

The Leaseholder(s)

Leaseholder Services  
Bidborough House  
38-50 Bidborough Street  
London  
WC1H 9DB

London  
NW1

[capitalservices@camden.gov.uk](mailto:capitalservices@camden.gov.uk)

Tel: 020 7974 5107  
Fax: 020 7974 3929

5<sup>th</sup> February

Dear The Leaseholder(s),

### **Qualifying long term agreement: Non half hourly Electricity Supply**

This letter and the Notice of Intention (see overleaf), relate to Camden's costs for supply of communal electricity. Put simply it is our intention to renegotiate our electricity supply contract to get the best available deal for Camden & our residents.

Camden's non half hourly (NHH) electricity supply contract with EDF Energy is due to end on the 31<sup>st</sup> March 2014. The council is going through a procurement process to ensure that new contracts are in place from 1<sup>st</sup> April 2014. Many of the supplies are landlord's supplies serving housing properties, e.g lighting in communal hallways.

We intend that larger supplies will be aggregated onto the Council's existing flexible contract where cost effective, enabling us to access cheaper wholesale energy prices. Smaller supplies will be tendered competitively. This approach creates greater opportunity for obtaining competitive prices whilst minimising the administrative overheads. It was approved by Camden's Strategic Procurement Board on 11<sup>th</sup> September 2013.

LASER (Kent County Council) will continue to manage the procurement process in accordance with EU Procurement Law. LASER operate contracts on behalf of 110 local authorities & their performance with respect to flexible electricity supply contracts has been independently assessed by the London Energy Project as 'Very Good' (the highest rating) for the period 1<sup>st</sup> October 2010 to 30 September 2013.

The nature of the energy market, means that it is not possible to meet all the consultation requirements under the Landlord and Tenant Act 1985 Section 20ZA (1) and in April 2011, Camden sought and was awarded Dispensation from the consultation process for 5 years commencing from 30<sup>th</sup> June 2011. If you wish to view the full LVT decision you can do so by checking the following website: <http://www.lease-advice.org/lvtdecisions/> and by searching for LON/00AG/LDC/2010/0104

Should you have any questions regarding this letter or the enclosure, please do not hesitate to contact Leaseholder Services using the contact details above.

Yours sincerely



Emma Adjei  
On behalf of London Borough of Camden  
[capitalservices@camden.gov.uk](mailto:capitalservices@camden.gov.uk)

**NOTICE OF INTENTION TO ENTER INTO A LONG TERM AGREEMENT FOR  
WHICH A PUBLIC NOTICE IS REQUIRED  
Section 151 Commonhold and Leasehold Reform Act 2002 - Schedule 2**

To all leaseholders of the London Borough of Camden and all recognised tenants' associations.

It is the intention of London Borough of Camden to enter into agreements with Procurement Service Providers (agent) for Non half hourly (NHH) Electricity Supplies in order to obtain competitive prices for landlord electricity supplies. This contract will affect properties receiving landlord electricity supply across the borough of Camden.

1. This qualifying long term agreement is with LASER (Kent County Council) to procure flexible supply contracts through the wholesale energy markets in bulk volumes. The existing Leasehold Valuation Tribunal decision permits Camden to procure energy suppliers in this way until 30<sup>th</sup> June 2016.

The flexible supply contracts will be compliant with the Office of Government Commerce Energy Strategy Team standard and the procurement approach is in line with Best Practice Guidance issued by the London Energy Project), which aims to promote best practice energy procurement in the public sector. This contract will allow Camden to obtain the best possible price for the supplies of electricity. The contracts will last up to 2.5 years.

2. In this instance Camden will not be inviting leaseholders and recognised tenants' associations to nominate a firm. This is because the total value of this agreement exceeds the notional value of the European Union procurement rules.
3. We invite you to make written observations by sending them to the address at the top of the covering letter or emailing: [capitalservices@camden.gov.uk](mailto:capitalservices@camden.gov.uk) quoting '(NHH) Communal Electricity Supply Contract' in the subject line.

Observations must be made within the consultation period of 30 days from the date of this notice. The consultation period will end on 3<sup>rd</sup> March 2014 and all observations need to be received by this date.

Please note that the Leasehold Valuation Tribunal have already awarded Camden Dispensation from the consultation process for 5 years commencing from 30<sup>th</sup> June 2011.

4. Camden estimates the total value of this agreement to be £2.7million.
5. Leaseholders individual estimated and actual contributions toward communal electrical supplies are invoiced in their annual service charges.

Signed on behalf of London Borough of Camden:

  
Emma Adjei  
Senior Consultation and Final Account Officer