Draft Regulations laid before Parliament under section 31(2) of the Energy Act 2010 for approval by resolution of each House of Parliament.

D R A F T S T A T U T O R Y I N S T R U M E N T S

2026 No.

ELECTRICITY, SCOTLAND

GAS, SCOTLAND

The Warm Home Discount (Scotland) Regulations 2026

Made - - - -	***
Coming into force	***

CONTENTS

PART 1
Introductory

1. Citation, commencement and extent
2. Meaning of "GB domestic customer", "Scotland domestic customer" and "partner"
3. Interpretation: general

PART 2
The Scheme: introductory

4. Warm Home Discount Scheme for Scotland
5. Calculation of a relevant supplier's number of GB domestic customers on preceding 31st December
6. Licensed suppliers who are scheme suppliers
7. Suppliers not participating in the Scheme in a scheme year

PART 3
The Core Spending Obligation

8. Aggregate core spending estimate
9. Determination of scheme customers by the Secretary of State
10. Provision of rebate to core group customers
11. Late rebate notices
12. Exceptions
13. Provision of information by suppliers for rebate notices
14. Provision of information by suppliers about rebates, etc.
15. Provision of information by suppliers about automated decision making

16. Provision of information by the Secretary of State
17. Interpretation of Part 3: references to the Secretary of State

PART 4
Non-Core Spending
CHAPTER 1
Determination, etc. of non-core spending obligation
18. Determination and notification of aggregate non-core spending obligation
19. Duty to calculate and adjust, and notify, compulsory scheme electricity suppliers' non-core spending obligations
20. Calculation of non-core spending obligation
21. Adjustment of non-core spending obligation: scheme year 16
22. Adjustment of non-core spending obligation: scheme years 17 to 20

CHAPTER 2
Obligation to incur spending, etc.
23. Obligation to incur spending and amounts of spending
24. The broader group rebate target

CHAPTER 3
Broader group
25. Broader group customers
26. Eligibility criteria and verification measures
27. Provision of rebate to broader group customers

CHAPTER 4
Industry initiatives
28. Spending on industry initiatives by a compulsory scheme electricity supplier
29. Approval of industry initiatives
30. Spending on industry initiatives which may be treated as incurred by a compulsory scheme electricity supplier
31. Spending incurred by a compulsory scheme electricity supplier before the commencement day

CHAPTER 5
Specified activities
32. Types of spending: activities specified by the Scottish Ministers

PART 5
Authority functions
33. Approvals by the Authority: procedure
34. Determination of amounts spent by scheme suppliers
35. Provision of information to the Authority
36. Provision of information by the Authority

PART 6
Review
37. Reviews of the Scheme

PART 7

Amendment of the Disclosure of State Pension Credit Information (Warm Home Discount) Regulations 2011

38. Amendment of the Disclosure of State Pension Credit Information (Warm Home Discount) Regulations 2011

SCHEDULE 1 — Core group
SCHEDULE 2 — Determination of aggregate non-core spending obligation
SCHEDULE 3 — Broader group
PART 1 — Mandatory eligibility criteria: benefits
PART 2 — Verification measures
SCHEDULE 4 — Industry initiatives
PART 1 — Table of industry initiatives
PART 2 — Installation and repair requirements for boilers and central heating systems
PART 3 — Interpretation

The Secretary of State makes these Regulations in exercise of the powers conferred by sections 9, 10, 14(4) and 31(5) and (6) of the Energy Act 2010(**a**) with the consent of the Treasury(**b**) and with the agreement of the Scottish Ministers(**c**).

In accordance with section 14(1) of that Act, the Secretary of State consulted the Gas and Electricity Markets Authority, licensed electricity suppliers(**d**), licensed gas suppliers(**e**) and such other persons as the Secretary of State thought appropriate.

In accordance with Article 36(4) of Regulation (EU) 2016/679 of the European Parliament and of the Council(**f**), the Secretary of State consulted the Information Commissioner during the preparation of the proposal for these Regulations.

In accordance with section 31(2) of the Energy Act 2010, a draft of this instrument was laid before, and approved by resolution of, each House of Parliament.

(**a**) 2010 c. 27. Sections 9 and 31(6) were amended by section 58 of the Scotland Act 2016 (c. 11).
(**b**) The consent of the Treasury is required by section 14(3) of the Energy Act 2010 to make regulations under section 9 of that Act.
(**c**) Despite section 14A(1) and (2) of the Energy Act 2010, as inserted by section 58 of the Scotland Act 2016, the Secretary of State may, by virtue of section 14A(6)(a) of the Energy Act 2010, make any provision under section 9 of that Act for the purposes of a scheme in relation to Scotland, with the agreement of the Scottish Ministers.
(**d**) "Licensed electricity supplier" is defined in section 15(5) of the Energy Act 2010.
(**e**) "Licensed gas supplier" is defined in section 15(5) of the Energy Act 2010.
(**f**) EUR 2016/679. Article 36(4) was amended by S.I. 2019/419. See Article 36(4A) for the meaning of "relevant authority".

PART 1

Introductory

Citation, commencement and extent

1.—(1) These Regulations may be cited as the Warm Home Discount (Scotland) Regulations 2026.

(2) These Regulations come into force on the day after the day on which they are made.

(3) This regulation and regulation 38 extend to England and Wales and Scotland.

(4) Otherwise, these Regulations extend to Scotland only.

Meaning of "GB domestic customer", "Scotland domestic customer" and "partner"

2.—(1) This regulation defines "GB domestic customer", "Scotland domestic customer" and "partner" and makes related provision for the purposes of these Regulations.

(2) "GB domestic customer" means an owner or occupier of domestic premises in England, Wales or Scotland who is supplied with electricity or gas at those premises wholly or mainly for domestic purposes.

(3) "Scotland domestic customer" means an owner or occupier of domestic premises in Scotland who is supplied with electricity or gas at those premises wholly or mainly for domestic purposes.

(4) For the purposes of these Regulations, where—

(a) an individual ("I") is an owner or occupier of domestic premises at which electricity or gas is supplied wholly or mainly for domestic purposes; and

(b) because I lacks the necessary capacity to arrange that supply, the electricity or gas is supplied at those premises to another person ("A") who is not I's partner (whether or not A is also an owner or occupier of those premises),

I is to be treated as the person who is supplied with electricity or gas at those premises.

(5) For the purposes of these Regulations, an individual is the partner of another individual if—

(a) they are married to, or civil partners of, each other and are members of the same household; or

(b) they are not married to, or civil partners of, each other but live together as if they were spouses or civil partners.

(6) Paragraph (7) applies if an individual ("I") is staying in hospital, or residing in a care home or hospice, but would normally—

(a) occupy the premises at which I is supplied, or treated as supplied, with electricity or gas as their sole or main residence; or

(b) be a member of the same household as their spouse or civil partner, or live together with another person as if they were spouses or civil partners.

(7) Where this paragraph applies, I is to be treated for the purposes of these Regulations as continuing to occupy the relevant premises as their sole or main residence, be a member of the relevant household or live together with the relevant person (as the case may be) if—

(a) where I is staying in hospital, the duration of I's stay has not exceeded 52 weeks from the date on which I was admitted;

(b) where I is residing in a care home or hospice, I's residence there is temporary.

(8) For the purposes of paragraphs (6) and (7)—

(a) it does not matter whether the person's stay in hospital, or residence in a care home or hospice, began before the start of the relevant scheme year;

(b) "care home" means—

(i) accommodation that is provided as a care home service within the meaning of paragraph 2 of Schedule 12 to the Public Services Reform (Scotland) Act 2010(**a**);

(ii) an establishment in England that is a care home within the meaning of section 3 of the Care Standards Act 2000(**b**);

(iii) a place in Wales at which a care home service within the meaning of paragraph 1 of Schedule 1 to the Regulation and Inspection of Social Care (Wales) Act 2016(**c**) is provided wholly or mainly to persons over the age of 18;

(iv) an establishment in Northern Ireland that is a residential care home, or a nursing home, for the purposes of the Health and Personal Social Services (Quality, Improvement and Regulation) (Northern Ireland) Order 2003(**d**);

(c) "hospice" means an institution in the United Kingdom whose primary function is the provision of palliative care to persons resident there who are suffering from a progressive disease in its final stages.

Interpretation: general

3.—(1) In these Regulations—

"2022 Regulations" means the Warm Home Discount (Scotland) Regulations 2022(**e**);

"aggregate non-core spending obligation" means the aggregate non-core spending obligation determined under regulation 18;

"broader group customer" has the meaning given in regulation 25;

"broader group rebate target" has the meaning given in regulation 24;

"central heating system" means a system—

(a) which provides heat for the purposes of space heating through a boiler or other heat source connected to one or more separate heat emitters; and

(b) where the heat source and heat emitters are all situated in the same domestic premises or building;

"commencement day" means the day on which these Regulations come into force;

"compulsory scheme electricity supplier", other than in regulation 20(6)(a), has the meaning given in regulation 6(2);

"core group customer" has the meaning given in regulation 10(2);

"debt write-off" means the provision of assistance to reduce debts for electricity or gas supply to domestic premises by cancelling or reducing the debts;

"electricity supply licence" means a licence granted under section 6(1)(d) of the Electricity Act 1989(**f**);

"energy advice" means advice on reducing or preventing the wastage of energy in domestic premises;

"gas supply licence" means a licence granted under section 7A(1) of the Gas Act 1986(**g**);

"GB domestic customer" has the meaning given in regulation 2(2);

(**a**) 2010 asp 8.

(**b**) 2000 c. 14. Section 3 was amended by paragraph 4 of Schedule 5 to the Health and Social Care Act 2008 (c. 14) and paragraph 3 of Schedule 3 to the Regulation and Inspection of Social Care (Wales) Act 2016 (anaw 2).

(**c**) 2016 anaw 2. Paragraph 1 of Schedule 1 was amended by paragraph 2(6) of Schedule 1 to the Health and Social Care (Wales) Act 2025 (asc 1).

(**d**) S.I. 2003/431 (N.I. 9). Articles 10 (residential care homes) and 11 (nursing homes) were amended by paragraph 1 of Schedule 6 to the Health and Social Care (Reform) Act (Northern Ireland) 2009 (c. 1).

(**e**) S.I. 2022/1073, amended by S.I. 2025/1031.

(**f**) 1989 c. 29. Section 6 was substituted by section 30 of the Utilities Act 2000 (c. 27), and subsection (1)(d) of that section was amended by S.I. 2012/2400.

(**g**) 1986 c. 44. Section 7A was inserted by section 6 of the Gas Act 1995 (c. 45). The functions of the Director General of Gas Supply under subsection (1) of that section were transferred to the Gas and Electricity Markets Authority by section 3 of the Utilities Act 2000.

"group of companies" means a holding company and its wholly-owned subsidiaries, where "holding company" and "wholly-owned subsidiary" have the meanings given in section 1159 of the Companies Act 2006(**a**);

"industry initiative" has the meaning given in regulation 28(1);

"late rebate notice" has the meaning given in regulation 11(2);

"non-core spending obligation" is to be read, other than in regulation 21(2)(b), in accordance with regulation 20;

"obligation percentage", in relation to a compulsory scheme electricity supplier and a scheme year, means the percentage determined in accordance with regulation 20(3);

"partner" has the meaning given in regulation 2(5);

"prescribed rebate" means a rebate of £150;

"Scheme" has the meaning given in regulation 4(1);

"scheme electricity supplier" means—

(a) a compulsory scheme electricity supplier; or

(b) a voluntary scheme electricity supplier;

"scheme gas supplier" has the meaning given in regulation 6(7);

"scheme year", other than in the expressions "scheme year 14" and "scheme year 15" and subject to regulations 11(8)(b) and 12(3)(c), means—

(a) the period beginning with the commencement day and ending with 31st March 2027; or

(b) a period of 12 months beginning with 1st April in any of the years from 2027 to 2030,

and "scheme year" followed by a number from 16 to 20 means the scheme year beginning in 2026, 2027, 2028, 2029 or 2030 respectively;

"scheme year 14" has the meaning given in regulation 3(1) of the 2022 Regulations;

"scheme year 15" has the meaning given in regulation 3(1) of the 2022 Regulations;

"Scotland domestic customer" has the meaning given in regulation 2(3);

"smart meter advice" means advice on the benefits of using a smart meter in domestic premises;

"standard rebate notice" has the meaning given in regulation 9(1);

"voluntary scheme electricity supplier" has the meaning given in regulation 6(5);

"working day" means a day other than—

(a) a Saturday or a Sunday; or

(b) a day which is a bank holiday under section 1 of the Banking and Financial Dealings Act 1971(**b**) in Scotland.

(2) For the purposes of these Regulations, a licensed supplier(**c**) is connected to another licensed supplier if they both belong to the same group of companies.

(**a**) 2006 c. 46.
(**b**) 1971 c. 80. There are amendments to section 1, but none is relevant.
(**c**) "Licensed supplier" is defined in section 15(5) of the Energy Act 2010.

PART 2

The Scheme: introductory

Warm Home Discount Scheme for Scotland

4.—(1) These Regulations make provision for the further continuation, in Scotland, of the scheme for reducing fuel poverty (the "Scheme") established by the Warm Home Discount Regulations 2011(**a**) and continued in Scotland by the 2022 Regulations.

(2) The Scheme, as continued by these Regulations—

(a) is to be known as the Warm Home Discount (Scotland) Scheme; and

(b) has effect during the period beginning with the commencement day and ending with 31st March 2031 (the "scheme period").

(3) The following duties and powers continue to apply after the end of the scheme period—

(a) the duties of scheme suppliers(**b**) under regulations 10, 11(4) and (7), 14, 15(5), 27(5) and 35(3);

(b) the duties and powers of the Secretary of State under regulations 11(2), 12, 15 and 16;

(c) the duties and powers of the Authority(**c**) under regulations 35 and 36(1) and (2).

Calculation of a relevant supplier's number of GB domestic customers on preceding 31st December

5.—(1) A relevant supplier must notify the Authority of the number of the supplier's GB domestic customers on the preceding 31st December on or before—

(a) the 21st day after the commencement day;

(b) 1st February in 2027, 2028, 2029, 2030 and 2031.

(2) In this regulation, "relevant supplier" means—

(a) a licensed electricity supplier; or

(b) a licensed gas supplier who, on the preceding 31st December, was connected to a licensed electricity supplier.

(3) If a relevant supplier does not notify the Authority in accordance with paragraph (1), the Authority must determine the supplier's number of GB domestic customers on the preceding 31st December.

(4) But if—

(a) before the commencement day, a relevant supplier has notified the Authority of the number of that supplier's GB domestic customers on 31st December 2025 (the "original notification"); and

(b) the relevant supplier does not notify the Authority in accordance with paragraph (1)(a) of a change in the number of that supplier's GB domestic customers,

the Authority must treat the original notification as the relevant supplier's notification under paragraph (1)(a).

(5) For the purposes of paragraphs (1) to (4), a relevant supplier's number of GB domestic customers on the preceding 31st December is the number of GB domestic customers to whom the supplier supplies—

(a) electricity (other than as part of the supply of dual fuel);

(b) gas (other than as part of the supply of dual fuel); and

(**a**) S.I. 2011/1033, amended by S.I. 2014/695, 2015/652, 2016/806, 2018/909, 2019/1458 and 2021/667.
(**b**) "Scheme supplier" is defined in section 15(5) of the Energy Act 2010.
(**c**) "Authority" is defined in section 34 of the Energy Act 2010.

(c) dual fuel,

on that date.

(6) For the purposes of paragraph (5)—

(a) "dual fuel" means electricity and gas, where both are supplied to a GB domestic customer at the same domestic premises by a person who is both a licensed electricity supplier and a licensed gas supplier;

(b) a supply of dual fuel to a GB domestic customer is to be treated as a supply to two GB domestic customers.

(7) For the purposes of the remaining provisions of these Regulations, a reference to a supplier's number of GB domestic customers is a reference to the supplier's number of GB domestic customers as notified, or treated as notified, under paragraph (1) or, as the case may be, determined under paragraph (3).

Licensed suppliers who are scheme suppliers

6.—(1) This regulation sets out the licensed suppliers who are scheme suppliers in relation to a scheme year.

(2) A licensed electricity supplier is a compulsory scheme electricity supplier in relation to a scheme year if the supplier—

(a) supplied electricity to GB domestic customers on 31st December preceding the start of the scheme year; and

(b) satisfies the condition in paragraph (3) or (4) (or both).

(3) The condition in this paragraph is that the supplier had at least 1,000 GB domestic customers on 31st December preceding the start of the scheme year.

(4) The condition in this paragraph is that—

(a) the supplier; and

(b) any licensed suppliers who were connected to the supplier on 31st December preceding the start of the scheme year,

together had at least 1,000 GB domestic customers on that date.

(5) A licensed electricity supplier is a voluntary scheme electricity supplier in relation to a scheme year if—

(a) the supplier is not a compulsory scheme electricity supplier, but notifies the Authority on or before the notification date that it wishes Part 3 of these Regulations to apply to the supplier in the scheme year; and

(b) the Authority approves that notification.

(6) For the purposes of paragraph (5), the "notification date" means—

(a) in relation to scheme year 16, the 21st day after the commencement day;

(b) in relation to any other scheme year, 1st February preceding the start of the scheme year.

(7) A licensed gas supplier is a scheme gas supplier in relation to a scheme year if the supplier—

(a) supplied gas to GB domestic customers on 31st December preceding the start of the scheme year; and

(b) was on that date connected to a licensed electricity supplier who is, in relation to the scheme year, a compulsory scheme electricity supplier.

Suppliers not participating in the Scheme in a scheme year

7.—(1) This regulation applies to a licensed electricity supplier in a scheme year (the "current year") if the supplier—

(a) is not a scheme electricity supplier in relation to the current year; but

(b) was—

(i) where the current year is scheme year 16, an SY15 supplier; or

(ii) in any other case, a scheme electricity supplier in relation to the scheme year preceding the current year.

(2) A licensed electricity supplier to whom this regulation applies must—

(a) place a statement on its website that it is not participating in the Scheme in the current year; and

(b) notify its former core group customers in writing that it is not participating in the Scheme in the current year.

(3) The statement under paragraph (2)(a) must—

(a) be placed in a prominent and publicly accessible location on the licensed electricity supplier's website on or before the relevant date; and

(b) remain in a prominent and publicly accessible location on that website for the remainder of the current year.

(4) The notification under paragraph (2)(b) must, so far as reasonably practicable, be given on or before the relevant date.

(5) In this regulation—

"former core group customer", in relation to a supplier, means a person who—

(a) is a Scotland domestic customer of the supplier; and

(b) was—

(i) where the current year is scheme year 16, an SY15 customer of the supplier; or

(ii) otherwise, a core group customer in the scheme year preceding the current year;

"relevant date" means the date falling one month after the date on which the current year starts;

"SY15 customer", in relation to an SY15 supplier, means a person who was a core group customer (within the meaning given in regulation 9(2) of the 2022 Regulations) of that supplier in scheme year 15;

"SY15 supplier" means a person who was a scheme electricity supplier (within the meaning given in regulation 3(1) of the 2022 Regulations) in relation to scheme year 15.

PART 3

The Core Spending Obligation

Aggregate core spending estimate

8.—(1) The Secretary of State must estimate, and notify the Authority of, the aggregate amount of prescribed rebates (if any) to be provided by scheme electricity suppliers under this Part (the "aggregate core spending estimate")—

(a) in scheme year 16, on or before the 5th working day after the commencement day;

(b) in any other scheme year, on or before 10th February preceding the start of the scheme year.

(2) The Secretary of State must update the aggregate core spending estimate for each scheme year and notify the Authority of the updated estimate on or before 10th August in the scheme year.

Determination of scheme customers by the Secretary of State

9.—(1) The Secretary of State may in any scheme year give a notice (a "standard rebate notice") to a scheme electricity supplier specifying persons to whom the supplier must provide the prescribed rebate in accordance with regulation 10.

(2) The Secretary of State may not specify a person ("P") in a standard rebate notice unless it appears to the Secretary of State that—

(a) P is a Scotland domestic customer of the supplier;

(b) the premises at which P is supplied, or is treated as supplied, with electricity (the "qualifying premises") are occupied by P as their sole or main residence; and

(c) P or, where both P and P's partner occupy the qualifying premises as their sole or main residence, P or P's partner is within the core group, determined in accordance with Schedule 1.

(3) The Secretary of State may give a scheme electricity supplier more than one standard rebate notice in a scheme year.

(4) In scheme year 20, a standard rebate notice may not be given after 1st March 2031.

(5) A standard rebate notice containing personal information (within the meaning of section 40(5) of the Digital Economy Act 2017(**a**)) may be given only if—

(a) the personal information is given with the consent of the person to whom it relates;

(b) regulations are in force under section 142 of the Pensions Act 2008(**b**) and those regulations authorise the Secretary of State to provide the supplier with the personal information contained in the notice; or

(c) the Secretary of State is authorised by section 36 of the Digital Economy Act 2017(**c**) to provide the electricity supplier with the personal information contained in the notice.

Provision of rebate to core group customers

10.—(1) A scheme electricity supplier who is given a standard rebate notice must provide the prescribed rebate to each core group customer.

(2) In these Regulations, "core group customer", in relation to a scheme electricity supplier, means a person specified in a standard rebate notice who—

(a) is a Scotland domestic customer of the supplier; or

(b) was a Scotland domestic customer of the supplier, if, during the scheme year in which the notice is given, the supplier has informed the Secretary of State that the person is a Scotland domestic customer of the supplier.

(3) The scheme electricity supplier must provide the prescribed rebate to a core group customer by—

(a) crediting to the customer's electricity account an amount as a result of which the amount (including Value Added Tax) charged to the customer is reduced by the amount of the prescribed rebate;

(b) following a request by the customer, crediting to the customer's gas account an amount as a result of which the amount (including Value Added Tax) charged to the customer is reduced by the amount of the prescribed rebate;

(c) tendering payment of the amount of the prescribed rebate to the customer;

(d) providing a customer who pre-pays for electricity with credit to the amount of the prescribed rebate against the cost (including Value Added Tax) of future electricity use; or

---

(**a**) 2017 c. 30.
(**b**) 2008 c. 30.
(**c**) Section 36 was amended by S.I. 2018/912.

(e) following a request by a customer who pre-pays for gas, providing the customer with credit to the amount of the prescribed rebate against the cost (including Value Added Tax) of future gas use.

(4) The date on which the prescribed rebate is provided to a core group customer is the date on which the scheme electricity supplier complies with paragraph (3).

(5) If the standard rebate notice is given to the scheme electricity supplier on or before 1st March in a scheme year, the supplier must provide the prescribed rebate to the core group customers specified in the notice on or before 31st March in the scheme year.

(6) If the standard rebate notice is given to the scheme electricity supplier after 1st March in a scheme year—

(a) the supplier must provide the prescribed rebate to the core group customers specified in the notice before the end of the period of 30 days beginning with the day on which it receives the notice; and

(b) the prescribed rebate is to be treated as being provided in the scheme year in which the notice is given.

(7) A scheme electricity supplier who provides the prescribed rebate to a core group customer in accordance with this regulation must—

(a) specify on the customer's bill; or

(b) otherwise notify the customer in writing,

that the customer has been given a rebate under the Scheme.

(8) This regulation is subject to regulation 12.

Late rebate notices

11.—(1) This regulation applies if, during a scheme year (the "relevant scheme year"), the Secretary of State is satisfied that—

(a) a person ("P") was eligible for a core group rebate in the preceding scheme year; but

(b) P did not receive the core group rebate for the preceding scheme year because of an administrative error by a scheme electricity supplier, the Secretary of State or the Authority.

(2) The Secretary of State must, on or before the specified date and subject to paragraph (3), give a notice (a "late rebate notice") to the relevant scheme electricity supplier specifying P as a person to whom the supplier must provide the prescribed rebate in accordance with paragraph (4).

(3) A late rebate notice containing personal information (within the meaning of section 40(5) of the Digital Economy Act 2017) may be given only if—

(a) the personal information is given with the consent of the person to whom it relates; or

(b) the Secretary of State is authorised by section 36 of the Digital Economy Act 2017 to provide the electricity supplier with the personal information contained in the notice.

(4) A scheme electricity supplier who is given a late rebate notice specifying P must, if it is the relevant scheme electricity supplier in respect of P, provide the prescribed rebate to P using a method specified in regulation 10(3)(a) to (e) before the end of the period of 30 days beginning with the day on which it receives the late rebate notice.

(5) The date on which the prescribed rebate is provided to P is the date on which the relevant scheme electricity supplier complies with paragraph (4).

(6) If the prescribed rebate is provided after the end of the relevant scheme year, it is to be treated as being provided in the relevant scheme year.

(7) The scheme electricity supplier who provides the prescribed rebate to P in accordance with this regulation must—

(a) specify on P's bill; or

(b) otherwise notify P in writing,

that P has been given a rebate under the Scheme.

(8) In this regulation—

(a) "core group rebate" means a prescribed rebate under regulation 9 or, if the preceding scheme year is scheme year 15, regulation 8 of the 2022 Regulations;

(b) references to the "preceding scheme year" include, in relation to scheme year 16, a reference to scheme year 15;

(c) a scheme electricity supplier is the "relevant scheme electricity supplier" in respect of P for the relevant scheme year if during the preceding scheme year, the supplier informed the Secretary of State that P was a Scotland domestic customer of the supplier in that scheme year;

(d) the "specified date" is—

(i) where paragraph (1) applies on or before the last day of February in the relevant scheme year, 31st March in that year;

(ii) otherwise, 30th April following the end of the relevant scheme year.

(9) Paragraph (4) is subject to regulation 12.

Exceptions

12.—(1) This regulation applies if the Secretary of State is satisfied that—

(a) it would not be reasonably practicable for a scheme electricity supplier to provide the prescribed rebate to a core group customer or a late rebate customer; or

(b) a scheme electricity supplier provided a broader group rebate to a late rebate customer in the preceding scheme year, that is to say—

(i) the scheme year preceding the scheme year during which regulation 11(1) applied in respect of the customer; or

(ii) if regulation 11(1) applied in respect of the customer during scheme year 16, scheme year 15.

(2) The Secretary of State may determine that regulation 10(1) or, as the case may be, 11(4) does not apply in respect of the core group customer or late rebate customer.

(3) For the purposes of this regulation—

(a) a person ("P") is a "late rebate customer" in relation to a scheme electricity supplier if—

(i) P is specified in a late rebate notice; and

(ii) the supplier is the relevant scheme electricity supplier in respect of P within the meaning of regulation 11(8)(c);

(b) "broader group rebate" means a prescribed rebate under Chapter 3 of Part 4 or, if the preceding scheme year is scheme year 15, Chapter 3 of Part 4 of the 2022 Regulations.

Provision of information by suppliers for rebate notices

13.—(1) The Secretary of State may direct scheme electricity suppliers to provide information to the Secretary of State, or a person providing services to the Secretary of State, about their Scotland domestic customers for the purpose of facilitating the exercise of the functions in regulation 9(1) or 11(2).

(2) A direction under paragraph (1)—

(a) must, if given for the purpose of facilitating the exercise of the power in regulation 9(1), be given to all scheme electricity suppliers to whom information may be disclosed under section 36(1) of the Digital Economy Act 2017; and

(b) may be given only if—

(i) regulations are in force under section 142 of the Pensions Act 2008 and those regulations authorise the scheme electricity supplier to disclose to the Secretary of State the information specified in the direction; or

(ii) the scheme electricity supplier is authorised by section 37 of the Digital Economy Act 2017 to disclose to the Secretary of State the information specified in the direction.

(3) A direction under paragraph (1)—

(a) must specify the information to be provided;

(b) must specify the date on or before which the information is to be provided;

(c) may specify the form in which the information is to be provided.

(4) A scheme electricity supplier must comply with a direction under paragraph (1).

Provision of information by suppliers about rebates, etc.

14.—(1) A scheme electricity supplier must notify the Secretary of State if a standard rebate notice given to the supplier specifies a person—

(a) who is not a core group customer; or

(b) whom the supplier is unable to identify as a core group customer.

(2) A scheme electricity supplier must notify the Secretary of State if a late rebate notice given to the supplier specifies a person—

(a) who is not a late rebate customer; or

(b) whom the supplier is unable to identify as a late rebate customer.

(3) A scheme electricity supplier must give the notice under paragraph (1) or (2) before the end of the period of 30 days beginning with the day on which it receives the standard rebate notice or late rebate notice.

(4) If, in relation to a scheme year, a scheme electricity supplier does not provide the prescribed rebate to any core group customer or late rebate customer, the supplier must, before the end of the specified period, notify the Authority of—

(a) the number of core group customers and late rebate customers to whom the supplier has not provided the rebate;

(b) the reasons why the supplier has not provided the rebate to those customers; and

(c) any steps taken by the supplier to attempt to provide the rebate to those customers.

(5) A scheme electricity supplier must, before the end of the specified period, notify the Authority of the number of prescribed rebates provided, or treated as being provided, by the supplier under this Part in the scheme year which are undelivered as at the date of the notification.

(6) For the purposes of this regulation—

(a) the "specified period", in relation to a scheme year, means the period of five months beginning with 1st April immediately following the end of the scheme year;

(b) a prescribed rebate is "undelivered" if—

(i) the rebate was provided to a customer by tendering payment of the amount of the prescribed rebate to the customer, and the customer has not accepted the payment; or

(ii) the rebate was provided to a customer who pre-pays for electricity or gas with credit to the amount of the prescribed rebate against the cost of future electricity or gas use, and the customer has not accepted that credit;

(c) "late rebate customer" has the meaning given in regulation 12(3)(a).

Provision of information by suppliers about automated decision making

15.—(1) The Secretary of State may direct scheme electricity suppliers to provide the information set out in paragraph (2) to each of their customers (if any) who—

(a) is a core group customer;

(b) is specified in a standard rebate notice that is given to a supplier within a particular period of time; and

(c) is identified in the standard rebate notice as having been specified in that notice based on the automated processing of data,

before providing the prescribed rebate to the customer.

(2) The information is—

(a) the fact that the customer is eligible for a rebate under the Scheme;

(b) the fact that the customer's eligibility has been assessed using automated processing of data; and

(c) details of where to find the Secretary of State's privacy notice for the Scheme.

(3) A direction under paragraph (1) must—

(a) be in writing;

(b) specify the period of time mentioned in paragraph (1)(b);

(c) specify the date on or before which the information set out in paragraph (2) is to be provided;

(d) specify the form in which the information is to be provided.

(4) The Secretary of State—

(a) may issue more than one direction under paragraph (1) in a scheme year; and

(b) must notify the Authority of any direction issued under paragraph (1).

(5) A scheme electricity supplier must comply with a direction under paragraph (1).

Provision of information by the Secretary of State

16.—(1) The Secretary of State must, in respect of each scheme electricity supplier, notify the Authority as soon as reasonably practicable after the end of each scheme year of—

(a) the number of persons specified in standard rebate notices given to the supplier during the scheme year; and

(b) the number of those persons in respect of whom the supplier has notified the Secretary of State under regulation 14(1).

(2) The Secretary of State must also, in respect of each scheme electricity supplier, notify the Authority as soon as reasonably practicable after 30th April following the end of each scheme year of—

(a) the number of persons—

(i) who were specified in late rebate notices given to the supplier during the period beginning with the start of the scheme year and ending with 30th April following the end of the scheme year; and

(ii) in respect of whom regulation 11(1) applied during the scheme year; and

(b) the number of those persons in respect of whom the supplier has notified the Secretary of State under regulation 14(2).

Interpretation of Part 3: references to the Secretary of State

17.—(1) In this Part, other than in the provisions specified in paragraph (2), references to the Secretary of State include a person providing services to the Secretary of State.

(2) The provisions are—

(a) regulation 8;

(b) the text before sub-paragraph (a) in regulation 11(1);

(c) regulation 12;

(d) regulation 13(1);

(e) regulation 15.

PART 4

Non-Core Spending

CHAPTER 1

Determination, etc. of non-core spending obligation

Determination and notification of aggregate non-core spending obligation

18.—(1) The Secretary of State must determine, and notify the Authority of, the aggregate non-core spending obligation—

(a) for scheme year 16, on or before the 5th working day after the commencement day;

(b) for any other scheme year, on or before 10th February preceding the start of the scheme year.

(2) Schedule 2 provides for the determination of the aggregate non-core spending obligation.

Duty to calculate and adjust, and notify, compulsory scheme electricity suppliers' non-core spending obligations

19.—(1) The Authority must—

(a) calculate, in accordance with regulation 20, the non-core spending obligation for each compulsory scheme electricity supplier for each scheme year; and

(b) adjust each supplier's non-core spending obligation for a scheme year in accordance with—

(i) for scheme year 16, regulation 21;

(ii) for any other scheme year, regulation 22.

(2) The Authority must notify each compulsory scheme electricity supplier—

(a) of its non-core spending obligation for each scheme year;

(b) whether any adjustment is made to its obligation for a scheme year in accordance with regulation 21 or 22;

(c) if such an adjustment is made, of the adjusted amount of its non-core spending obligation for that scheme year.

(3) The notification under paragraph (2)(a) must be given—

(a) for scheme year 16, on or before the 28th working day after the commencement day;

(b) for any other scheme year, on or before 14th March preceding the start of the scheme year.

(4) The notification under paragraph (2)(b) and, as the case may be, (c) must be given on or before 31st October in the scheme year to which it relates.

Calculation of non-core spending obligation

20.—(1) The non-core spending obligation of a compulsory scheme electricity supplier ("C") for a scheme year, subject to any adjustments under regulation 21 or 22, is—

(a) where the Secretary of State adjusts the initial overall spending target for the scheme year in accordance with paragraph 3(3) or (4) of Schedule 2—

(i) A, if C is not a relevant supplier;

(ii) A + B, if C is a relevant supplier and the initial overall spending target is increased in accordance with paragraph 3(3) of Schedule 2;

(iii) A - B, if C is a relevant supplier and the initial overall spending target is reduced in accordance with paragraph 3(4) of Schedule 2;

(b) otherwise, C's obligation percentage of the aggregate non-core spending obligation for the scheme year.

(2) For the purposes of paragraph (1)(a)—

(a) "A" is C's obligation percentage for the scheme year of the amount which would have been the aggregate non-core spending obligation if the adjustment under paragraph 3(3) or, as the case may be, (4) of Schedule 2 had not been made;

(b) "B" is—

(i) for scheme year 16, C's obligation percentage (as determined under regulation 16(3) of the 2022 Regulations) for scheme year 15 of the amount by which the initial overall spending target for scheme year 16 is adjusted in accordance with paragraph 3(3) or (4) of Schedule 2;

(ii) for any other scheme year, C's obligation percentage for the preceding scheme year of the amount by which the initial overall spending target for the scheme year is adjusted in accordance with paragraph 3(3) or (4) of Schedule 2.

(3) For the purposes of these Regulations, the "obligation percentage" in relation to C and a scheme year is—

$$\left(\frac{X}{Y}\right) \times 100\%$$

where—

(a) "X" is the relevant number of GB domestic customers; and

(b) "Y" is the total number of GB domestic customers of—

(i) all compulsory scheme electricity suppliers; and

(ii) all scheme gas suppliers.

(4) For the purposes of paragraph (3)(a), the relevant number of GB domestic customers is—

(a) if C is connected to one or more scheme gas suppliers but is not connected to any other compulsory scheme electricity suppliers, the combined number of GB domestic customers of C and its connected scheme gas suppliers;

(b) if C is connected to one or more scheme gas suppliers and to one or more other compulsory scheme electricity suppliers, a number equal to C% of (CE + CG) where—

(i) "C%" is C's number of GB domestic customers as a percentage of CE;

(ii) "CE" is the combined number of—

(aa) C's number of GB domestic customers; and

(bb) the number of GB domestic customers of C's connected compulsory scheme electricity suppliers;

(iii) "CG" is the number of GB domestic customers of C's connected scheme gas suppliers;

(c) otherwise, C's number of GB domestic customers.

(5) For the purposes of paragraphs (3) and (4)—

(a) a reference to a supplier's number of GB domestic customers is a reference to the supplier's number of GB domestic customers on 31st December preceding the start of the scheme year;

(b) a supplier is to be treated as connected to another supplier only if they were connected on that date.

(6) In this regulation, "relevant supplier" means—

(a) in relation to scheme year 16, a compulsory scheme electricity supplier (within the meaning given in regulation 6(2) of the 2022 Regulations) in relation to scheme year 15;

(b) in relation to any other scheme year, a compulsory scheme electricity supplier in relation to the preceding scheme year.

Adjustment of non-core spending obligation: scheme year 16

21.—(1) The adjustments that must be made to the non-core spending obligation for scheme year 16 ("O") of a compulsory scheme electricity supplier ("C") are as follows.

(2) O must be adjusted in accordance with paragraph (3) or (4) if I is less than or exceeds S where—

(a) "I" is the amount of spending incurred by C under Part 4 of the 2022 Regulations in scheme year 15 (as determined by the Authority in accordance with regulation 30 of those Regulations);

(b) "S" is C's non-core spending obligation under Part 4 of the 2022 Regulations for scheme year 15 as adjusted, where required, in accordance with regulation 18 of those Regulations.

(3) If I is less than S, O must be adjusted by adding (S - I).

(4) If I exceeds S, O must be adjusted by subtracting the lesser of—

(a) (I - S); and

(b) the relevant amount.

(5) For the purposes of paragraph (4), the "relevant amount" is—

(a) 5% of S; or

(b) where C notified the Authority of its intention to meet all or part of a failed supplier's non-core spending obligation for scheme year 15 in accordance with regulation 32 of the 2022 Regulations, 10% of S.

(6) Whether or not an adjustment is made under paragraph (2), O must be adjusted by adding an amount equal to the undelivered rebate amount.

(7) For the purposes of paragraph (6), the "undelivered rebate amount" is £150 multiplied by—

(a) where C has made a notification under regulation 11(8) of the 2022 Regulations in respect of scheme year 15, the number of prescribed rebates as stated in that notification;

(b) where C has made a notification under regulation 23(5) of those Regulations in respect of scheme year 15, the number of prescribed rebates as stated in that notification;

(c) where C has made notifications mentioned in both sub-paragraphs (a) and (b), the sum of the number of prescribed rebates as stated in those notifications.

Adjustment of non-core spending obligation: scheme years 17 to 20

22.—(1) The adjustments that must be made to the non-core spending obligation for a scheme year (other than scheme year 16) ("O") of a compulsory scheme electricity supplier ("C") are as follows.

(2) O must be adjusted in accordance with paragraph (3) or (4) if I is less than or exceeds S where—

(a) "I" is the amount of spending incurred by C under this Part (as determined by the Authority in accordance with regulation 34) in the preceding scheme year;

(b) "S" is C's non-core spending obligation for the preceding scheme year as adjusted for that scheme year, where required, in accordance with regulation 21 or this regulation.

(3) If I is less than S, O must be adjusted by adding (S - I).

(4) If I exceeds S, O must be adjusted by subtracting the lesser of—

(a) (I - S); and

(b) the relevant amount.

(5) For the purposes of paragraph (4), the "relevant amount" is—

(a) 5% of S; or

(b) where C notified the Authority of its intention to meet all or part of a failed supplier's non-core spending obligation for the preceding scheme year in accordance with regulation 36, 10% of S.

(6) Whether or not an adjustment is made under paragraph (2), O must be adjusted by adding an amount equal to the undelivered rebate amount.

(7) For the purposes of paragraph (6), the "undelivered rebate amount" is £150 multiplied by—

(a) where C has made a notification under regulation 14(5) in respect of the preceding scheme year, the number of prescribed rebates as stated in that notification;

(b) where C has made a notification under regulation 27(5) in respect of the preceding scheme year, the number of prescribed rebates as stated in that notification;

(c) where C has made notifications mentioned in both sub-paragraphs (a) and (b), the sum of the number of prescribed rebates as stated in those notifications.

CHAPTER 2

Obligation to incur spending, etc.

Obligation to incur spending and amounts of spending

23.—(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 provide prescribed rebates under Chapter 3 (broader group) to at least the number of Scotland domestic customers (if any) specified by its broader group rebate target;

(b) may include spending under Chapter 4 (industry initiatives), subject to the limits in paragraphs (3) and (4); and

(c) may include spending under Chapter 5 (specified activities).

(3) The amount of spending on debt write-off under regulation 28 which a supplier counts towards its non-core spending obligation—

(a) must not exceed the supplier's obligation percentage of £300,000 in respect of customers who are supplied with neither electricity nor gas through a pre-payment meter;

(b) must not, in total, exceed the supplier's obligation percentage of £600,000.

(4) The amount of spending on the installation of boilers or central heating systems under regulation 28 which a supplier counts towards its non-core spending obligation must not, in total, exceed the supplier's obligation percentage of £800,000.

(5) This regulation is subject to regulations 30 and 31.

The broader group rebate target

24.—(1) The "broader group rebate target" for a compulsory scheme electricity supplier in a scheme year is the number of Scotland domestic customers that is equal to—

(a) where the aggregate non-core spending obligation for the scheme year exceeds £7 million, the lesser of—

(i) the relevant amount divided by 150 and rounded up to the nearest whole number; and

(ii) the most recent of any number determined by the Authority under paragraph (5)(b) for the supplier in the scheme year in question;

(b) where the aggregate non-core spending obligation does not exceed £7 million, zero.

(2) For the purposes of paragraph (1)(a), the "relevant amount", in relation to a supplier, is the supplier's obligation percentage of the amount calculated by subtracting £7 million from the aggregate non-core spending obligation.

(3) If a compulsory scheme electricity supplier considers that it will not provide prescribed rebates under Chapter 3 in a scheme year to at least the number of Scotland domestic customers specified by its broader group rebate target in that year, the supplier must notify the Authority on or before the specified date.

(4) In paragraph (3), the "specified date" is—

(a) in relation to scheme year 16, 30th November 2026;

(b) in relation to any other scheme year, 15th November in the scheme year.

(5) Following receipt of a notification under paragraph (3), the Authority must—

(a) determine whether or not it is reasonably practicable for the supplier to provide rebates under Chapter 3 in the scheme year to at least the number of Scotland domestic customers specified by its broader group rebate target; and

(b) where the Authority determines that it is not reasonably practicable for the supplier to provide rebates to at least that number of Scotland domestic customers, determine a smaller number of Scotland domestic customers (which may be zero) to whom the supplier must provide a prescribed rebate under Chapter 3 in the scheme year.

CHAPTER 3

Broader group

Broader group customers

25.—(1) A compulsory scheme electricity supplier must in respect of a scheme year provide the prescribed rebate to Scotland domestic customers selected by the supplier ("broader group customers") who appear to the supplier to meet eligibility criteria determined by the supplier and approved by the Authority in accordance with this Chapter.

(2) Paragraph (1) does not require a supplier—

(a) to provide the prescribed rebate to every Scotland domestic customer meeting its eligibility criteria; or

(b) to provide prescribed rebates to Scotland domestic customers in excess of its broader group rebate target for the scheme year.

(3) A compulsory scheme electricity supplier may not treat a prescribed rebate as being provided under this Chapter if it is provided to a core group customer.

Eligibility criteria and verification measures

26.—(1) A compulsory scheme electricity supplier must notify the Authority of—

(a) the eligibility criteria which the supplier proposes to apply in selecting broader group customers; and

(b) the measures ("verification measures") which it proposes to take before providing the prescribed rebate to a broader group customer for the purpose of verifying so far as reasonably practicable that the customer meets the supplier's eligibility criteria.

(2) A supplier may make—

(a) a notification for the purposes of one or more scheme years;

(b) more than one notification in respect of a scheme year.

(3) The Authority must approve a supplier's notification of eligibility criteria if, but only if, it is satisfied that—

(a) the eligibility criteria include descriptions of persons in receipt of every type of benefit specified in Part 1 of Schedule 3 but are such as to ensure that persons in receipt of those benefits who are core group customers are excluded;

(b) any description of persons included in the eligibility criteria in addition to those included by virtue of sub-paragraph (a) will wholly or mainly be persons in fuel poverty or in a fuel poverty risk group; and

(c) the eligibility criteria are such as to ensure that customers meeting the criteria will wholly or mainly be persons who are not former core group customers of the supplier.

(4) In paragraph (3)(c), "former core group customer" has the meaning given in regulation 7(5).

(5) The Authority must approve a supplier's notification of verification measures if, but only if, it is satisfied that—

(a) the verification measures include all the measures specified in Part 2 of Schedule 3; or

(b) the verification measures will be at least as effective as those specified in Part 2 of Schedule 3 for the purpose of verifying so far as reasonably practicable that customers provided with the prescribed rebate under this Chapter meet the supplier's eligibility criteria.

Provision of rebate to broader group customers

27.—(1) Where a compulsory scheme electricity supplier provides the prescribed rebate to a Scotland domestic customer, the rebate is to be treated as being provided under this Chapter only if—

(a) the supplier has notified eligibility criteria and verification measures to the Authority;

(b) the rebate is provided after the Authority has approved the eligibility criteria and verification measures;

(c) the supplier applies its verification measures; and

(d) it appears to the supplier that the customer meets its eligibility criteria.

(2) A compulsory scheme electricity supplier must provide the prescribed rebate to a broader group customer by—

(a) crediting to the customer's electricity account an amount as a result of which the amount (including Value Added Tax) charged to the customer is reduced by the amount of the prescribed rebate;

(b) following a request by the customer, crediting to the customer's gas account an amount as a result of which the amount (including Value Added Tax) charged to the customer is reduced by the amount of the prescribed rebate;

(c) tendering payment of the amount of the prescribed rebate to the customer;

(d) providing a customer who pre-pays for electricity with credit to the amount of the prescribed rebate against the cost (including Value Added Tax) of future electricity use; or

(e) following a request by a customer who pre-pays for gas, providing the customer with credit to the amount of the prescribed rebate against the cost (including Value Added Tax) of future gas use.

(3) The date on which the prescribed rebate is provided to a broader group customer is the date on which the compulsory scheme electricity supplier complies with paragraph (2).

(4) A compulsory scheme electricity supplier who provides the prescribed rebate to a broader group customer must—

(a) specify on the customer's bill; or

(b) otherwise notify the customer in writing,

that the customer has been given a rebate under the Scheme.

(5) A compulsory scheme electricity supplier must, before the end of the specified period, notify the Authority of the number of prescribed rebates provided by the supplier under this Chapter in the scheme year which are undelivered as at the date of the notification.

(6) For the purposes of this regulation—

(a) the "specified period", in relation to a scheme year, means the period of five months beginning with 1st April immediately following the end of the scheme year;

(b) a prescribed rebate is "undelivered" if—

(i) the rebate was provided to a customer by tendering payment of the amount of the prescribed rebate to the customer, and the customer has not accepted the payment; or

(ii) the rebate was provided to a customer who pre-pays for electricity or gas with credit to the amount of the prescribed rebate against the cost of future electricity or gas use, and the customer has not accepted that credit.

CHAPTER 4

Industry initiatives

Spending on industry initiatives by a compulsory scheme electricity supplier

28.—(1) A compulsory scheme electricity supplier may in respect of a scheme year count towards its non-core spending obligation spending (excluding Value Added Tax) incurred in that scheme year on an activity of a kind listed in the table in Part 1 of Schedule 4 (an "industry initiative") by—

(a) the supplier; or

(b) a connected scheme gas supplier, to the extent permitted by regulation 30.

(2) But spending on an industry initiative does not count towards a supplier's non-core spending obligation if the spending—

(a) is incurred pursuant to a requirement in—

(i) any other enactment; or

(ii) an electricity supply or gas supply licence;

(b) is counted by a scheme supplier towards a spending obligation or target imposed by—

(i) any other enactment; or

(ii) an electricity supply or gas supply licence; or

(c) falls within any exception in the table in Part 1 of Schedule 4.

(3) In addition, spending on an industry initiative does not count towards a supplier's non-core spending obligation unless—

(a) the industry initiative has been notified to the Authority; and

(b) either—

(i) the spending takes place after the Authority approves the initiative; or

(ii) in relation to scheme year 16, the spending takes place before the Authority decides whether to approve the initiative, but the Authority subsequently approves it.

Approval of industry initiatives

29.—(1) A compulsory scheme electricity supplier must notify the Authority of the industry initiatives which it, or any connected scheme gas supplier, proposes to carry out.

(2) A supplier may—

(a) make a notification for the purposes of one or more scheme years;

(b) make more than one notification in respect of a scheme year.

(3) The Authority must approve a supplier's notification if, but only if, it is satisfied that the supplier's proposed industry initiatives—

(a) meet the criteria specified in the relevant entry in the first column of the table in Part 1 of Schedule 4, and do not fall within the exceptions in the corresponding entry in the second column of the table;

(b) ensure, so far as reasonably practicable, that every Scotland domestic customer provided with benefits under the industry initiatives will be provided with energy advice and smart meter advice;

(c) include adequate measures to ensure, so far as reasonably practicable, that benefits provided under the industry initiatives will be provided wholly or mainly to persons in fuel poverty or in a fuel poverty risk group; and

(d) will provide value for money.

Spending on industry initiatives which may be treated as incurred by a compulsory scheme electricity supplier

30.—(1) This regulation applies where a compulsory scheme electricity supplier ("C") is connected to one or more scheme gas suppliers on the qualifying date (referred to in this regulation as a "connected scheme gas supplier").

(2) For the purposes of this regulation, the qualifying date is 31st December preceding the start of the scheme year.

(3) If C is not connected to any other compulsory scheme electricity supplier on the qualifying date, C may treat any amount of spending incurred under regulation 28 by a connected scheme gas supplier in the relevant scheme year as an amount of spending incurred by C in that scheme year.

(4) If C is connected to one or more compulsory scheme electricity suppliers on the qualifying date (referred to in this regulation as a "connected compulsory scheme electricity supplier"), C may treat the specified percentage of any amount of spending incurred under regulation 28 by a connected scheme gas supplier in the relevant scheme year as an amount of spending incurred by C in that scheme year.

(5) For the purposes of paragraph (4), the "specified percentage" is C's number of GB domestic customers on the qualifying date as a percentage of the combined number of GB domestic customers of—

(a) C; and

(b) C's connected compulsory scheme electricity suppliers,

on that date.

Spending incurred by a compulsory scheme electricity supplier before the commencement day

31. In scheme year 16, a compulsory scheme electricity supplier may treat as an amount of spending incurred under regulation 28 any spending which—

(a) was incurred in the period beginning with 1st April 2026 and ending with the day before the commencement day; and

(b) would have counted towards its non-core spending obligation by virtue of regulations 23 and 28 to 30, if these Regulations had come into force on 1st April 2026.

CHAPTER 5

Specified activities

Types of spending: activities specified by the Scottish Ministers

32.—(1) A compulsory scheme electricity supplier may, in respect of any scheme year, count towards its non-core spending obligation financial contributions (excluding Value Added Tax) made by the supplier in the scheme year to fund a specified activity.

(2) A "specified activity" is an activity specified in a notice published by the Scottish Ministers.

(3) The Scottish Ministers may specify an activity in a notice only if the Scottish Ministers are satisfied that—

(a) the funding of the activity is open to contributions from any compulsory scheme electricity supplier;

(b) the activity is of a kind listed in the first column of the table in Part 1 of Schedule 4, and does not fall within an exception in the second column of the table;

(c) the activity includes adequate measures to ensure, so far as reasonably practicable, that—

(i) every Scotland domestic customer provided with benefits under the activity will be provided with energy advice and smart meter advice; and

(ii) benefits provided under the activity will be provided wholly or mainly to persons in fuel poverty or in a fuel poverty risk group; and

(d) the activity will provide value for money.

(4) But financial contributions made to fund a specified activity do not count towards a supplier's non-core spending obligation if they are—

(a) made pursuant to a requirement in—

(i) any other enactment; or

(ii) an electricity supply or gas supply licence; or

(b) counted by a scheme supplier towards a spending obligation or target imposed by—

(i) any other enactment; or

(ii) an electricity supply or gas supply licence.

(5) In addition, financial contributions to fund a specified activity may count towards a supplier's non-core spending obligation only if they are made after the Scottish Ministers have published the notice specifying the activity.

PART 5

Authority functions

Approvals by the Authority: procedure

33.—(1) This regulation applies to notifications to the Authority under regulation 6(5), 24(3), 26(1) or 29(1).

(2) A notification must be in such form, and contain such information, as the Authority may require.

(3) The Authority must, before the end of the specified period—

(a) notify the supplier of its decision in relation to the notification; or

(b) if the Authority requires further information from the supplier before making its decision, request that information from the supplier.

(4) For the purposes of paragraph (3), the "specified period" is—

(a) 12 weeks after the commencement day, if the notification is received by the Authority before the end of the period of eight weeks beginning with the commencement day;

(b) otherwise, 20 working days after receipt of the notification.

(5) When a supplier replies to a request for further information, the Authority must before the end of the period of 20 working days beginning with the day on which the Authority receives the reply—

(a) notify the supplier of its decision; or

(b) if the Authority still requires further information from the supplier before approving the notification, request that information from the supplier.

(6) If the Authority does not approve a supplier's notification, or part of a notification, under regulation 6(5), 26(1) or 29(1) or, in the case of a notification under regulation 24(3), determines that it is reasonably practicable for the supplier to provide prescribed rebates to at least the number of Scotland domestic customers specified by its broader group rebate target, the Authority must give reasons for its decision.

Determination of amounts spent by scheme suppliers

34. The Authority must in respect of each scheme year, as soon as reasonably practicable after the end of the scheme year, determine—

(a) the total amount of rebates provided in the scheme year, or treated as being provided in the scheme year, by each scheme electricity supplier under Part 3;

(b) the total amount of rebates provided in the scheme year by each compulsory scheme electricity supplier under Chapter 3 of Part 4;

(c) the total amount of spending on industry initiatives under Chapter 4 of Part 4 incurred, or treated as incurred, by each compulsory scheme electricity supplier which that supplier may count towards its non-core spending obligation for the scheme year;

(d) the total amount of spending on specified activities under Chapter 5 of Part 4 incurred by each compulsory scheme electricity supplier which that supplier may count towards its non-core spending obligation for the scheme year.

Provision of information to the Authority

35.—(1) The Authority may request that a scheme supplier provide it with such information or evidence as the Authority requires for the purposes of carrying out its functions in relation to the Scheme.

(2) A request under paragraph (1)—

(a) must specify the date on or before which the information or evidence is to be provided; and

(b) may specify the form in which the information or evidence is to be provided.

(3) A scheme supplier must comply with a request under paragraph (1).

Provision of information by the Authority

36.—(1) The Authority must notify the Secretary of State if—

(a) the Authority is notified by a supplier of last resort of that supplier's intention to meet all or part of a failed supplier's non-core spending obligation for a scheme year; and

(b) that notification is made on or before 15th February in that scheme year.

(2) A notification under paragraph (1) must be given by the Authority as soon as reasonably practicable after it is notified by the supplier of last resort.

(3) For the purposes of this regulation—

(a) a "supplier of last resort" is a compulsory scheme electricity supplier who is given a direction (a "last resort supply direction") by the Authority to take over responsibility for the supply of electricity to another person's GB domestic customers;

(b) a "failed supplier" is a person in respect of whose GB domestic customers the Authority gives a last resort supply direction.

PART 6

Review

Reviews of the Scheme

37.—(1) The Secretary of State must conduct a review of the Scheme, or any aspect of the Scheme, if the Secretary of State is satisfied that a review would be desirable—

(a) in order to achieve greater reductions in fuel poverty;

(b) because there has been a significant change in circumstances since the commencement day; or

(c) because the Scottish Ministers have consulted, or are consulting, the Secretary of State in accordance with section 14A(5)(a) of the Energy Act 2010(**a**).

(2) The Secretary of State must conduct a review of regulation 6 if the Secretary of State is satisfied that a review would be desirable in order to—

(a) promote effective competition between licensed suppliers; or

(b) protect the interests of GB domestic customers.

(3) The Secretary of State must conduct a review of any aspect of the Scheme if the Secretary of State is satisfied that a review would be desirable—

(a) to protect the interests of GB domestic customers who are in fuel poverty or in a fuel poverty risk group;

(b) because that aspect of the Scheme is not, or may not be, operating effectively; or

(c) because the effectiveness of that aspect of the Scheme could be improved.

PART 7

Amendment of the Disclosure of State Pension Credit Information (Warm Home Discount) Regulations 2011

Amendment of the Disclosure of State Pension Credit Information (Warm Home Discount) Regulations 2011

38.—(1) The Disclosure of State Pension Credit Information (Warm Home Discount) Regulations 2011(**b**) are amended as follows.

(2) In regulation 2(1)—

(a) in the definition of "information direction" for "regulation 11(1)" substitute "regulation 13(1)";

(b) for the definition of "the WHD (Scotland) Regulations" substitute—

""the WHD (Scotland) Regulations" means the Warm Home Discount (Scotland) Regulations 2026.".

(**a**) Section 14A was inserted by section 58(3) of the Scotland Act 2016 (c. 11).

(**b**) S.I. 2011/1830, amended by paragraph 446 of Schedule 24 to the Sentencing Act 2020 (c. 17) and S.I. 2015/652, 2016/806, 2019/1458, 2022/500, 2022/772, 2022/1073, 2023/149 and 2026/XXX.

(3) In regulation 3—

(a) for paragraph (1)(c) substitute—

"(c) the condition in paragraph (1B) is met.";

(b) omit paragraphs (1A) and (2).

(4) In regulation 5(1)(a)(ii) for "rebate notice within the meaning of regulation 8(1)" substitute "standard rebate notice within the meaning of regulation 9(1)".

Name
Minister
Date Department for Energy Security and Net Zero

We consent

Name
Name
Date Two of the Lords Commissioners of His Majesty's Treasury

SCHEDULE 1

Regulation 9(2)

Core group

Interpretation

1.—(1) In this Schedule—

"income-based jobseeker's allowance" means an income-based jobseeker's allowance under section 1 of the Jobseekers Act 1995(**a**);

"income-related employment and support allowance" means an employment and support allowance under Part 1 of the Welfare Reform Act 2007(**b**), entitlement to which is based on section 1(2)(b) of that Act;

"income support" means income support under Part 7 of the Social Security Contributions and Benefits Act 1992(**c**);

"state pension credit" means state pension credit under the State Pension Credit Act 2002(**d**);

"universal credit" means universal credit under Part 1 of the Welfare Reform Act 2012(**e**).

(2) A person ("P") in receipt of a benefit mentioned in any of paragraphs 3 to 6, or treated as entitled to a benefit mentioned in paragraph 7(3)(a), is not to be treated as "responsible" for a child for the purposes of this Schedule unless P is treated as responsible for the child in accordance with the rules of the benefit in question(**f**).

(3) Where a person ("P") is in receipt of, or treated as entitled to, income support, an income-based jobseeker's allowance or an income-related employment and support allowance, a child is not to be treated as normally living with P for the purposes of this Schedule unless P and the child are members of the same household, determined in accordance with the rules of the benefit in question(**g**).

(**a**) 1995 c. 18. Section 1 was amended by paragraph 2 of Schedule 7 to the Welfare Reform and Pensions Act 1999 (c. 30), paragraph 12 of Schedule 3 to the Welfare Reform Act 2007 (c. 5) and sections 44(2) and 49(2) of, and Schedule 14 to, the Welfare Reform Act 2012.

(**b**) 2007 c. 5.

(**c**) 1992 c. 4. Part 7 is prospectively repealed by Schedule 14 to the Welfare Reform Act 2012.

(**d**) 2002 c. 16.

(**e**) 2012 c. 5.

(**f**) See regulation 4 of S.I. 2013/376 (universal credit); the Universal Credit Regulations 2013; regulation 15 of S.I. 1987/1967 (income support); regulation 77 of S.I. 1996/207 (income-based jobseeker's allowance); and regulation 156(10) of S.I. 2008/794 (income-related employment and support allowance).

(**g**) See regulation 16 of S.I. 1987/1967 (income support); regulation 78 of S.I. 1996/207 (income-based jobseeker's allowance); and regulation 156 of S.I. 2008/794 (income-related employment and support allowance).

Eligibility based on receipt of state pension credit

2. A person in receipt of state pension credit is within the core group.

Eligibility based on receipt of universal credit, etc.

3.—(1) A person in receipt of universal credit is within the core group if Condition A or B is satisfied.

(2) Condition A is that the person's award of universal credit includes an additional amount under section 10(2) of the Welfare Reform Act 2012 (child or qualifying young person who is disabled)(**a**).

(3) Condition B is that—

(a) the person is not—

(i) in employment under a contract of service or in an office (including elective office); or

(ii) in gainful self-employment (as defined in regulation 64 of the Universal Credit Regulations 2013(**b**)); and

(b) either—

(i) the person is responsible for a child under the age of 5 who normally lives with the person; or

(ii) the person has limited capability for work or limited capability for work and work-related activity for the purposes of the Universal Credit Regulations 2013(**c**) (see regulations 39 and 40).

Eligibility based on receipt of income support, etc.

4.—(1) A person in receipt of income support is within the core group if Condition A or B is satisfied.

(2) Condition A is that the person is responsible for a child under the age of 5 who normally lives with the person.

(3) Condition B is that the person's income support includes any of the following premiums specified in Schedule 2 to the Income Support (General) Regulations 1987(**d**)—

(a) pensioner premium;

(b) higher pensioner premium;

(c) disability premium;

(d) severe disability premium;

(e) enhanced disability premium;

(f) disabled child premium.

Eligibility based on receipt of income-based jobseeker's allowance, etc.

5.—(1) A person in receipt of an income-based jobseeker's allowance is within the core group if Condition A or B is satisfied.

(2) Condition A is that the person is responsible for a child under the age of 5 who normally lives with the person.

(**a**) Section 10(2) was amended by section 14(3) of the Welfare Reform and Work Act 2016 (c. 7).
(**b**) S.I. 2013/376.
(**c**) Regulations 39 and 40 were amended by S.I. 2014/597.
(**d**) S.I. 1987/1967.

(3) Condition B is that the person's income-based jobseeker's allowance includes any of the following premiums specified in Schedule 1 to the Jobseeker's Allowance Regulations 1996(**a**)—

(a) pensioner premium;

(b) higher pensioner premium;

(c) disability premium;

(d) severe disability premium;

(e) enhanced disability premium;

(f) disabled child premium.

Eligibility based on receipt of income-related employment and support allowance, etc.

6.—(1) A person in receipt of an income-related employment and support allowance is within the core group if any of Conditions A to D is satisfied.

(2) Condition A is that the person is responsible for a child under the age of 5 who normally lives with the person.

(3) Condition B is that the person's income-related employment and support allowance includes any of the following premiums specified in Schedule 4 to the Employment and Support Allowance Regulations 2008(**b**)—

(a) pensioner premium;

(b) severe disability premium;

(c) enhanced disability premium.

(4) Condition C is that the person has, or is treated as having, limited capability for work under Part 5 of those Regulations other than by virtue of regulation 30 of those Regulations(**c**).

(5) Condition D is that the person has, or is treated as having, limited capability for work-related activity under Part 6 of those Regulations.

Eligibility based on receipt of loan payments under Loans for Mortgage Interest Regulations 2017, etc.

7.—(1) A person to, or in respect of whom, loan payments under the Loans for Mortgage Interest Regulations 2017(**d**) (the "2017 Regulations") are made is within the core group if Condition A or B is satisfied.

(2) Condition A is that the loan payments are made by virtue of the person being treated as entitled to state pension credit for the purposes of the 2017 Regulations(**e**).

(3) Condition B is that—

(a) the loan payments are made by virtue of the person being treated as entitled to income support, an income-based jobseeker's allowance or an income-related employment and support allowance for the purposes of the 2017 Regulations; and

(b) either—

(i) the person is responsible for a child under the age of 5 who normally lives with the person; or

(ii) if the person had been entitled to income support, an income-based jobseeker's allowance or an income-related employment and support allowance, the income

---

(**a**) S.I. 1996/207.
(**b**) S.I. 2008/794.
(**c**) Regulation 30 was amended by S.I. 2013/2536 and 2015/437.
(**d**) S.I. 2017/725, amended by S.I. 2018/307, 2020/666, 2021/131 and 2023/226.
(**e**) See regulation 2(2)(aa) of S.I. 2017/725 for a person being treated as entitled to a "qualifying benefit". "Qualifying benefit" is defined in regulation 2(1). Regulation 2(2)(aa) was inserted by S.I. 2018/307.

support or the allowance would have included any of the premiums mentioned in paragraph 4(3) or, as the case may be, 5(3) or 6(3).

SCHEDULE 2

Regulation 18

Determination of aggregate non-core spending obligation

Introduction

1. The aggregate non-core spending obligation for a scheme year (the "current scheme year") must be determined in accordance with this Schedule.

Interpretation

2. In this Schedule—

"aggregate core spending estimate"—

(a) for scheme years 14 and 15, means the CGS estimate for the scheme year as defined in Schedule 1 to the 2022 Regulations;

(b) for any other scheme year, means the aggregate core spending estimate for the scheme year required by regulation 8 of these Regulations (including, where relevant, any update under that regulation);

"core spending Part" means—

(a) in relation to scheme years 14 and 15, Part 3 of the 2022 Regulations;

(b) in any other case, Part 3 of these Regulations;

"initial overall spending target" means—

(a) £92 million for scheme year 16;

(b) £92 million for scheme year 17;

(c) £92 million for scheme year 18;

(d) £93 million for scheme year 19;

(e) £93 million for scheme year 20;

"preceding scheme year" means—

(a) where the current scheme year is scheme year 16, scheme year 15;

(b) in any other case, the scheme year preceding the current scheme year;

"Year-2" means—

(a) where the current scheme year is scheme year 16, scheme year 14;

(b) where the current scheme year is scheme year 17, scheme year 15;

(c) in any other case, the scheme year preceding the preceding scheme year.

Adjusted overall spending target

3.—(1) The initial overall spending target for the current scheme year must be adjusted in accordance with this paragraph.

(2) The Secretary of State must—

(a) review the aggregate core spending estimate for the preceding scheme year; and

(b) if it appears to the Secretary of State that the aggregate amount of prescribed rebates provided under the core spending Part in the preceding scheme year will be greater or less than the aggregate core spending estimate for that scheme year, adjust the estimate accordingly.

(3) If the aggregate core spending estimate for the preceding scheme year is reduced under sub-paragraph (2)(b), the Secretary of State must increase the initial overall spending target for the current scheme year by the same amount.

(4) If the aggregate core spending estimate for the preceding scheme year is increased under sub-paragraph (2)(b), the Secretary of State must reduce the initial overall spending target for the current scheme year by the same amount.

(5) The Secretary of State must calculate the difference between—

(a) the aggregate amount of prescribed rebates provided under the core spending Part in Year-2; and

(b) the aggregate core spending estimate for Year-2 (including any subsequent adjustments to the estimate under Schedule 1 to the 2022 Regulations or this Schedule).

(6) If the aggregate amount of prescribed rebates mentioned in sub-paragraph (5)(a) is greater than the aggregate core spending estimate mentioned in sub-paragraph (5)(b), the Secretary of State must reduce the initial overall spending target for the current scheme year by the difference.

(7) If the aggregate amount of prescribed rebates mentioned in sub-paragraph (5)(a) is less than the aggregate core spending estimate mentioned in sub-paragraph (5)(b), the Secretary of State must increase the initial overall spending target for the current scheme year by the difference.

(8) Adjustments under sub-paragraphs (6) or (7) are in addition to adjustments under sub-paragraphs (3) or (4).

(9) The adjusted overall spending target for the current scheme year is the initial overall spending target for that scheme year after adjustments (if any) under this paragraph.

Aggregate non-core spending obligation

4. The aggregate non-core spending obligation for the current scheme year is the adjusted overall spending target for that scheme year (see paragraph 3(9)) minus the aggregate core spending estimate for that scheme year.

SCHEDULE 3

Regulation 26

Broader group

PART 1

Mandatory eligibility criteria: benefits

1. Pension age disability payment under the Disability Assistance for Older People (Scotland) Regulations 2024(**a**).

2. Adult disability payment under the Disability Assistance for Working Age People (Scotland) Regulations 2022(**b**).

3. Universal credit under Part 1 of the Welfare Reform Act 2012.

4. Income support under Part 7 of the Social Security Contributions and Benefits Act 1992.

5. Income-based jobseeker's allowance (as defined in section 1 of the Jobseekers Act 1995).

6. Income-related employment and support allowance (as defined in paragraph 1 of Schedule 1).

(**a**) S.S.I. 2024/166.
(**b**) S.S.I. 2022/54.

7. Housing benefit under Part 7 of the Social Security Contributions and Benefits Act 1992(**a**).

PART 2

Verification measures

1. Obtaining from each customer, orally or in writing—

(a) the customer's name, address and telephone number;

(b) a declaration that the customer meets the supplier's eligibility criteria; and

(c) an explanation of how the customer meets those criteria.

2. Explaining to each customer that the customer may be asked to provide further evidence of eligibility before receiving a prescribed rebate under the Scheme.

3. In relation to at least 5% of the number of customers to whom the compulsory scheme electricity supplier provides the prescribed rebate in a scheme year, obtaining documentary evidence (including copies of documents) before providing the prescribed rebate that the customer meets the supplier's eligibility criteria.

SCHEDULE 4

Regulations 28, 29 and 32

Industry initiatives

PART 1

Table of industry initiatives

Column 1 – Type of initiative	*Column 2 – Exceptions*
1. Payments to organisations which refer to electricity or gas suppliers, or facilitate the referral of, Scotland domestic customers who— (a) are in fuel poverty or in a fuel poverty risk group; and (b) are, or may be, eligible for a benefit under the Scheme or any other assistance from the supplier.	
2. Providing, or funding the provision by other persons of— (a) benefit entitlement checks for persons who are resident in Scotland; or (b) benefit entitlement checks for persons who are resident in Scotland and assistance to those persons in claiming benefits.	
3. Providing to Scotland domestic customers, or funding the provision by other persons to Scotland domestic customers, of— (a) energy efficiency measures; (b) thermal efficiency measures;	A supplier may not count costs arising from the installation of a boiler or central heating system unless— (a) the boiler or central heating system— (i) is fuelled wholly by mains gas;

(**a**) Part 7 is prospectively repealed by Schedule 14 to the Welfare Reform Act 2012.

(c) energy efficient appliances; or (d) microgeneration.	(ii) generates heat wholly or mainly by means of a source of energy or technology mentioned in section 100(4) of the Energy Act 2008(**a**); or (iii) generates heat only by means of combustion of mains gas and a source of energy or technology mentioned in that subsection; (b) where the boiler or central heating system that is installed ("N") is fuelled wholly or partly by mains gas— (i) N replaces an existing boiler or central heating system which is fuelled (whether wholly or not) by mains gas; and (ii) at least one person living in the domestic premises where N is installed— (aa) is aged 65 or over; (bb) is under compulsory school age; or (cc) has significant health problems or a disability which may be exacerbated by the cold, makes the person vulnerable to cold-related illness or means that the person spends the majority of their time in the premises; and (c) the installation meets the requirements of Part 2 of this Schedule. A supplier may not count costs arising from the carrying out of repairs to a boiler or central heating system unless the repairs meet the requirements of Part 2 of this Schedule.
4. Providing, or funding the provision by other persons of, energy advice to Scotland domestic customers.	
5. Training persons, or funding the training of persons, to provide energy advice to Scotland domestic customers.	A supplier may not count costs of training its own employees or contractors, or the employees or contractors of a company in the same group of companies as the supplier.
6. Providing assistance, or funding the provision by other persons of assistance, to reduce debts for electricity or gas supply to domestic premises, where such assistance is provided as part of a package of measures aimed at providing Scotland domestic	A supplier may not count— (a) costs arising from a billing error by the supplier; or (b) the part of any costs of debt write-off in relation to a Scotland domestic customer that exceeds £2,000 in a

(**a**) 2008 c. 32. Subsection (4) of section 100 was amended by S.I. 2011/2195.

customers with long-term relief from fuel poverty.	scheme year.
7. Making, or funding the making by other persons of, payments to eligible occupiers of mobile homes in Scotland.	
8. Making, or funding the making by other persons of, payments towards the gas or electricity bills of Scotland domestic customers who— (a) are living in domestic premises which are non-gas fuelled; (b) have significant health problems or a disability; (c) are living in domestic premises with a person who has significant health problems or a disability; (d) are living in a community where residents are wholly or mainly in fuel poverty, or in a fuel poverty risk group; (e) are supplied with gas or electricity through a pre-payment meter; or (f) are in receipt of any of the benefits specified in Part 1 of Schedule 3.	A supplier may not count— (a) the part of any payment in relation to a Scotland domestic customer that exceeds £150 in a scheme year; or (b) payments in relation to charges incurred by a Scotland domestic customer before the date on which the payment was made.

PART 2

Installation and repair requirements for boilers and central heating systems

Installation of boilers and central heating systems

1.—(1) The installation of a boiler or a central heating system meets the requirements of this Part if the conditions in sub-paragraph (2) or (3) are satisfied.

(2) The conditions in this sub-paragraph are that—

(a) the boiler or central heating system is installed by, or under the responsibility of, a person who is registered with TrustMark for the purpose of installing boilers or central heating systems;

(b) a certificate of lodgement is issued by the operator of TrustMark in respect of the installation; and

(c) the installation adheres to the relevant TrustMark requirements for quality assurance and consumer protection, including installation standards and arrangements for repairs and other remedies, required by virtue of the TrustMark registration.

(3) The conditions in this sub-paragraph are that—

(a) the boiler or central heating system is installed subject to arrangements for quality assurance and consumer protection, including installation standards and arrangements for repairs and other remedies, which are equivalent to the requirements under TrustMark; and

(b) the installation adheres to those requirements.

(4) For the purposes of sub-paragraph (2)(c) and (3)(b), the installation of a boiler or a central heating system is to be treated as adhering to the relevant TrustMark or equivalent requirements unless—

(a) the installation is referred for failing to meet the relevant requirements to the Authority by the operator of TrustMark or the equivalent person; and

(b) the referral is not withdrawn before 31st August following the end of the scheme year in which the boiler or central heating system is installed.

Repairs to boilers and central heating systems

2.—(1) Repairs to a boiler or a central heating system meet the requirements of this Part if the conditions in sub-paragraph (2) are satisfied.

(2) The conditions in this sub-paragraph are that—

(a) the boiler or central heating system is repaired by, or under the responsibility of, a person who is registered with TrustMark for the purpose of repairing boilers or central heating systems; and

(b) a certificate of lodgement is issued by the operator of TrustMark in respect of the repairs.

PART 3

Interpretation

Interpretation

3.—(1) In this Schedule—

"certificate of lodgement" means a document entitled "TrustMark Certificate of Lodgement" which sets out the address at which a measure has been installed or repaired and the type of measure;

"mains gas" means a supply of a kind mentioned in section 5(1)(b) of the Gas Act 1986(**a**);

"TrustMark" means the scheme of that name operated by TrustMark (2005) Limited, a company registered in England and Wales with company number 05480144.

(2) For the purposes of this Schedule, a person ("P") is an eligible occupier of a mobile home if—

(a) P occupies the mobile home as their sole or main residence; and

(b) P or, where both P and P's partner occupy the mobile home as their sole or main residence, P or P's partner is in fuel poverty or in a fuel poverty risk group.

(3) In sub-paragraph (2)—

"mobile home" has the meaning given in section 5 of the Mobile Homes Act 1983(**b**);

"occupier" has the meaning given in section 1 of the Mobile Homes Act 1983(**c**).

(4) For the purposes of this Schedule, premises are non-gas fuelled if the main space heating system is not—

(a) fuelled by mains gas; or

(b) a district heating system.

(5) In sub-paragraph (4), "district heating system" means a system which delivers heat through pipes or conduits to two or more domestic premises.

(**a**) Section 5(1)(b) was amended by S.I. 2012/2400.
(**b**) 1983 c. 34.
(**c**) Section 1 was substituted by section 167 of the Housing (Scotland) Act 2006 (asp 1).

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations provide for the further continuation in Scotland of the scheme to reduce fuel poverty known as the Warm Home Discount (Scotland) Scheme (the "Scheme"). These Regulations re-enact with amendments the provision made by the Warm Home Discount (Scotland) Regulations 2022 to continue the Scheme for a further five "scheme years" until 31 March 2031. The Gas and Electricity Markets Authority (the "Authority") will continue to administer and enforce the Scheme.

The Scheme continues to place obligations on electricity suppliers ("compulsory scheme electricity suppliers") who have, or are part of a group of electricity or gas supply companies that has, at least 1,000 domestic customers to incur spending in each scheme year on the provision of benefits to customers in fuel poverty or in a fuel poverty risk group.

Part 3 provides for compulsory scheme electricity suppliers, and other electricity suppliers that opt into this Part, to be required to provide rebates of £150 per scheme year to certain domestic electricity and gas customers in Scotland ("core group customers") specified by the Secretary of State.

Part 4 requires compulsory scheme electricity suppliers to incur other ("non-core") spending for the purpose of reducing fuel poverty. Chapter 1 provides for the calculation, and adjustment, of the amount of spending that suppliers must incur. Chapter 2 provides for the types of spending which must or may be incurred - broader group customers (Chapter 3), industry initiatives (Chapter 4) and specified activities (Chapter 5) - and the amounts which may or must be incurred on the various types of spending.

Part 5 contains supplementary provisions about procedure for matters required to be approved by the Authority, determination by the Authority of the amounts spent by suppliers, the provision of information to the Authority by suppliers and the provision of information by the Authority to the Secretary of State.

Part 6 makes provision for reviews of the Scheme by the Secretary of State.

Part 7 makes consequential amendments to the Disclosure of State Pension Credit Information (Warm Home Discount) Regulations 2011.

The changes made by these Regulations include expanding the range of qualifying benefits for core group customer eligibility (see Schedule 1) and updating the mandatory benefits that suppliers must include in their broader group customer eligibility criteria (see Part 1 of Schedule 3). In addition, where the Secretary of State is satisfied that a customer missed out on a core group rebate in a scheme year due to an administrative error, provision is made for a late rebate to be paid in the following scheme year (see regulation 11).

An impact assessment of the effect that this instrument will have on the costs of business and the public sector has been produced. The assessment covers both the Scheme and the Warm Home Discount (England and Wales) Scheme and is available at www.legislation.gov.uk. Hard copies of the assessment may be obtained from the Warm Home Discount Team, Department for Energy Security and Net Zero, 55 Whitehall, London SW1A 2HP.

© Crown copyright 2026

Printed and published in the UK by The Stationery Office Limited under the authority and superintendence of Saul Nassé, Controller of His Majesty's Stationery Office and King's Printer of Acts of Parliament.

http://www.legislation.gov.uk/id/ukdsi/2026/9780348281071