



Gas & Electricity Dispensation Application to the First Tier tribunal

Frequently Asked Questions

What is a Section 20 Dispensation?

Jigsaw Homes is seeking a 'Section 20 dispensation' to exempt us from The Service charge consultation regulations 2003 to enable us to enter into a long term contract for a period of 12 months or more. This will help us procure better value energy contracts with the aim of reducing the impact on future increases in electricity & gas prices to our customers. The procurement window for energy contracts is extremely short and therefore this leaves insufficient time for us to undertake a full consultation with all the residents.

Please note that this does not affect customers' domestic supplies, only 'landlord supplies'.

We are writing to all customers who pay a service charge for electricity or gas. We are inviting them to submit their comments on the information that you have received in this correspondence pack.

What are you changing?

Jigsaw currently goes out to the market each year to find the best landlord gas and electricity price. This is like a very large annual energy supplier switch. However, with the price of energy continuing to rise, one way to help potentially mitigate a large year on year price rise is to secure a longer term energy deal, typically for a three year period. This is similar to the deals some utilities offer to domestic customers with a fixed-price tariff for three years. Because this is over 12 months we need to consult with you about this proposed change.

What gas and electricity supply are you renewing?

This consultation relates to communal supply only, often referred to as "Landlord Gas and Electricity" on your service charge statement. This might include, for example, power to lifts, indoor or outdoor lighting, shared heating & facilities, alarms and door entry systems. We are not switching your personal supplier.

How much will this cost me?

Details as to the costs will be provided once we have had the opportunity to procure the contract. This will take place after the tribunal has made its decision in respect of our dispensation application. We will contact you again to let you know their decision.



How much do I currently pay in my service charge towards gas and/or electricity supply?

This information should be contained in your latest service charge statement

What might Jigsaw do to minimise future energy price rises for my communal energy supplies?

By working with a partner we can bundle our energy requirements with other organisations across the UK and that will increase our collective buying power (bulk buying) with the primary intention of doing all that we can to purchase energy at the lowest price. The more we buy, and for a longer period, the more certainty we can offer the energy utilities, and as result it often means we can secure better prices on a longer term contracts.

You say this is a legal consultation, are you now going to add legal costs to my service charges?

No. Although this consultation process is required by law there are no legal costs involved.

My neighbour did not receive a letter?

If your neighbour is a tenant or a leaseholder with Jigsaw Homes and they pay a service charge for any electrically powered services, they may need to be included. Please ask them to contact us at ServiceChargeleasehold@jigsawhomes.org.uk

Is this process going to affect ...

1. **The electricity or gas supply** – No. There will be no interruption to supply as a result of this process.
2. **How I pay for my shared gas & or electricity** – No. You will still pay for your shared electricity and or gas through a service charge to Jigsaw Homes.
3. **The amount I pay under the service charge** - This process does not directly affect the amount you pay. Any changes to the price of electricity under a new contract will be passed on in the service charge in April 2021

Do I need to do anything?

No, you do not need to respond to the letters you have received in the pack, that is entirely your choice. You can make comments about the dispensation application if you so wish by completing the enclosed form or contacting the ServiceChargeleasehold@jigsawhomes.org.uk





We recommend you keep a copy of these letters you've received for your records. If you are a leaseholder and are selling or intend to sell your property in the future, please give a copy to your solicitor.

What happens if I ignore these letters?

Nothing, you do not have to respond if you do not wish to do so. The Tribunal will assume you have chosen not to make a comment about the dispensation application being undertaken by Jigsaw Homes.

If you have any queries please call 0300 111 1133 or email ServiceChargeleasehold@jigsawhomes.org.uk

Where can I go for advice?

You can contact your local Citizens Advice Bureau for independent advice. The following websites also have useful information about the S20 process:
<http://www.lease-advice.org>
<http://www.leaseholderadvicecentre.co.uk>



