

LANDLORD SERVICES PARTNERSHIP SPECIAL INTEREST GROUP
31 OCTOBER 2011

Matters Arising from the SIG meeting on 11 July 2011

At the last LSP SIG on 11 July the members raised a number of questions regarding the Decent Homes Funding and the Solar PV Panel project. Please find below Q&A:

DECENT HOMES FUNDING

1. **Confirmation of the second and third tranche payments from central government for the Decent Homes Backlog programme.**

The 2012/13 first cash payment will be paid to Waverley Borough Council in April 2012. The second (2013/14) and third (2014/15) payments have yet to be confirmed by central government and no indicative date has been provided.

PHOTOVOLTAIC PANEL PROJECT

2. **Protection of Consumer Contract Regulations in tenancy agreement.**

The Unfair Terms in Consumer Contract Regulations 1999 apply to tenancy agreements and apply the test of 'fairness' to standard terms contained in a landlord's agreement with its tenants. The Office of Fair Trading has issued guidance on unfair terms in tenancy agreements. The Council had regard to the guidance when it last updated its conditions of tenancy. Our legal team have considered the fairness of the amended conditions and are satisfied that they would not be deemed unfair under the Regulations. We have not excluded this protection from the scope of the solar agreement or lease.

3. **Amounts of electricity required to be produced to generate savings.**

The panels will generate electricity during daylight hours. This can be used by the tenant providing an immediate saving as they will not be drawing on the main electricity supplier. To maximise the free power tenants should use the appliances during the day whilst it is clear and bright. High energy use appliances such as washing machine, dishwasher, tumble dryer, kettle and any other heat element appliances will use the power at a greater amount than the smaller use appliances such as tv, fridge, games consoles and laptops. The small use appliances will usually run off the power generated during the day in good sunny conditions. The size of the system will determine the energy output. Some systems cover the energy consumption during the day but a majority of the solar systems will only cover a percentage of the daily consumption due to lifestyles and the size of the system.

3. **The possibility of including a break clause in the contract.**

The lease between the Council and Savills Solar contains two break clauses. One that can be used when somebody makes a Right to Buy application. The other is a standard break clause that allows the Council to break the lease in respect of

any property. Each is subject to a financial payment to Savills Solar. The payment for RTB would be lower on the basis that a RTB situation would be unavoidable for the Council if a tenant makes an application.

4. **The guarantee period for the feed-in tariff.**

The FIT is guaranteed 25 years.

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