

Questions and answers from the first two weeks' observations and the residents' forum on Monday 17 March 2025

| Question | NHG response |
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| Will there be price caps or other protections from sudden energy price increases? | Yes. The reason we are going applying for dispensation is so that we can lock into a multi year agreement, whilst enery prices are relatively low. Whilst prices are relatively low at the time of writing they are subject to change due to the energy market's natural volatility. |
| How will NHG get the best deal? | NHG will procure the best commercial energy deal available to a housing provider, when we believe it is the right time to do so between the tribunal's determination and early 2026. |
| How does NHG procure electricity. E.g. will the standing charge/per kWh price be universal across all our buildings? | We will procure with a broker's assistance. The standing charge can vary by location; this depends on the meter, type of energy, pass through charges; from the grid to the property. |
| Are there break clauses in case energy prices fall significantly? | We have a break clause with Inenco (the broker). With the supplier we would have to pay for the energy procured (but not yet consumed) and then reprocure new energy. |
| What if prices fall once the agreement is signed? | We will be locked into the multi year contract. We believe that a multi year agreement, if signed when prices are low, is the best way to minimise communal energy costs and provide predictable energy costs for the coming years. |
| Will residents with communal boilers pay twice: once for the bulk gas via their service charges, once via their heating bills? | No. If you pay your heating bill via a supplier e.g. Switch2, Vital Energi etc. you will not pay for gas via your service charge. |
| will this impact our gas and hot water costs for individual residents using the communal boiler as well as other communal energy | This will hopefully have a positive effect on gas/heating bills for residents at developments with communal boilers. |
| Can we mandate that suppliers replace all existing landlord or communal meters with smart meters? | This is ongoing, we are prioritising the sites with the highest estimated consumption. |

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| Can standing charges be capped? Standing charges are the main cost for communal electricity in smaller blocks such as converted street properties. Did NHG take advantage of government discount schemes in the last few years? | Standing charges are set by UK Power Networks (or equivalent distribution network operator). Qualifying Heat Supplier discount has been achieved in the past, but this was a one off gesture from the government. Communal meters are classed as commercial rather than residential. |
| Is the standing charge applied to the estate & individual blocks? | There is one standing charge per meter. On a large estate that will typically be one estate meter, and one meter for each block or stairwell. |
| Are standing charges cheaper outside of London? | Standing charges depend on various factors, including location. According to Ofgem's website, London and East Anglia both have competitive standing charges compared to other regions of Great Britain. |
| How did NHG decide to work with Inenco again - were other brokers considered? | Other brokers were considered. NHG made the decision to move forward with Inenco due to strong market connections, proven track record and the inclusion of Inenco into the SE First portfolio. For £26 per meter per year we get a full brokerage service. |
| What evidence is there of Inenco's good performance over the current agreement? | We can only base this on their price relative to the market price when the current agreement was confirmed in 2022, when residential energy prices had increased drastically due to global factors. |
| What broker fees does NHG pay? How are these passed on via the service charge? | This is a cost from the supplier but equates to £26 a meter per year; this is factored into the standing charge. |
| How will this impact energy prices ergo service charges over the coming 12 months? | The impact will be seen in 2026 as we are looking to procure initially until 2028. |
| How can we manage brokers' and providers' performance? | Based on potential annual savings and smart meter rollout. |
| What consideration have we given to renewable energy suppliers? How does this fit with NHG's sustainability policy? | We are currently on a green tariff on electricity |
| What would the proposal (if implemented) change, compared to now (i.e., how is common parts electricity and gas currently procured)? | This is very similar to the current arrangement, in line with the 2022 dispensation ruling. We currently procure for over 5,000 individual meters on our electricity contract alone. |
| Will this affect the way residents' private energy (for their own flats via their own private meters) is procured? | No, this will only affect communal landlord meters. Any meters in residents' own names will be unaffected. |

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| What price is NHG currently paying for communal electricity? | The standing charge differs per property. As of March 2025 the electricity per unit cost is approximately 36p kWh. From April 2025 to March 2026 inclusive this should fall to approximately 21p per kWh. |
| If NHG is free of the full consultation process for QLTA a new contract can be negotiated and entered into at the best time that suits NHG, and its leaseholders by extension? | Yes, exactly |
| If the energy prices are not favourable once dispensation is granted, will the current contract continue? | We have to enter into an agreement for future energy price, otherwise the out of contract 'tracker' rate will likely be markedly higher. |
| Does the dispensation mean that NHG will be exempt from disclosing the name of the actual energy suppliers, or their charges (kWh, standing charge etc.)? | I see no reason why we will not be able to disclose your building's communal electricity provider. You are entitled to request invoices for communal electricity for the most recently published final accounts under the 1985 Landlord & Tenant Act. |
| How can energy trading bring costs down? | A broker may notice lower prices in the market, and then buy in bulk. |
| How does NHG propose to inform the residents on the outcomes of the energy procurement, management and utilisation (e.g. statistics, comparison of year-on-year reports, distribution by type of fuel, etc.) of energy, distribution by cost components (e.g. clearly separating consulting from commodity costs, etc.)? | We will publish this on the website: nhg.org.uk/dispensation-application |