

HOUSE OF LORDS

Secondary Legislation Scrutiny Committee

7th Report of Session 2022–23

Includes information paragraphs on:

1 instrument relating to COVID-19

Draft Electricity and Gas (Energy Company
Obligation) Order 2022

Draft Register of Overseas Entities (Delivery,
Protection and Trust Services) Regulations
2022

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Secondary Legislation Scrutiny Committee

The Committee's terms of reference, as amended on 13 May 2021, are set out on the website but are, broadly:

To report on draft instruments published under paragraph 14 of Schedule 8 to the European Union (Withdrawal) Act 2018; to report on draft instruments and memoranda laid before Parliament under sections 8 and 23(1) of the European Union (Withdrawal) Act 2018 and section 31 of the European Union (Future Relationship) Act 2020.

And, to scrutinise –

- (a) every instrument (whether or not a statutory instrument), or draft of an instrument, which is laid before each House of Parliament and upon which proceedings may be, or might have been, taken in either House of Parliament under an Act of Parliament;
- (b) every proposal which is in the form of a draft of such an instrument and is laid before each House of Parliament under an Act of Parliament,

with a view to determining whether or not the special attention of the House should be drawn to it on any of the grounds specified in the terms of reference.

The Committee may also consider such other general matters relating to the effective scrutiny of secondary legislation as the Committee considers appropriate, except matters within the orders of reference of the Joint Committee on Statutory Instruments.

Members

[Baroness Bakewell of Hardington Mandeville](#)

[Lord De Mauley](#)

[Lord German](#)

[Viscount Hanworth](#)

[Lord Hodgson of Astley Abbotts](#) (Chair)

[Rt Hon. Lord Hutton of Furness](#)

[The Earl of Lindsay](#)

[Lord Lisvane](#)

[Lord Powell of Bayswater](#)

[Lord Rowlands](#)

[Baroness Watkins of Tavistock](#)

Registered interests

Information about interests of Committee Members can be found in the last Appendix to this report.

Publications

The Committee's Reports are published on the internet at <https://committees.parliament.uk/committee/255/secondary-legislation-scrutiny-committee/publications/>

Committee Staff

The staff of the Committee are Sarah Jones (Clerk), Philipp Mende (Adviser), Jane White (Adviser) and Emily Pughe (Committee Operations Officer).

Further Information

Further information about the Committee is available at <https://committees.parliament.uk/committee/255/secondary-legislation-scrutiny-committee/>

The progress of statutory instruments can be followed at <https://statutoryinstruments.parliament.uk/>

The National Archives publish statutory instruments with a plain English explanatory memorandum on the internet at <http://www.legislation.gov.uk/uksi>

Contacts

Any query about the Committee or its work, or opinions on any new item of secondary legislation, should be directed to the Clerk to the Secondary Legislation Scrutiny Committee, Legislation Office, House of Lords, London SW1A 0PW. The telephone number is 020 7219 8821 and the email address is h1seclegscrutiny@parliament.uk.

Seventh Report

INSTRUMENTS RELATING TO COVID-19

Revoked legislation

National Health Service (General Medical Services Contracts and Personal Medical Services Agreements) (Amendment) (No. 2) Regulations 2022 (SI 2022/687)

1. These Regulations reflect the closure of the NHS COVID-19 medical exemptions service. Although the requirement to be able to show evidence of vaccination for certain purposes ceased in England on 1 April 2022, GPs and those with a contract for Personal Medical Services are still required on request to confirm clinical reasons why a registered patient or temporary resident should not be vaccinated or tested for COVID-19. To reduce the burden on GPs these Regulations remove the requirement for them to provide an exemption certificate but do so in a way that will allow the requirement to be reactivated in the future if guidance or legislation once more requires mass vaccination against coronavirus and proof that it has been done.

INSTRUMENTS OF INTEREST

Draft Electricity and Gas (Energy Company Obligation) Order 2022

2. This Order proposes to replace the Energy Company Obligation 3 (ECO3) which expired on 31 March 2022 with a new obligation (ECO4) which will run until 31 March 2026. Under the ECO scheme, gas and electricity suppliers above a certain size are required to promote the installation of energy efficiency measures, such as loft or wall insulation, and heating measures, to reduce the heating cost to low income and vulnerable households and those at risk of fuel poverty in Great Britain. The Department for Business, Energy and Industrial Strategy (BEIS) says that to ensure the scheme is focussed on the lowest income households, disability benefits have been removed from the eligibility criteria as these are not means tested. Households in receipt of both disability benefits and means tested benefits, however, will continue to be eligible.
3. ECO4 will continue to provide support to owner-occupied premises, private rented premises and social housing, with the costs being passed on to consumers. According to BEIS, the ECO scheme will increase in value from £640 million (ECO3) to £1 billion (ECO4) per year (2021 prices). The Department estimates that the average cost of ECO4 on a household bill will be around £37 per year for a dual fuel customer, while for households benefitting from an ECO4 installation, the average gross saving on their annual dual fuel bill will be around £290.
4. As ECO3 expired at the end of March, there will be a gap before ECO4 is expected to launch in July. According to BEIS, the draft Regulations therefore include provisions for an ‘interim delivery’ period between 1 April and 30 June, during which energy suppliers can deliver to slightly amended ECO3 rules and ‘early delivery’ is also permitted, so that energy suppliers can deliver to the new ECO4 rules ahead of the Regulations coming into force. BEIS says that both routes are currently being used to install energy efficiency measures.

Draft Register of Overseas Entities (Delivery, Protection and Trust Services) Regulations 2022

5. The purpose of these draft Regulations is to implement aspects of the new Register of Overseas Entities which was created by the Economic Crime (Transparency and Enforcement) Act 2022 (“the Act”). The Act will require overseas entities owning or buying property in the UK to provide information to the Registrar of Companies, including about their “beneficial owners”, with the aim of helping the authorities identify those seeking to use the UK property market to launder money.
6. These draft Regulations are the first of a series of regulations needed to implement the Register. The instrument proposes to:
 - Require overseas entities to deliver certain documents to the Registrar of Companies of England and Wales by electronic means.
 - Set up a protection regime which will allow beneficial owners and managing officers of overseas entities to apply to have their information made unavailable for public inspection and not disclosable, where they can provide evidence that they or someone living with them are at

serious risk of violence or intimidation. We note that any information protected from public disclosure in this way will still be available to law enforcement.

- Ensure that offshore trusts and corporate service providers acting as corporate trustees of trusts, where they are governed by the law of a country or territory outside of the UK, are subject to their own disclosure requirements, so that they fall within the definition of ‘registrable beneficial owner’. The Department for Business, Energy and Industrial Strategy (BEIS) explains that if this definition is met, these legal entities will have to take reasonable steps to provide the Registrar with the required information about the trusts, thereby providing greater transparency about the true owners and beneficiaries of the land or property.
7. The Department told us that entities registered in UK Crown Dependencies and Overseas Territories that own property in the UK will be required to register details of their beneficial owners with Companies House, and that all Crown Dependencies and Overseas Territories have committed to introduce publicly accessible registers of beneficial ownership. According to BEIS, Gibraltar introduced a public register in 2020, with the remaining registers expected to be introduced by the end of 2023, in line with the Government’s call to make beneficial ownership transparency a global norm by 2023.

INSTRUMENTS NOT DRAWN TO THE SPECIAL ATTENTION OF THE HOUSE

Draft instruments subject to affirmative approval

Draft	Cat and Dog Fur (Control of Movement etc.) (EU Exit) Regulations 2022
Draft	Chemicals (Health and Safety) Trade and Miscellaneous Amendments Regulations 2022
Draft	Health and Social Care Act (Northern Ireland) 2022 (Consequential Amendments) Order 2022
Draft	Electricity and Gas (Energy Company Obligation) Order 2022
Draft	Merchant Shipping (Additional Safety Measures for Bulk Carriers) Regulations 2022
Draft	Register of Overseas Entities (Delivery, Protection and Trust Services) Regulations 2022

Instruments subject to annulment

SI 2022/686	Civil Enforcement of Moving Traffic Contraventions Designations and Miscellaneous Amendments Order 2022
SI 2022/687	National Health Service (General Medical Services Contracts and Personal Medical Services Agreements) (Amendment) (No. 2) Regulations 2022
SI 2022/693	Television Licences (Disclosure of Information) Act 2000 (Prescription of Information) Order 2022
SI 2022/697	General Pharmaceutical Council (Amendment) Rules Order of Council 2022

APPENDIX 1: INTERESTS AND ATTENDANCE

Committee Members' registered interests may be examined in the online Register of Lords' Interests at <https://members.parliament.uk/members/lords/interests/register-of-lords-interests>. The Register may also be inspected in the Parliamentary Archives.

For the business taken at the meeting on 5 July 2022 and included in this report, Members declared no interests.

Attendance:

The meeting was attended by Baroness Bakewell of Hardington Mandeville, Lord De Mauley, Lord German, Viscount Hanworth, Lord Hodgson of Astley Abbotts, the Earl of Lindsay, Lord Lisvane, Lord Powell of Bayswater, Lord Rowlands and Baroness Watkins of Tavistock.