1. Energy Efficiency (Private Rented Property) (England and Wales) Regulations 2015, especially regulations 22-26 and 34-45.

2. Energy Act 2011, Part 1 Chapter 2, especially sections 42-48 and 52.

3. DESNZ, government response on privately rented homes, 21 January 2026.

4. Government, Clean Flexibility Roadmap: July 2026 update, EPC reform timing.

5. Renters' Rights Act 2025 commencement instrument; Renting Homes (Wales) Act 2016.

6. DESNZ, 2026 private-rental energy-performance impact assessment.

7. DESNZ, Domestic PRS MEES final evaluation, January 2026.

8. DESNZ, NEED impact-of-measures headline tables, England and Wales, June 2026.

9. Welsh Government, Warm Homes health impact technical report, 2019.

10. DESNZ/Ofgem, ECO4 and GBIS solid-wall installation statistical audit, corrected November 2025.

11. DESNZ, Warm Homes Local Grant policy guidance.

12. Welsh Government, Nest eligibility.

13. HMRC, VAT Notice 708/6: energy-saving materials and heating equipment.