CLF News Update - May 2023



News and notice of CLF meeting on Tuesday 30 May at 7pm

Dear {\$firstname}

Forum meeting

The Leaseholders' Forum Annual Meeting will be held at 7pm on Tuesday 30 May. It will be a hybrid meeting, so leaseholders may join the meeting online as observers. To receive login details, please email us before Noon on Tuesday 30th: camden@leaseholdersforum.org.uk - CLICK and SEND

The **agenda papers** for this meeting will be available on Monday 22 May on the Camden website - linked here.

The minutes of the last meeting on 14 March (no webcast) may be found on the Camden website - linked here.

Energy Costs

This topic doesn't apply to you if you have your own heating (mainly in street properties) and you are not supplied with heating by Camden.

Communal Gas and Electricity price increases

A quick reminder of what it's all about.

A building may require bulk gas for the communal systems supplying heating, hot water or cooking gas or combinations of these. It may also require electricity to power lifts, door entry, lighting to common areas, boiler controls and pumps. This is communal energy and is quite separate from the domestic gas and electricity.

Bulk gas has seen a huge price hike for the contract period October 2022 to September 2023. The gas price increased by 318% (from 2.04 to 8.53 pence per kilowatt hour - that's four times more expensive!). The daily standing charge increased by 76%. The Government's EBRS support scheme does appear to shave 1.5p/kWh off this figure, from October to March. But the new EBDS support package from April 2023 is less generous and does not appear to offer us any price reduction as the price Camden has secured is already lower than the EBDS cap.

Electricity prices have also increased for the same period. Typically the new unit price per

kilowatt hour is up by 69% and the daily standing charge up by 23%.

As a result the day-to day service charge for the year 2023/24 has also significantly increased. Unlike its suggested title, energy provision is not a Council service. It is a utility cost, which Camden merely passes on. It is a ringfenced account which sits next to the Housing Revenue Account and it cannot be subsidised.

To ease the financial burden, Camden has invited applications to extend payment terms for the heating charge and for any concurrent major works charge. For more details, please see the Forum Update published at the end of March 2023 – linked here.

The Guardian newspaper featured an article on this very subject on 19 May "UK households with communal heating facing 350% rise in energy costs" linked here.

Leaseholder Services reports that "approximately 4,300 of Camden's leases state management costs should be equal to 10% of all other items included in the service charge. The remainder require Camden to charge the actual costs in managing its leasehold portfolio and these leaseholders pay a fixed management charge which is recalculated each year.

"Of the 4,300 leases requiring calculation of the management charge at 10% of the service charge, 1,300 are connected to Camden's communal heating/hot water/bulk gas networks and of these, 1,282 are paying more than the fixed management charge."

The Forum raised concerns about windfall gains where the management charge is inflated by the increase in energy costs. Camden has agreed to cap the charge at the flat rate for this year. This is currently estimated to be £187.57 but may change when actual costs are calculated in September 2024. Camden has written to all affected leaseholders.

As a heads-up, it appears likely that that leaseholders may have additional energy costs to pay for the year 2022/23, once Camden has completed its accounts and sends the actual costs demands in September 2023.

Heat meters

Understandably, leaseholders with communal heating want more control over their energy costs. One solution, supported by legislation*, is the installation of individual heat meters. The Camden Service Charge Guide says this about heat meters:

"*The Heat Network (Metering and Billing) Regulations 2014 require all homes on a district heating network to have a heat meter where it is possible. We have been rolling out a long-term programme to install heat meters in our homes in line with these Regulations and our Camden Plan to reduce carbon emissions in the borough. A heat meter accurately measures the energy you use to heat your home and the hot water you use. It means we can charge you accurately for the energy you use and you can monitor how much energy you are using."

Camden reports that 202 buildings are programmed to have individual heat meters installed. One quarter of these are already installed and activated. The full list is linked here.

In summary, Camden's progress with heat meters installation is:

50 - Installed

- 4 In progress (compliance)
- 68 In progress
- 84 Programmed

202 buildings in Total

Camden says that it still has plans to meter as many other homes on its heat network as possible, including those it is not legally required to meter. However, the speed of the rest of the programme will depend on budget, resource, supplier constraints and resident access issues.

A leaseholder has submitted two Freedom of Information requests to obtain information about heat meters for their building. The responses are published the Camden website. (1st) is linked here ~~~ (2nd) is linked here.

The Forum meeting on 30 May will be exploring energy issues – in particular heat meter issues.

Camden Repairs

Danny Waite, Head of Repairs and Operations, left Camden Council on 12 May. Darren Smith has been appointed interim Head of Repairs whilst recruitment options are explored.

Camden is developing a repairs tracking/workflow system. This was anticipated to be launched in May but has been pushed back to November 2023, as Camden has "made some operational changes to the original scope of the project".

CLF website Discussion Board
To keep updated or to post yourself...

CLICK AND COMPLETE THIS EMAIL

Visit us on the Forum website

CLF website

You are receiving this email because you signed up for our occasional mailing

If you want to unsubscribe, click here.

