



HOUSING RETROFIT

SMART EXPORT GUARANTEE (SEG) POLICY

Date of policy	July 2026
Date for review	July 2029
Policy owner	Director of Housing and Operations, Folkestone & Hythe District Council
Approved by	Cabinet September 2026
Risk register rating	Low
Associated documents	N/A

Revision history (internal F&HDC officer use only)			
Version	Date	Revision description	Policy/revision author
V1.0	July 2026	Document created	Joel Wyatt Retrofit & Net Zero Manager

NEW POLICY / POLICY REVIEW	
New policy	YES
Early review – change in legislation	
Early review – significant changes in practice	
Review due – significant changes	
Review due – cosmetic changes or unchanged	
Other reason	

Reason for new policy / summary of changes
To create a policy that reflects the current working practices of the Housing Retrofit & Net Zero team following installation of Low Carbon Technology systems.

CONSULTATION	
List of people/roles who have been consulted	Date
Joel Wyatt, Retrofit & Net Zero Manager	July 2026
Mick Hale, Housing Asset Lead Manager	July 2026
Gill Butler, Chief Officer - Housing	July 2026
Andy Blaszkowicz, Director - Housing & Operations	August 2026

EQUALITY IMPACT ASSESSMENT	Completed	Date
	YES	July 2026

DISSEMINATION		
Role	Awareness	Essential
Retrofit & Net Zero team		YES
All housing staff	YES	

TRAINING		
Role	Trainer	Date completed
Retrofit & Net Zero Surveyors	Retrofit & Net Zero Manager	TBC

MONITORING AND COMPLIANCE		
Method	Responsibility	Frequency
Internal audit review	Retrofit & Net Zero Manager	Annually or as required

Table of Contents

1.	Purpose of the Policy	4
2.	Policy Objectives and Scope	4
3.	Legal/Regulatory Framework	5
4.	Responsibility	5
5.	Statement of Intent	5
6.	Key Controls and Reporting	6
7.	Financial Performance Reporting	6
8.	Equality and Diversity	7

1. Purpose of the Policy

- 1.1 The Smart Export Guarantee (SEG) is a UK Government initiative launched on 1st January 2020 requiring licensed electricity suppliers to pay small-scale generators for low-carbon electricity which is exported back to the National Grid.
- 1.2 Folkestone & Hythe District Council (hereafter referred to as 'the Council') declared a climate emergency on 24th July 2019 committing to reducing carbon emission from its own estate and operations to a net zero target by 2030.
- 1.3 The Council is committed to reducing the carbon emissions of its housing stock. This includes the installation of roof-mounted Solar PV systems. The Council is responsible for the installation, repairs and maintenance of these systems.
- 1.4 The Smart Export Guarantee Order 2019 specifically requires licensed electricity suppliers to pay small scale generators for low-carbon electricity exported back to the National Grid. The regulations outline the eligibility criteria, tariff and procedures for eligible generators.

2. Policy Objectives and Scope

- 2.1 The Council must establish a policy which meets the legislative requirements of the Smart Export Guarantee Order 2019 and complies with SEG Licence Conditions.
- 2.2 The policy must provide assurance to the Council that measures are in place to ensure compliance with these regulations and to identify, manage and/or mitigate risks associated with SEG export tariffs.
- 2.3 The Council must ensure compliance with Ofgem's SEG: Guidance for Generators to ensure the installation eligibility criteria is met and maintained.
- 2.4 The policy has been established following a successful pilot trial of a small number of eligible installations to act as a demonstrator of SEG licensee systems and processes, Council resources, officer time and financial forecasting.
- 2.5 The policy establishes the Council's exclusive rights as owner, operator and maintainer of all generation installations on Council properties to claim for SEG payments following the installation of low carbon technology (LCT).
- 2.6 The policy establishes the Council's intention to reinvest all tariff payments back into the Housing Revenue Account for the purposes of further LCT installations and the ongoing repairs and maintenance of existing systems.
- 2.7 The policy is relevant to all Council employees, tenants, contractors and other persons or other stakeholders who may work on, occupy, visit, or use its premises, or who may be affected by its activities or services.

- 2.8 The policy should be used to ensure Council officers and contractors understand the obligations placed upon the Council to maintain accurate records and eligibility of systems on or within individual dwellings, within all communal areas of buildings and any 'other' properties (owned and/or managed).

3. Legal/Regulatory Framework

- 3.1 **Regulatory Standards** - the application of this policy will ensure compliance with the regulatory framework and consumer standards for social housing in England, introduced by the Regulator of Social Housing (RSH).
- 3.2 **Legislation** - the principal legislation applicable to this policy is The Smart Export Guarantee Order 2019.
- 3.3 **SEG: Guidance for Generators** - Ofgem's approved guidance for generators outlines the process, administration, eligibility, contract and payments associated to SEG tariffs.

4. Responsibility

- 4.1 The Council's Cabinet will have overall responsibility for ensuring this policy is fully implemented to ensure compliance with the regulatory standards, legislation and approved codes of practice. As such, they will formally approve this policy and review it every three years (or sooner if there is a change in regulation, legislation or codes of practice).
- 4.2 SEG financial performance will be reported to Cabinet as part of the Council's performance reporting framework. This is so that it has assurance that the policy is operating effectively in practice.
- 4.3 The Council's Director of Housing and Operations will have strategic responsibility for the implementation of this policy and for ensuring compliance is achieved and maintained.
- 4.4 The Council's Housing Assets Lead Manager will be responsible for overseeing the delivery of the agreed SEG programme.
- 4.5 The Council's Chief Officer for Housing will be responsible for ensuring the policy is reviewed every three years and will notify The Council's Corporate Leadership Team and relevant operational team(s) responsible for the delivery of the compliance programme, of the upcoming review.

5. Statement of Intent

- 5.1 The Council acknowledges and accepts its responsibilities under the Smart Export Guarantee Order 2019.

- 5.2 The Council will obtain and hold accurate installation data and certificates ensuring compliance with SEG Generator guidance requirements.
- 5.3 The Council will maintain accurate financial records against each property it owns with an eligible low carbon technology system registered to receive SEG payments.
- 5.4 The Council will ensure SEG licensee tariffs are reviewed on an annual basis to ensure tariffs remain competitive and the Council is receiving best value for money.
- 5.5 The Council will ensure that all tariff payments are logged, monitored and reconciled through auditable financial accounting processes.
- 5.6 The Council will ensure all payments are reinvested directly into the Housing Revenue Account to fund further LCT installs and/or supplement the cost of repairs and maintenance of existing LCT systems.
- 5.7 The Council will ensure contracts/service level agreements are in place with the SEG licensees responsible for delivering SEG payments.
- 5.8 The Council will implement a robust process to deal with all changes to stock, including new property acquisitions, disposals and stock transfers, in order to ensure that properties are not omitted from the SEG programme, and to ensure the programme remains up to date.
- 5.9 The Council reserves the right to amend the Policy where minor changes are agreed with the Director of Housing & Operations and the Portfolio Holder for Housing and Homelessness.

6. Key Controls and Reporting

- 6.1 The Council will establish and maintain a dedicated asset register of all properties that have an active LCT SEG tariff. This register will also hold data against each property asset relating to the installation ID, relevant certificates and export MPANs.
- 6.2 The Council will ensure robust processes and controls are in place to provide and maintain appropriate levels of security for all LCT SEG tariff related data.
- 6.3 The Retrofit & Net Zero Manager will be the owner of the SEG asset register and responsible for the maintenance and monitoring of accurate financial tariff records.
- 6.4 All tariff payments will be recorded and reconciled by the relevant HRA finance accountant and officers and coded to the relevant income budget.

7. Financial Performance Reporting

- 7.1 Robust financial reporting will be established through the maintenance of a dedicated SEG licensee payment register. The variable nature of SEG payments requires continued monitoring for the purposes of financial reporting and budget allocation.
- 7.2 Financial reports will be produced and provided to Corporate Leadership Team (CLT) and Cabinet as part of the reporting cycle, as required. Performance of SEG licensee payments and communications will also be monitored and scrutinised through annual reviews, or as required.

8 Equality and Diversity

- 8.1 An Equality Impact Assessment has been carried out to determine whether the policy would have an impact on any member of staff, tenants or contractor workforce, which unfairly discriminates or disadvantages them in the context of the Equality Act 2010. Adherence to the policy provides the same level of protection for all building users and no impacts have been identified that would adversely affect one group more than any other.