

APPENDIX F

WAVERLEY BOROUGH COUNCIL

EXECUTIVE – 6 SEPTEMBER 2011

Title:

TENANCY VARIATION FOR SOLAR PV PANEL PROJECT

[Portfolio Holder: Cllr Keith Webster]

[Wards Affected: All]

Summary and purpose:

To request approval of the variations to the Council's Secure Tenancy Agreement to permit the Solar PV Panel project to progress. Officers have drafted a Solar Agreement that will be an addendum to the secure tenancy agreement and carried out the statutory consultation with tenants. The variation is required for the installation, management and maintenance of the systems.

How this report relates to the Council's Corporate Priorities:

This report relates to three of the Council's Corporate Priorities namely: **Improving Lives** – Improving the quality of life for all, particularly the more vulnerable within our society; **Subsidised affordable housing** – Working for more affordable housing to be built and managing council housing well; and **Environment** – Protecting and enhancing Waverley's unique mix of rural and urban communities.

Equality and Diversity Implications:

The installation of PV Panels on Council homes will assist people on low/fixed incomes, as they will benefit from the electricity generated during the day at nil cost. This will assist people who are in 'fuel poverty'. The energy needs of young families and elderly people tend to be higher and such people tend to be at home during the day so will particularly benefit from this initiative.

Environment and Climate Change Implications:

The installation of Solar PV panels on council-owned homes will make a positive contribution towards reducing CO₂; it is consistent with the Council's commitment to making Waverley 'greener' and achieving targets under the Climate Change Strategy. This initiative will significantly raise the profile of renewable energy in the Borough.

Resource/Value for Money Implications:

The cost of installing PV Panels on Council properties will be borne by Savills Solar, who will receive the Feed-in-Tariff. Waverley will receive a 'roof rent' for each property where PV Panels are installed and the tenant will be able to use the electricity generated during the daytime free of charge. The consultation and variation costs of printing, postage and staff time have been met within current budgets.

Legal Implications:

The Council will enter into a lease with Savills Solar to permit the letting of “roof airspace”. The Solar Agreement will be an addendum to the Council Secure Tenancy for properties where Solar PV Panels are installed.

Background

1. In February 2011 the Council agreed to enter into an arrangement with Savills Solar to install Solar PV Panels to suitable council homes and bungalows. The Council signed an Option Agreement with Savills Solar on 14 June 2011. Savills Solar and Council officers have created a project plan and have been progressing with the preparatory work to establish suitable properties and arrange legal documentation. Savills Solar have carried out suitability surveys on 3,049 homes. Design surveys are being carried out over the summer to establish the definitive list of suitable properties.

The Need for Tenancy Variation

2. Savills Solar will require access to Council properties to install, manage and maintain the systems. Regrettably the current secure tenancy agreement does not accommodate this arrangement. Therefore a slight amendment will be required.
3. Officers have drafted a Solar Agreement (see Annexe 1) that would be entered into between the Council and the Tenant(s) to facilitate the necessary changes. The Solar Agreement states the tenancy variations and identifies the rights and responsibilities during the Solar PV project. Savills Solar require tenant(s) to sign the Solar Agreement before installation can start because Savills Solar cannot install PV systems under the terms of their Lease unless a Solar Agreement has been entered into by the tenant(s).
4. The main points of the Solar Agreement are:
 - to permit the renting of the airspace above the property;
 - for the tenant to allow the installation;
 - for Savills Solar to receive the Feed-In-Tariff; and
 - the repair and maintenance details.
5. The principal changes to the tenancy agreement are:
 - to make the Solar Agreement part of the tenancy agreement;
 - to relinquish the air space;
 - to give Savills Solar rights to enforce the agreement;
 - a requirement not to tamper with or damage the equipment installed;
 - to allow access to repair and maintain the system; and
 - to request permission before carrying out improvements, alterations or additions close to or next to the PV system.

Tenant Consultation

6. The Council has statutory guidance to follow to vary the tenancy agreement. Officers have served a preliminary notice to vary the tenancy to over 3000 tenants and held a 28 day consultation period. The Council received over 80

written responses from tenants. The majority of responses were either positive (20) or had no comments (27). Officers replied comprehensively to a range of specific enquires (27) advising tenants accordingly and noted the seven tenants who stated they did not wish to be involved in the project.

7. Officers also received over 100 telephone calls regarding the project and tenancy amendments. Officers provided further advice and clarification regarding the project.
8. Five tenant workshops were held across the borough to advise tenants of the project and discuss any concerns or issues with tenancy changes. Approximately 100 tenants attended and the workshops were positively received.
9. The Tenants' Panel is satisfied with the consultation arrangements and agrees with the proposed changes.
10. Officers have reviewed the comments received during the consultation period and have found no fundamental issue with the Solar Agreement and tenancy variation.
11. The next stage will be to serve a formal Notice of Variation (under Section 103 of the Housing Act 1985) to tenants whose properties are suitable for Solar PV Panels and who have signed a Solar Agreement.

Conclusion

12. The tenancy variation is necessary to permit the installation of panels. The variation does not substantively change the tenancy agreement. Tenants remain a secure tenant with Waverley Borough Council and all main clauses remain unchanged. Officers have carried out the necessary consultation with tenants and received no substantive objections. The tenancy agreement will not be altered unless the tenants have signed the Solar Agreement.

Recommendation

It is recommended that the Executive recommends to the Council that:

1. the secure tenancy variations held in the Solar Agreement be approved; and
2. formal Notice of Variation be served (under Section 103 of the Housing Act 1985) on tenants whose properties are suitable for Solar PV Panel installation.

Background Papers

There are no background papers (as defined by Section 100D(5) of the Local Government Act 1972) relating to this report.

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