

On behalf of: The Applicants
Name of witness: D Hunter
Number of witness statement: First
Exhibits: DH1 – DH2
Date: 14 May 2024

**IN THE FIRST-TIER TRIBUNAL PROPERTY CHAMBER
(RESIDENTIAL PROPERTY)**

BETWEEN (1) Clarion Housing Group Limited

(2) Clarion Housing Association Limited

(3) Latimer Developments Limited

Applicants

and

(4) Various tenants and leaseholders

Respondents

WITNESS STATEMENT OF DAVID HUNTER

I, DAVID HUNTER of Clarion Housing Group Limited, Level 6, 6 More London Place, London, SE1 2DA, am duly authorised by the Applicants to state as follows:-

1. I am employed as Director of Housing at Clarion Housing Group Limited which includes its subsidiary landlords Clarion Housing Association Limited and Latimer Developments Limited (together the Applicants).
2. I am making this statement to provide the Tribunal with additional information in respect of the Applicants' application for the dispensation of all the

consultation requirements provided for by section 20 of the Landlord and Tenant Act 1985 and the Service Charges (Consultation Requirements) (England) Regulations 2003 in respect of certain energy contracts. I am duly authorised to make this statement on behalf of the Applicants.

3. The facts and matters set out in this statement are within my own knowledge unless otherwise stated and I believe them to be true. Where I refer to information supplied by others, the source of the information is identified; facts and matters derived from other sources are true to the best of my knowledge and belief.
4. Attached to this witness statement is a paginated bundle of exhibits marked “**DH1 – DH2**”. All references to documents in this statement are to those exhibits.
5. The application concerns 18,040 tenants and leaseholders of the second and third Applicants where the cost of energy for communal areas and/or through a heat network at their respective properties is recovered by way of a service charge (the “Respondents”). A list of the general location of the properties (by District and County or London Borough) is exhibited as **DH1**.
6. Given the number of Respondents, the tenancies and the leases (the “Occupancy Agreements”) have not been produced but I can confirm in all cases:
 - a. the service charge is variable as defined by section 18(1) of the Landlord and Tenant Act 1985; and
 - b. the Occupancy Agreements give the Applicants the right to recover the service charge.

7. Again given the number of Respondents, in the interest of saving costs and subject to the Tribunal's agreement, the Applicants propose to send one letter to the Respondents, a copy of which is exhibited as **DH2**, to:
- a. Inform them of the application;
 - b. Advise them that a copy of the application and supporting documents are on the First Applicant's website (with personal details redacted);
 - c. Inform them that if they would like to receive a hard copy of the application and supporting documents (with personal details redacted) then they can write to the First Applicant for the attention of John Wallace at Clarion Housing Group Limited, Level 6, 6 More London Place, London, SE1 2DA, ref. 'Energy Dispensation', and they will send them a copy; and
 - d. Advise them that the First Applicant will add documents to its website as the application progresses, including the Tribunal's ultimate decision.
8. Given the numbers of Respondents concerned and the cost of mailing, we do not contemplate any further mailings to tenants or leaseholders.

STATEMENT OF TRUTH

I believe that the facts stated in this witness statement are true.

Signed _____

David Hunter

Date _____

On behalf of: The Applicants
Name of witness: D Hunter
Number of witness statement: First
Exhibits: DH1 – DH2
Date: 14 May 2024

**IN THE FIRST-TIER TRIBUNAL PROPERTY CHAMBER
(RESIDENTIAL PROPERTY)**

BETWEEN (1) Clarion Housing Group Limited

(2) Clarion Housing Association Limited

(3) Latimer Developments Limited

Applicants

and

(4) Various tenants and leaseholders

Respondents

EXHIBIT DH1

A list of the general location of the properties (by District and County or London Borough) the subject of an application for the dispensation of all the consultation requirements provided for by section 20 of the Landlord and Tenant Act 1985

Districts and Counties within which located	London Boroughs
Adur District Council - West Sussex	London Borough of Barking and Dagenham
Arun District Council – West Sussex	
Ashford Borough Council – Kent	London Borough of Barnet
Basildon Borough Council – Suffolk	London Borough of Brent
Basingstoke and Deane – Essex	London Borough of Bromley
Birmingham City Council – Metropolitan District	London Borough of Camden
Bolton Borough Council – Metropolitan District	London Borough of Croydon
Bournemouth, Christchurch & Poole – Unitary Authority	London Borough of Ealing
	London Borough of Enfield
Bracknell Forest Borough Council – Unitary Authority	London Borough of Hackney
Bradford City Council – Metropolitan District	London Borough of Hammersmith and Fulham
Braintree District Council – Essex	London Borough of Haringey
Breckland District Council – Norfolk	London Borough of Havering
Brentwood Borough Council – Essex	London Borough of Islington
Brighton and Hove – Unitary Authority	London Borough of Kensington and Chelsea
Bristol, City of – Unitary Authority	
Broadland District Council – Norfolk	London Borough of Kingston upon Thames
Buckinghamshire Council – Metropolitan District	London Borough of Lambeth
Cambridge City Council – Cambridgeshire	London Borough of Lewisham
Chelmsford City Council – Essex	London Borough of Merton
Chichester District Council – West Sussex	London Borough of Newham
Coventry City Council – Metropolitan District	London Borough of Redbridge
Crawley Borough Council – West Sussex	London Borough of Southwark
Dacorum Borough Council – Hertfordshire	London Borough of Sutton
Dartford Borough Council – Kent	London Borough of Tower Hamlets
East Cambridgeshire – Cambridgeshire	London Borough of Waltham Forest
East Hampshire – Hampshire	

<p>East Hertfordshire – Hertfordshire</p> <p>East Suffolk – Suffolk</p> <p>Eastbourne Borough Council – East Sussex</p> <p>Exeter City Council – Devon</p> <p>Fenland District Council – Cambridgeshire</p> <p>Gravesham Borough Council – Kent</p> <p>Guildford Borough Council – Surrey</p> <p>Halton Borough Council – Unitary Authority</p> <p>Hertsmere Borough Council – Hertfordshire</p> <p>Horsham District Council – West Sussex</p> <p>Huntingdonshire District Council – Cambridgeshire</p> <p>Ipswich Borough Council – Suffolk</p> <p>King's Lynn and West Norfolk – Norfolk</p> <p>Leeds City Council – Metropolitan District</p> <p>Lewes District – East Sussex</p> <p>Lichfield City Council – Derbyshire</p> <p>Luton Borough Council – Unitary Authority</p> <p>Maidstone Borough Council – Kent</p> <p>Maldon District Council – Essex</p> <p>Manchester City Council – Metropolitan District</p> <p>Medway Council – Unitary Authority</p> <p>Mid Suffolk District Council – Suffolk</p> <p>Mid Sussex District Council – Sussex</p> <p>Milton Keynes – Unitary Authority</p> <p>Mole Valley – Surrey</p> <p>Newcastle-under-Lyme – Staffordshire</p> <p>North Hertfordshire – Hertfordshire</p> <p>North Norfolk – Norfolk</p> <p>Norwich City Council – Norfolk</p> <p>Nuneaton and Bedworth – Warwickshire</p> <p>Peterborough City Council – Unitary Authority</p> <p>Plymouth City Council – Unitary Authority</p>	
---	--

<p>Portsmouth City Council – Unitary Authority</p> <p>Reading Borough Council – Berkshire</p> <p>Rochford District Council – Kent</p> <p>Rugby Borough Council – Warwickshire</p> <p>Salford City Council – Metropolitan District</p> <p>Sandwell Borough Council – Metropolitan District</p> <p>Sheffield City Council – Metropolitan District</p> <p>Solihull Borough Council – Metropolitan District</p> <p>South Cambridgeshire – Cambridgeshire</p> <p>South Kesteven – Lincolnshire</p> <p>South Norfolk – Norfolk</p> <p>South Somerset – Somerset</p> <p>Southampton City Council – Unitary Authority</p> <p>St Albans – Hertfordshire</p> <p>St. Helens Borough Council – Metropolitan District</p> <p>Stevenage Borough Council – Hertfordshire</p> <p>Surrey Heath – Surrey</p> <p>Tamworth Borough Council – Staffordshire</p> <p>Tandridge District Council – Surrey</p> <p>Teignbridge District Council – Devon</p> <p>Tendring District Council – Essex</p> <p>Test Valley Borough Council – Hampshire</p> <p>Tonbridge and Malling – Kent</p> <p>Tunbridge Wells – Kent</p> <p>Uttlesford District Council – Cambridgeshire</p> <p>Vale of White Horse – Berkshire</p> <p>Walsall Borough Council – Metropolitan District</p> <p>Warrington Borough Council – Unitary Authority</p> <p>Watford Borough Council – Hertfordshire</p> <p>Waverley Borough Council – Surrey</p> <p>Wealden District Council – East Sussex</p> <p>Welwyn Hatfield – Hertfordshire</p>	
--	--

West Suffolk – Suffolk	
Worthing Borough Council – West Sussex	

On behalf of: The Applicants
Name of witness: D Hunter
Number of witness statement: First
Exhibits: DH1 – DH2
Date: 14 May 2024

**IN THE FIRST-TIER TRIBUNAL PROPERTY CHAMBER
(RESIDENTIAL PROPERTY)**

BETWEEN (1) Clarion Housing Group Limited

(2) Clarion Housing Association Limited

(3) Latimer Developments Limited

Applicants

and

(4) Various tenants and leaseholders

Respondents

EXHIBIT DH2

Letter to be sent by the Applicants to all Respondents the subject of the Application

A better deal for communal energy supply

We want to update you about the way we want to buy communal energy supplies, so that we and you continue to get a good deal.

We currently buy energy for your communal area(s) (and/or the heat network that certain properties may be part of) directly from the energy market. We have been doing this since 2020, when we made an application to the First-tier Tribunal (Property Chamber) (the “Tribunal”) for dispensation from the requirements to comply with a consultation process set out in section 20 of the Landlord and Tenant Act 1985 and the associated Regulations. Dispensation in that application under case reference LON/00BE/LDC/2020/0067 was granted on 2nd September 2020.

We want to continue to buy communal energy supplies in a similar way in future but, like last time, because we’ll be buying energy directly from the energy market, we can’t comply with the consultation process set out in section 20 of the Landlord and Tenant Act 1985 and the associated Regulations. That is because the best prices only remain available for a short period, usually just a few hours, and so we are unable to consult ahead of securing those deals. So, we have made another application to the Tribunal for dispensation from those requirements for the new contracts. You’ll find on the back of this letter some frequently asked questions giving you more information.

To minimise costs, all future correspondence and documentation relating to our application (including copies of the application, the directions, and the final decision of the Tribunal) will be displayed on our website (as we receive them and with personal details redacted); to view please go to [insert web page address]

A copy of our application with supporting documents and the directions received from the Tribunal are already available for you to view on our website. The final decision is likely to be uploaded on or after [insert date], once we have received it from the Tribunal.

If you would like us to send you a paper copy of our application with supporting documents and the directions, or have any questions about this letter, please contact us:

- by telephone on [insert specified phone number]
- by email at [insert specified email address]
- by post by writing to us at [insert specified address].

Frequently asked questions: communal energy

What is communal energy?

Energy (gas and/or electricity) supplied to the areas that we light, heat and/or power outside of your front door is referred to as 'communal energy'. For example, lighting the stairs to your flat, or powering a door entry system.

What is a heat network?

It is likely that you will be aware if your property is part of a heat network, since it should have been explained to you at the start of your tenancy or lease. Heat networks supply heat from a central source to customers, via a network of underground pipes carrying hot water. The energy supplying that heat network may be charged to individual properties using the service charge. If so, that energy is also part of the current application.

What is dispensation?

We are required to consult with customers when entering any long-term agreement for services under Section 20 of the Landlord and Tenant Act 1985 (the 'consultation process') where the cost to you each year is more than £100. A dispensation in this instance is special permission, from the Tribunal, to proceed with choosing an energy supplier without the normal consultation process.

What do I have to do now?

Nothing. This is communication to let you know that we're applying for dispensation to enable us to get you the best energy deal on a long-term arrangement.

However, if you don't agree with the application you may wish to make representations to the Tribunal – see 'What if I don't agree with this application?' question below.

Why isn't Clarion consulting its customers?

When we're trying to get the best energy deals for you, suppliers are only able to lock in the best available prices for a very short time (usually less than one working day). This short period means it isn't possible for us to consult with you using the normal Section 20 consultation process.

What if I don't agree with this application?

You can write to the Tribunal directly to make your own representations, which **must be received by the Tribunal by [insert date]**. Their address is "First-tier Tribunal (Property Chamber), 10 Alfred Place, London, WC1E 7LR" and their email address is London.RAP@justice.gov.uk. Quote case reference [insert ref]. Do make sure any representations are received by the Tribunal in accordance with their directions (see our website or contact us by one of the methods shown on the first page of this letter to obtain a paper copy).

What if I don't want to change my home supplier?

You don't have to (assuming you are not part of a heat network). This application relates only to the communal energy supply, and will not change any existing arrangements you already have for the gas and/or electricity supplies in place within your home. If you're part of a heat network, this application will help us to secure the best deal on the market at that time for the energy supply to your home as well as to the other properties within the network.

How can I trust you'll get the best deal?

We will work with a broker, currently Inenco Group Limited, who will search the whole energy market, ensuring we can lock in the best deal on the market at that time. We'll be using the same arrangements to buy energy for the majority of our own offices. We want the best deal for all of us going forward, for years to come.

If it's a good deal will Clarion be doing this for your offices?

We are. We will be including all our offices where we are responsible for choosing how the energy is supplied, rather than a superior landlord.

What if dispensation is not granted?

We will need to buy energy on 364-day rolling contracts. We cannot get the best deals this way and it's likely energy costs will continue to climb year on year, something we are keen to help protect you from.