

Meakin District Heating System Update

Tuesday 28th January 2025, 6pm – 7:30pm, MS Teams

Attendees:

Ian Cade (IC)	Chair, Interim Major Works Manager
Bob Heapy (BH)	JMB CEO
Jennifer Dawn (JD)	Homeownership Services Manager
Igor Novokreshchenov (IN)	Resident Engagement and Board Support Officer

11 attendees (both residents and leaseholders)

Apologies: N/A

Minute-taker: Igor Novokreshchenov.

1	<p>Opening statement</p> <p>IC formally started the meeting and introduced himself. Attendees were asked not to talk over one another and leave questions until the end of the presentation. IC explained that the meeting is not being recorded but minutes are taken by IN.</p>	
2.	<p>Issues with the current district heating system on Meakin Estate.</p> <p>2.1 IC started the PowerPoint presentation with Meakin Estate site audit findings. Those are the summary of the comprehensive FairHeat study report, available to all on request to the JMB Repairs Team.</p> <p>2.2 FairHeat were appointed at the start of 2024, to conduct full site survey of Meakin, including some private properties that reported issues with their heating and hot water systems. The survey was completed by May 2024, with the above-mentioned report produced subsequently.</p> <p>2.3 IC explained what typical modern district heating system looks like, to which the Meakin one will be upgraded: an energy centre (Meakin Boiler House), feeding individual Heat Interface Units (HIUs) within each dwelling. HIUs provide residents with full individual control over heating and hot water output within their homes. It minimises heat losses while minimising complexity and operational risks and allowing for more accurate data capture.</p> <p>2.4 In their study, FairHeat first looked at individual dwellings, moving on to the network, and finally looking at the boiler room operations. IC explained FairHeat approach as initially focused on repairs (represented in more detail in Work Package 1), followed by system upgrade and improvement (explored in more detail in Works Packages 2 & 3).</p>	

<p>2.5</p> <p>2.6</p> <p>2.7</p> <p>2.8</p> <p>2.9</p> <p>2.10</p>	<p>Meakin heating system was first built in 1930s, with the current system installed in 2016. The system covers 123 dwellings and a community centre, and is made of 4 substations connected to the plant room via buried pipework that FairHeat was not able to access. The heat is generated by 2 Potterton gas boilers. The system is a 4-pipe one with no HIUs, and has no commercial or retail connections. There is no individual metering, as is now required by the new Energy Act, so that residents have more control over their energy use.</p> <p>Many properties were found not to have space heating controls. There is a low flow rate from hot-water taps. Pipework was inaccessible. Many residents were found to be bypassing provided thermostats, instead controlling their individual heating by turning the radiator valves.</p> <p>The network is made of plastic space heating pipework, with insufficient insulation thickness. Its inaccessibility makes it difficult to maintain.</p> <p>Numerous issues were observed at the 4 substations, such as oversized pipework and broken meters. Oversized equipment was also found to be utilised in the boiler room. The Building Management System that supposes to control the flow of heat and the boilers, was found to be inactive.</p> <p>Full list of issues found is given in the FairHeat final report.</p> <p>The main heat losses are in the pipework.</p>	
<p>3</p> <p>3.1</p> <p>3.2</p> <p>3.3</p> <p>3.4</p> <p>3.5</p>	<p>Work Packages 1, 2 & 3.</p> <p>IC explained that, although there were 3 Work Packages, the JMB decided to go with the 3rd package as the most comprehensive. This would involve the complete district heating renewal, including the boilers, the substations, and the pipework.</p> <p>Work Package 1 mainly focuses on improving parts of the existing system. JMB will look at implementing some of the recommended low-cost measures.</p> <p>Work Package 2 involves renewing the pipework as the primary cause of the heat loss.</p> <p>Work Package 3 encompasses all recommended measures from the first two packs but also includes the renewal of all other elements involved. The 4-pipe system will be replaced with the modern 2-pipe system, to enable the metering. Although the most costly, it will also provide the best outcome for the Meakin residents and the JMB.</p> <p>The estimated cost of the Work Package 3 is over £1.5 million. JMB will seek external funding to cover half of the costs. The consultant is currently developing the scope for the HNES application to the effect. To successfully apply, the JMB will work with the contractor to get an</p>	

	<p>accurate understanding of the costs involved. Application submission deadline is 1st August 2025.</p> <p>3.6 Once the outcome of the application is known, the JMB will proceed to the Stage 3 design, to be completed before the end of this year, followed by procurement at the start of 2026. Contract is expected to be awarded by March 2026. Works on site to start around May 2026 and be completed by the end of that year.</p> <p>3.7 IC stressed that this timeline may be subject to change.</p> <p>3.8 IC commented that compensations will be paid out to those residents who experienced loss of hot water and heating.</p>	
<p>4</p> <p>4.1</p> <p>4.2</p> <p>4.3</p> <p>4.4</p> <p>4.5</p> <p>4.6</p>	<p>Open discussion.</p> <p>Q1: Does “renewed” mean brand new or will some refurbished equipment be utilised?</p> <p>IC: Everything will be brand new, except the radiators in individual dwellings that will be fitted with thermostatic valves – the latter is to be confirmed.</p> <p>Q2: Will pipework in individual properties be renewed?</p> <p>IC: This is to be confirmed, as it may not be necessary. Some adjustments may be required to connect existing pipework in individual dwellings to the HIUs. JMB will likely take an estate-wide decision on it, rather than carry out individual property assessments.</p> <p>Q3: Will there be a cost to the residents and leaseholders?</p> <p>IC and JD: No, as they have already paid for the original system installed in 2017.</p> <p>Q4: Would installing individual boilers work better instead of a district heating system?</p> <p>IC: District heating systems are much more energy efficient than individual boilers. The HIU will allow residents to take better control of their individual energy use.</p> <p>Q5: How the metering will reflect upon the service charges for maintaining the system?</p> <p>JD: The Energy Reform Act stipulate that all communal heating systems, including district ones, must be fitted with HIU units within next 10 years. Legislation is not specific as to how this is to happen. There are instructions for local authorities vs private landlords. Leasehold Reform Act is due out this year that hopefully will give guidance as to how to charge for this service, that will be passed on to the landlords via separate service charges, and to the tenants via variable service charges within their rents.</p> <p>Q6: What are the residents being compensated for?</p>	

	<p>IC and JD: The residents will be compensated for the days when they do not have heating or hot water. When the works will start, the JMB will be looking at ways to reduce inconvenience to the residents, including giving out portable heaters.</p> <p>4.7 Q7: How long would episodes of disruptions approximately last for?</p> <p>IC: No longer than several days at a time for any individual dwelling.</p> <p>4.8 Q8: Can a letter be circulated to the leaseholders confirming that the cost of the new installation will not be charged back to them?</p> <p>JD: Letters will go out to all homeowners on Meakin once the JMB finalised the scope of works.</p> <p>4.9 Q9: Will there be a review of how much fuel was wasted with the current system, and how much residents and leaseholders will be refunded of the service charges paid?</p> <p>JD: Homeowners on Meakin received credits in October in relation to the waste of fuel on their district heating system. The fuel usage was matched to the nearest comparable system, which is the one on Kipling Estate. The calculated difference in fuel cost was subsequently refunded. Cost of the repairs on the Meakin system from 2018 until 2024/25 was reviewed, and professional opinion from the JMB heating consultant, PCM, was solicited. Further credits to leaseholders will be subject to their review and advice, and credited to the service charge accounts.</p> <p>4.10 Q10: What is the relation of the PCM to the David Miles who were the consultants on the 2017 system? JMB needs to ensure that no conflict of interest occurs when the works are being commissioned.</p> <p>JD: Those are two different companies with no relation to one another. Professional consultants are independent from contractors and have a duty of care towards their clients, in this case, the JMB. An outside opinion on the state of the heating system is sought with the FairHeat.</p> <p>4.11 Q11: Unlike district heating system in Kipling Estate, the one on Meakin is always experiencing problems that may not be resolved with renewing it. The new system needs to be cost- and energy-efficient estate-wide. Why are more repairs to the system being done in winter than any other season? How good a consultant are the FairHeat?</p> <p>IC: The system experiences more issues in winter due to the surge in its use by the residents. All repairs relating to the heating are being dealt with by the OCO. FairHeat have contributed to the government policies on the district heating, and are well-placed to consult the JMB on it.</p>	
--	---	--

<p>4.12</p> <p>4.13</p> <p>4.14</p> <p>4.15</p> <p>4.16</p> <p>4.17</p> <p>4.18</p>	<p>Q12: In the past, many leaseholders were strongly in favour of individual heating systems as they seem to provide better deal in terms of private energy use. At the moment, residents in Meakin have no incentive in reducing energy use because it does not affect their bills. This is not environmentally-friendly. Will there be a system where residents pay for the actual usage instead of the cost being split against the average for the whole block?</p> <p>IC: District heating systems were found to be more energy-efficient and environmentally-friendly than having private boilers. Individual heat metering will be provided by the HIUs in each dwelling, and the residents will be subsequently charged for their personal usage. To this effect, lease and tenant agreements would need to be reviewed and amended, to reflect this change.</p> <p>JD: When on a district heating system, everyone pays proportionally. Moving on to privately metered system, logic from leasehold case law dictates that service charge will be raised in relation to the actual usage – however, no government guidance has been made available yet.</p> <p>A resident commented that in 2016, when Southwark Council was asked if individual boilers can be installed, the response was that the Council can only replace like with the like, therefore a new district heating system was installed.</p> <p>Q13: Can information from the reports confirming the better efficiency of the district heating systems be shared with leaseholders and residents?</p> <p>IC will raise it with the FairHeat.</p> <p>Q14: How much work will be done internally in the individual dwellings?</p> <p>IC: Only what is absolutely necessary. The level of disruption will be minimal. HIUs will have to be installed, most likely in the kitchens.</p> <p>Q15: Will there be much excavation work done?</p> <p>IC: This remains to be confirmed. It may be necessary to dig a trench to inspect the pipework and confirm its suitability for the system upgrade.</p> <p>Q16: How can today's presentation be accessed?</p> <p>IC advises to contact JMB Repairs Team on repairs@lmjmb.org.uk to request a copy.</p> <p>Q17: Who will be responsible for reading the HIU meters?</p> <p>IC: It will be done remotely via smart metering.</p> <p>Q18: It was mentioned earlier that JMB will apply for a grant to cover half of the cost. Where will the other half come from?</p>	
--	---	--

	<p>IC: It will come from the JMB property maintenance fund.</p> <p>Two attendees object to this and ask that measures be taken to ensure that leaseholders will not incur extra charges.</p> <p>JD: Tenants service charges are collected weekly via rents. Leaseholders' service charges are charged when a service is provided, estimated at the start of the financial year, based on project costs, and actualised at the end of the year based on actual cost. Money for the Property Maintenance Fund comes from the collective pool of tenants' rents. Leaseholders will not be affected.</p>	
4.19	<p>Q19: Will JMB pursue legal action against previous consultants and attempt to recover the money spent?</p> <p>IC: The option was explored with the solicitors and it was concluded that that is not possible.</p>	
4.20	<p>Q20: How is it known that there are no issues with the internal pipework in individual properties?</p> <p>IC: OCO have not identified any issues in that regard. FairHeat reviewed a dozen properties and did not encounter any problems with pipework – the details are provided in their report. Individual issues with pipework need to be referred to the Repairs Team.</p>	
4.21	<p>Q21: Why can't the leaseholders install their own heating systems in their properties?</p> <p>JD: Because it contradicts the conditions set out in their leases. Change to that needs to be sought with the freeholder, the Southwark Council.</p>	
4.22	<p>Q22: Why doesn't all properties in the borough have communal heating, if it is better for the environment?</p> <p>JD: That is the question for Southwark Council, not the JMB. When JMB has taken over three estates from the Council, including the Meakin Estate, they already had district heating installed on them; the rest of the JMB stock portfolio has individual boilers.</p>	
4.23	<p>Q23: Can a summary of this meeting be circulated around?</p> <p>IC and JD: Minutes are being taken, and a summary letter will be sent around once the JMB has reached a decision on the scope of works on Meakin Estate.</p>	
4.24	<p>IC: Decima TRA hall is undergoing structural works, scheduled for completion on Monday 3rd February. For the hall use, residents to contact Igor, the Resident Engagement Officer.</p> <p>IC is to write to Meakin residents regarding the return of the heaters that were distributed to them in 2016-17.</p> <p>An attendee commented that some of those heaters were discarded by the residents, as JMB did not come to collect them at the time,</p>	

	<p>despite being asked to do so. Some of the heaters were allegedly been stored at the garage at 11 Archdale House.</p> <p>The meeting ended at 19:45pm.</p>	
--	---	--