

The Green Deal

The Green Deal is a Government initiative to save energy. The Government is encouraging homeowners to acquire energy saving installations the cost of which will be offset by savings in their energy bills over time. Homeowners do not pay upfront for the installations but the installers will fund it. The installers will set up an agreement with the homeowner whereby the homeowner repays the cost over a period of time. Some agreements include early repayment provisions. It is the installer's responsibility to obtain planning consent or building regulations consent for the installation. It will also be necessary to seek the consent of landlords and mortgage lenders for Green Deal installations. The Green Deal repayments are incorporated within the homeowner's energy bills.

Eligible works include cavity wall insulations, solar panels, boilers, hot water systems, insulation, replacement glazing and lighting systems. A complete list is set out in the Green Deal (Qualifying Energy Improvement) order 2012.

If a property changes hands, the seller has to give information to the buyer, tenant or other occupier seven days before exchange of contracts or occupation, whichever is relevant. It is obligatory for a new EPC to be done when the installation is put in, and therefore the seller's obligation to pass information to the buyer can simply be discharged by providing a copy of the EPC.

In any documentation (e.g. contract or tenancy agreement) an acknowledgement must be included whereby the new occupier or owner acknowledges that he or she will take on the obligation to repay.

If a buyer or occupier has no notice of the Green Deal then he or she can challenge his or her liability to pay within 90 days after notification by the energy provider that the Green Deal affects the property. The outgoing seller or occupier may then have to pay in full.

For further information see the government website www.gov.uk/greendeal. Alternatively, please feel free to contact us for more information at The Gatehouse, Dollar Street, Cirencester, GL7 2AN, or email alison@alisonfielden.co.uk.