4<sup>th</sup> November 2022

Contract Ref: 22/005 Property Ref:<<PropertyRef>>



Leaseholder Services London Borough of Camden Camden Town Hall Judd Street London WC1H 9JE

020 7974 4444 capitalservices@camden.gov.uk

<Correspond Name>> <<Corr Add Line 1>> <<Corr Add Line 2>> <<Corr Add Line 3>> <<Corr Add Line 4>> <<Corr Add Line 5>> <<Corr PostCode>>

Dear Leaseholder(s),

#### Re: <<Lease Address>>

#### Long Term Agreement for the supply of Electricity & Gas

I am writing to inform you that Camden proposes to enter into long-term agreements in respect of which we are required to consult leaseholders.

The first stage of the consultation is to issue a Notice of Intention which explains details of the service to be provided. Please refer to the enclosed notice.

Due to the nature of the energy market, the council will not be able to comply with all the consultation requirements and has applied to the First Tier Tribunal (property chamber) for dispensation from the regulations we cannot comply with. You can access information about the dispensation application, including a copy of our statement of case, supporting documents and the Tribunal's directions from the council's website:

Please visit www.camden.gov.uk, then choose the 'housing' icon, under 'Leaseholders and Freeholders' click on 'Consultation with Leaseholders on Building Works and services', at the top of this page choose 'Boroughwide consultations'. And any information or documents for this dispensation will be shown under the following heading;

#### 'Current Consultations

First Tier Tribunal Dispensation Application Oct 2022 - Long Term Agreement for the supply of electricity and gas (notices and all documents)'

Or you can type the following link into your browser;

https://beta.camden.gov.uk/web/guest/consultation-with-leaseholders#azeu

If you wish to participate in this action then the Tribunal's directions require you to file a response form by **3<sup>rd</sup> December 2022.** 

If you wish to receive a printed copy of this application and directions please write to us to request this, by emailing capitalservices@camden.gov.uk and include the contract reference **22/005** and your property address and **<<Property Ref>>** in the email subject field.

Please note that as the application progresses additional documents will be added to Camden's website, including the final decision.

You can also request further information on the dispensation. Please direct any queries to <u>capitalservices@camden.gov.uk</u> or write to us at the above address.

Yours sincerely,

GC)

Geraldine Littlechild Acting Head of Leaseholder Services

#### **Enclosed**

- Statutory Notice of Intention
- Observation Form
- Reply Form for raising objections to the Tribunal
- Frequently Asked Questions

4<sup>th</sup> November 2022

Contract Ref: 22/005

Property Ref:</



Leaseholder Services London Borough of Camden Camden Town Hall Judd Street London WC1H 9JE

0207 974 4444 capitalservices@camden.gov.uk

<Correspond Name>> <<Corr Add Line 1>> <<Corr Add Line 2>> <<Corr Add Line 3>> <<Corr Add Line 4>> <<Corr Add Line 5>> <<Corr PostCode>>

NOTICE OF INTENTION TO ENTER INTO A QUALIFYING LONG TERM AGREEMENT (Section 20 of the Landlord and Tenant Act 1985 (as amended) ("the Act") and Schedule 2 of the Service Charges (Consultation Requirements) (England) Regulations 2003 ("the Regulations").

Dear Leaseholder(s), Re: <<Lease Address>>

### Qualifying long term agreement relating to the supply of Electricity & Gas

I am writing to inform you that the London Borough of Camden ('the Council'), as your landlord, proposes to enter into long term agreements ("the Agreements") in respect of which we are required to consult leaseholders, details of which are given below.

#### 1. Introduction

The Council is planning to enter into what the Act and the Regulations call "qualifying long term agreements" ("QLTAs"). These are agreements, which last for more than 12 months and concern services to be carried out in relation to the building or estate in which you are a leaseholder.

# 2. General Description of the service to be provided

#### Supply of Electricity & Gas

The intention is to procure the electricity and gas supply contracts through a framework set up and operated by a public sector buying organisation,

Energy markets are volatile and subject to inflationary pressure. By combining our energy spend with other public sector organisations, we are able to buy energy through the wholesale energy markets at prices that are lower than retail electricity and gas prices. The approach also involves the Council buying energy up to 24 months before the supply period start date. This forward purchasing strategy allows the Council to hedge against energy market volatility and protects residents in the event that energy prices are high on the supply period start date. The intention is to purchase energy over a 4-year period with supply starting on 1<sup>st</sup> October 2024. This approach covers Housing gas and electricity supplies. The types of supplies are listed below. It is also intended to cover the potential purchase of electricity from renewable sources provided the cost is less than or equal to non-renewable electricity supply rates.

The two supply types are summarised below:

1. Electricity supply to meter points that are measured and billed on a nonhalf hourly basis. These are typically very small supply points, for example supplies powering light bulbs in communal corridors and any electrical equipment of street properties (as opposed to estate properties).

Electricity supply to meter points that are measured on a half-hourly basis (automatically). These typically serve larger communal electricity supply points such as landlords' lighting, staircase lighting, lifts, estate lighting, boiler rooms and communal services such as door entry systems, fire alarms and pumps directing hot water around communally heated housing estates.

2. Gas supply serving boilers on housing estates and other communal supplies such as cooking gas.

#### 3. Reasons for considering it necessary to enter into the Agreement

The Council considers it necessary to enter into the Agreements for the following reasons. As your landlord, the Council has to meet certain obligations under your lease. Camden needs to be able to supply electricity to the common parts to ensure lighting, lifts and electrical equipment operate and gas to ensure that heating systems operate. Please note that the proposal will not affect your private electricity supply to your property.

#### 4. Observations

You are invited to make any written observations regarding the proposals contained in this notice. If you wish to do this, you must send them to this office in writing to be received within 30 days from the date of this notice. All observations must be received by the **8<sup>th</sup> December 2022**. Observations should be sent to the following address:

# PREFERABLY BY EMAIL DUE TO POSTAL STRIKES,

Please email <u>capitalservices@camden.gov.uk</u> and include the contract reference: **22/005** and your property address and << Property Ref>> in the email subject field, or by post to; Geraldine Littlechild (Acting Head of Leaseholder Services) Leaseholder Services London Borough of Camden Camden Town Hall Judd Street London WC1H 9JE

#### 5. Reasons why the Council is not inviting nominations from leaseholders

The reason why you are not invited to propose a person from whom we should try to obtain an estimate is because this contract is being procured through an existing framework where public notice has already been served.

#### 6. Cost of the services

As a leaseholder, you will only be liable for a proportionate part of any costs incurred in relation to your estate or block under your lease agreement.

Yours sincerely,

GC

(On behalf of the London Borough of Camden)

Geraldine Littlechild Acting Head of Leaseholder Services Sections 20 and 20ZA of the Landlord and Tenant Act 1985 (as amended)

Schedule 2 to the Service Charges (Consultation Requirements) (England) Regulations 2003

#### Written Observations

You can use this form, or complete your own letter to be received by 8<sup>th</sup> December 2022.

Send to: Geraldine Littlechild (Acting Head of Leaseholder Services) Leaseholder Services London Borough of Camden Camden Town Hall Judd Street London, WC1H 9JE Or preferably by email

Email: <u>capitalservices@camden.gov.uk</u> quoting 22/005 and << Property Ref>>

Leaseholder Name: ..... Property Address: <a href="https://www.sciencescore"><</a> Contract Reference: <a href="https://www.sciencescore"><</a> Communal Electricity & Gas Supplies)

I wish to make the following observations; (please detail these below)

NB: This form has been produced to assist you with making observations. You can alternatively submit your own letter or document.

Signed by

Dated \_\_\_\_\_

#### **<u>Reply Form for Leaseholders</u>**

Case Reference:	LON/00AG/LDC/2022/0190
Property:	Various residential leasehold properties in the London Borough of Camden

# ONLY COMPLETE AND RETURN THIS FORM <u>IF YOU OBJECT</u> TO THE APPLICATION

If you do object please complete and return this form to:

The First-tier Tribunal Property Chamber (Residential Property) **by email** to: <u>London.RAP@justice.gov.uk</u>

<u>And</u> send a copy to the landlord's representative, Judge & Priestley LLP, Justin House, 6 West Street, Bromley, BR1 1JN (quoting ref: CAMD009/0319) or by email to: moakley@judge-priestley.co.uk

	Yes	No
Have you sent a statement in response to the landlord?		
Do you wish to request an oral hearing?		
Name address of any spokesperson or representative appointed for the leaseholder:		

#### Please also complete the details below:

Date:	
Signature:	
Print Name:	
Address of	
affected	
property:	
Your correspondence address (if different):	
Telephone:	
Email:	

# Frequently Asked Questions:

# Q. I pay for my own Electricity/ Gas

**A.** Please note that this Notice and accompanying letter relates to the communal electricity and/ or gas supply, and not your own private flat supply. If you pay for your own gas then you can ignore any reference to communal gas in this notice. Your communal electricity service charge could be for lighting in your communal hallway, a lift, door entry system or the estate lighting.

# Q. What is the purpose of this Notice?

**A.** Camden intend to enter into a new agreement for the supply of communal electricity and gas. As a leaseholder you contribute towards the communal gas and/ or electricity costs within your service charge.

We cannot fully consult with leaseholders in the usual way, because the electricity and gas supply market is an active market. This means the prices change rapidly so we do not have enough time to carry out a full consultation with leaseholders. We are therefore applying to the First Tier Tribunal for a dispensation from usual statutory consultation requirements. If you have any objections you should follow the instructions set out by the Tribunal. But if you have no objections, then you do not need to do anything.

Please have a look at our website where all the relevant documents are located; www.camden.gov.uk. To view the relevant documents choose the 'housing' icon, under 'Leaseholders' click on 'Consultation with Leaseholders', at the top of this page choose 'Boroughwide consultations'. And unless you have requested that the Tribunal specifically inform you of their decision, you will not receive the decision by post. But the Tribunal's decision will be uploaded to Camden's website when it is available.

# Q. How will you ensure that Camden negotiates a good deal?

**A.** Local Authorities South East Region (LASER) is a collaborative, non-profit-making buying group, formed by Kent County Council. They have been appointed to buy Camden Council's gas and electricity. LASER will buy the Council's energy on the wholesale market through their competitively tendered compliant framework contracts with energy suppliers. Currently they buy energy on behalf of 235 public sector organisations.

The agreements are intended to achieve the best prices for our overall energy needs. The costs apportioned on a like-for-like basis to a council tenant or to a leaseholder are the same. The council does not "profit" in any way from savings, and so the agreements are equally beneficial to the leaseholder as to the Council. The benefit of using LASER is that it provides access to a number of potential pre-approved energy supplies, increasing competition and the opportunity for Camden to obtain supplies of gas and electricity at competitive rates.

# Q. What Government financial support is there for residents on a Camden Heat Network/ communal heating and hot water system, who are recharged by the Council?

**A.** All households with a domestic electricity connection are automatically eligible for the £400 grant under the Energy Bills Support Scheme;

(<u>https://www.gov.uk/guidance/getting-the-energy-bills-support-scheme-discount</u>), therefore all Camden residents will get this through their own electricity

supplier. Households will not need to apply for the Scheme, and in most cases the Government expects electricity suppliers to apply the reduction automatically to bills from October 2022.

In addition to the domestic Energy Bills Support Scheme, Camden's energy supply contracts are eligible for the Energy Bills Relief Scheme; (<u>https://www.gov.uk/guidance/energy-bill-relief-scheme-help-for-businesses-and-other-non-domestic-customers</u>), as business/non-domestic customers.

From October 2022- March 2023, energy unit rate (pence/kWh) price caps will be applied to consumption for this period. Although information is limited since the Government's announcement on 21<sup>st</sup> September 2022, it is the Council's understanding that *if* Camden's October 2022 – March 2023 contract prices (pence/kWh only) are above the 21.1p and 7.5p for electricity and gas non-domestic caps, then Camden's prices will be lowered to the capped prices. This will provide some benefit to Camden residents on a Camden Heat Network/ communal heating and hot water system, who are recharged by the Council.

The Energy Bills Relief Scheme is expected to run for 6 months, with a Government review after 3 months.

#### Q. Will the new energy supply be from a renewable source?

A. Only if there is not a cost premium

#### Q. The lights are left on in Communal Areas

**A.** It is Camden's duty to its residents to ensure that adequate lighting is provided in blocks and estates where potential dark spots can, or will encourage accident, injury or increase harm to one's safety.