



Heat Network Programme Performance Dashboard November 2024

Heat Network Programme on Page

Executive Summary

Phase 1 of the Notting Dale Heat Network in North Kensington will set a new benchmark for sustainable urban living. The Council has partnering with Cenergist and Vital Energi to design and build a heat network supplied by 100% renewable energy. This sustainability project is crucial to carbon reduction and is fully integrated with deep energy efficiency improvements in Council homes. Heat network pipe construction started in September 2024. The heat network has been co-designed with Notting Dale residents, leading the way in terms of community involvement, to help ensure an outstanding customer experience. The significance of this approach has been recognised nationally, with the UK government's Department for Energy Security and Net Zero featuring this work as an exemplar in their 'Heat Network Investment Project Evaluation.'

Overall progress

Heat network construction started in September 2024. First Heat On Autumn 2025.

Workstream summary

Resident Co-Design and Engagement

- The programme has successfully engaged over 200 residents on the energy centre locations and designs.
- Updated Communications to reflect resident feedback from early construction works, including noise impact
- Delivery model review is underway, looking to reduce costs for residents.
- Leaseholder recharge rectification letters have been drafted and will be issued before Christmas

Contract Management and Procurement

- Bomore Road was completed per programme in terms of time and cost.
- Camborne Mews and St Marks Road were completed with 2 weeks delay to the programme.
- Verity Close progressing well and in line with the programme. Complaints have been minimal.
- Procurement for electrical power upgrade works ongoing.
- Kensington Leisure Centre secondary network quotes – 2 received, 1 outstanding, 1 declined. Potential for Salix grant funding.
- TACE – Owners Engineer until December 2024. New Owners Engineer is currently being procured.

Programme Timelines and Interdependencies

- On-site construction has started for both the primary, secondary and tertiary heat network. The Walkways secondary pipe work 70% completed.
- Kensington Leisure Centre, Baseline Studios and Treadgold House – connection to Notting Dale Heat Network is scheduled by October 2025/March 2026.
- Completion of secondary networks in 80% of homes on two existing heat networks by October 2025.
- Tertiary network installs (including HIUs) ongoing, connection to primary and secondary by Spring 2026.

Budget and Costs

- Financial analysis is being undertaken to seek to balance underspend and overspend across project budget cost codes
- Variation Orders to date total £499,234 for Vital contract
- £10.5m loan secured from Amber Infrastructure (MEEF) at 3.6% compared to 5.33% with PWLB.

Strategic and Operational Risks

- Provisional roadmap developed to develop the Business Case for Phase 1b heat network expansion.
- KLC roof interdependency being discussed across council.

Key statistics

250m



Meters of heat network pipe installed

321
+3 from Oct



New Domestic or residential system installed

321/826

District Heat Network Sequencing Breakdown

Map showing the status of each construction phases of DNH



Progress

What has been achieved in last 3 months?

Verity Close Phase I construction



Progress

What has been achieved in last 3 months?

Bomore Road during works



Bomore Road post works



Progress

What has been achieved in last 3 months?

Cambourne Mews during works



Cambourne Mews post works



Progress

What has been achieved in last 3 months?



Heat network construction started on site:

- 1) Cambourne Mews completed.
- 2) Bomore Road completed per programme.
- 3) Verity Close commenced on 4 November, following 1 week delay requested by RBKC. This includes the pipe route across the park.



Final technical designs:

- 1) Vital and Cenergist submitted final technical designs and have been reviewed by project team.
- 2) Treadgold House point of connection, scaffolding adaptations, Cornwall Crescent pipe route & thermal store finished. Detailed drawings of Kensington Leisure Centre and Renewable Boiler Room submitted by Vital Energi.



Review of Leisure Centre heating system:

Quotes requested for Kensington Leisure Centre secondary heating system review, to support Salix Change Request and return temperature alignment with the heat network.



Planning: Tonkin Liu producing outstanding drawings. Section 73 submitted for planning on time.



Utility engagement:

- 1) Thames Water Build Over Agreement approved for Renewable Heat Store – completed.
- 2) Electricity power upgrades require relevant Council approval.



Hydraulic substations:

- 1) Site walk to identify practical issues in relation to the installation, operation & maintenance of the hydraulic substations.
- 2) Ongoing discussions with RBKC Legal Team to underlet units within SafeStore to house one of the hydraulic substations.

Next Steps

What will be main focus for next 3 months?



Planning - section 73 determination is scheduled for 31 December 2024.



Preferred option for leisure centre heating system upgrade – Council and contractors reviewing best use of Salix grant to upgrade the heat network's efficiency.



Kensington Leisure Centre roof strengthening – Ramboll to review Vital Energi's structural proposal, to provide additional due diligence.



Review of Commercialisation arrangements:

- 1) Review options appraisal on the need for NDH Ltd.
- 2) Finalisation of contractual documents between RBKC, NDH & Leisure Centre.



Operations & Maintenance contract for the heat network – O&M finalising



Construction on site with primary pipe installations:

- Bomore Rd and St Marks Road completed.
- Phase I of Verity Close due for completion by 6 December.
- Treadgold House pipe work to be installed in January 2025.
- KLC roof strengthening to start in December 24.

Programme: Primary Plant (Vital Energi)

Current activity



Milestone achieved



Risks/issue events

Future activity



Milestone to be achieved



Current time

Jan 24

Feb 24

Mar 24

Apr 24

May 24

June 24

July 24

Aug 24

Sept 24

Oct 24

Nov 24

Dec 24

Applications



DBOM / D&B contracts signed



29/02 – Planning Committee Meeting

Traffic Management & apply for street works license



Sewer survey and TW Build over agreed

Resident Communications

Resident Communications District Heating

April 25



28/03 – Grenfell Road



12/04 – Bomore Road / Treadgold House



20/05 – Leisure Centre / Grenfell Site



16/05 – Meet the contractor

03/25 - Finalise residential leasehold variations



Line pipe purchased



Heat pumps purchased



Trenching works to begin

Construction Period 31 October 25



KLC roof surveys

Camelford Walk Energy centre works to commence



KLC roof strengthening

- Primary network: Autumn 2024 to Summer 2025
- Heat Pump System: Winter 2024 to Summer 2025
- Renewable Heat Store: Winter 2025 to Summer 2025
- Renewable Boiler Room: Winter 2024 to early autumn 2025

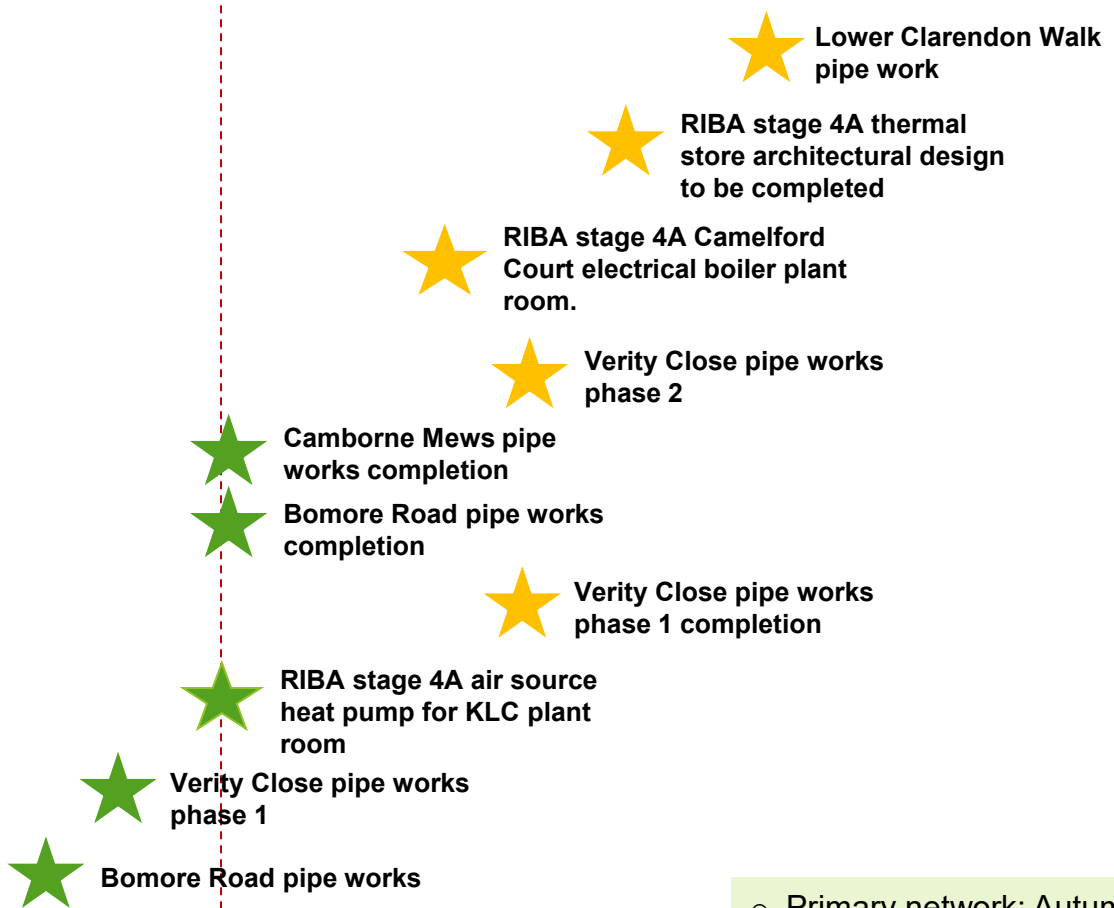
Project Delivery

Programme: Primary Plant (Vital Energi)



Resident Communications

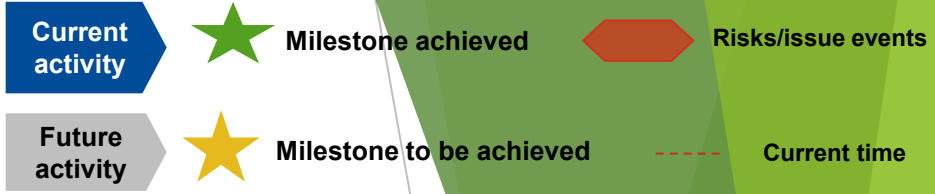
Project Delivery



- Primary network: Autumn 2024 to Summer 2025
- Heat Pump System: Winter 2024 to Summer 2025
- Renewable Heat Store: Winter 2025 to Summer 2025
- Renewable Boiler Room: Winter 2024 to early autumn 2025

Programme: Secondary Plant (Cenergist)

External Design Work is progressing well, with the team embedded and on track



Construction



Residents start shaping the Metering & Billing Service they want.

Residents said they wanted **heating bills to be...**

- ✓ clear, transparent, accessible to all residents from all different backgrounds
- ✓ to show heat usage, comparison against previous usage and predication going forward
- ✓ to compare price paid against competitors e.g. British Gas
- ✓ monthly but visibility of bill as and when needed
- ✓ digital and in paper

Residents said they wanted the **customer service experience to be...**

- ✓ accessible, modern and trustworthy
- ✓ delivered in-house by a fully trained new team or delivered locally if possible
- ✓ guided by Heat Trust rules
- ✓ backed up by a robust complaints process

Residents said they wanted the **way they make payments to be?**

- ✓ varied; online, by Direct Debit, pay as you go etc
- ✓ when they want; weekly, monthly, quarterly
- ✓ and for the Council to handle debt management and be understanding and empathetic

Social Value Delivery

Cenergist:



4 local residents employed on contract, inc. apprenticeships
Target achieved



1k support for Community Projects (financial/in-kind)
In progress. Main delivery to align with work on resident properties

Upcoming

- **Vital Energi** are designing and delivering water source options at community garden spaces (including Verity Close)
- **Cenergist** are running activities at the upcoming Futures Fair and helping the LVRA

Vital Energi:



1 local resident employed on contract, inc. apprenticeships
Resident started as Site Administrator in November. Local recruitment for other roles re-opening.



6k support for Community Projects (financial/in-kind)
In progress

Good news

Sean was looking for work through LancWest Works, and secured work as a labourer with **Cenergist** in June.

Sean has progressed to be a **site assistant**, and Cenergist are helping his career development by enrolling him on a **plumbing course**.



Programme Outputs

327
+0 from Oct



Smart Thermostat
installed

327/624

321
+0 from Oct



New Heating
System installed

321/826

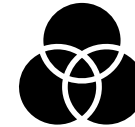
321
+3 from Oct



New Domestic or
residential system
installed

321/826

252
+1 from Oct



Induction Hob
installed

252/592

250m primary pipe
+170m from Oct



4800m
secondary pipe



17 weeks



Until thermal store
arrives

Heat Pump
System



Delivered to Blackburn
warehouse. Waiting for
installation

Programme Outcomes

Benefits realisation



Camelford Court Solar Panels

Saving



5,000kg
of carbon emissions
since installation

Monitoring system paused while relocation works undertaken

Reducing gas usage to homes



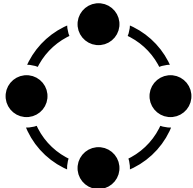
since 2019

Saving



233 tonnes
of carbon emissions in
FY 2023/4 since FY
2022/3

273 gas hobs have been replaced



with induction hobs

Saving



11,085kg
of carbon emissions
every year
+ 41kg since Sep 2024