

Date: 7th September 2023
Our reference: [REDACTED]
Email: camdenleaseholderservices@camden.gov.uk

Leaseholder Services
Supporting Communities
London Borough of Camden
Town Hall
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Goldthorpe
Camden Street
London
NW1

Dear [REDACTED]

2022/23 actual heating charges - [REDACTED], Goldthorpe, Camden Street, London, NW1

We have calculated your actual heating charge for 2022/23 and will be sending you the adjustment in the next few weeks. The actual charge is higher than the estimate we sent to you in March 2022.

The actual fuel charges have been calculated using the bills we received from LASER for the period April 2022 to March 2023. Camden purchases gas and electricity through the LASER public sector buying organisation, enabling us to buy energy at cheaper wholesale rates.

Camden are obligated to provide leaseholders with gas, heating and hot water according to their individual leases. We try to secure the best rates we possibly can for the benefit of residents and any savings we manage to make are passed onto those receiving the service.

How did we calculate your 2022/23 estimated heating charge?

The estimated service charges for 2022/23 were calculated in November 2021, when we received prices for the 2021/22 year (October 2021 to September 2022) from LASER.

The estimated consumption per site for 2022/23 was calculated by using an average consumption over the previous 2-3 years.

To calculate the prices to be used for the 2022/23 estimates we used the actual prices sent to us by LASER in October 2021 for the period April to September 2022. At the same time, LASER provided a forecast increase of 24% for the period from October 2022 to September 2023. We used this forecast to calculate the estimated prices from October 2022 to March 2023.

The forecast of 24% provided by LASER in November 2021 did not fully anticipate the substantial rise in the cost of gas the nation experienced over winter last year. As a result, the estimated charges for 2022/23 were too low and many leaseholders are facing large increases in their actual recharge.

Energy Bill Relief Scheme (EBRS)

From October 2022 to March 2023 the cost of wholesale gas per kWh paid by Camden was capped under the Government's EBRS and we received a discount of £1.3 million. These reductions were reflected in the bills we received from LASER and have been incorporated into the actual charges, so the gas fuel cost recharged in the 2022/23 actual includes the discount received under the EBRS.

Management charges for 2022/23

Some leaseholders with high heating bills pay management charges calculated at 10% of their total service charge, according to the terms of their lease. Many would have seen an increase in their 10% management charge as a result of increased heating costs.

Camden does not think it is fair to increase the management charge in line with the rise to gas prices and has taken the decision to limit the 2022/23 actual management charge. The charge will be capped at the fixed rate of £203.89 for those leaseholders whose 10% charge would have been higher than this. The breakdown of service charges which is sent with the actual adjustment will indicate the management charge is calculated at the fixed rate.

Information about how the management charge is calculated is on our website at www.camden.gov.uk/service-charge-insurance-and-freeholders

Help with paying your 2022/23 actual heating charge

We understand that for some leaseholders with large heating bills our usual payment terms may be unaffordable. The following measures are intended to provide some assistance.

- Allow leaseholders to make payment of the heating element of their service charge beyond March 2024 on completion of an income/expenditure review.
- Allow leaseholders to freeze payment of major works invoices for a set period on completion of an income/expenditure review, with the position to be reviewed with them at the end of the freeze period. Leaseholders will need sign an agreement form if they wish to take up this option.

Contact us as soon as possible if you are worried you may not be able to pay your service charges. You can call us on 0207 974 3559 or email us at camdenleaseholderservices@camden.gov.uk

Organisations that offer support /advice

Citizens Advice Camden Contact number: 0808 278 7835 (Monday to Friday, 10am to 4pm)	Offers general support and advice. They can also help to connect you with a specialist service.
Age UK Camden Contact number: 020 7837 3777	Offers support for residents over 55.
The Living Centre Contact number: 020 7380 0453	Offers support and advice on employment, benefits, debt and housing.



Mary Ward Legal Centre Contact number: 020 7831 7079	Provides specialist legal support on housing, benefits and debt.
Camden Community Law Centre Contact number: 020 7284 6510	Offers specialist legal support.
Camden People First Contact number: 020 7388 2007	Offers general advice and help for adults and families living with learning difficulties.
Camden Disability Action Contact number: 0203 833 1125	Offers support for adults and children living with a disability.

Our website includes a link to our [Service Charge Guide](http://www.camden.gov.uk/service-charge-insurance-and-freeholders) at www.camden.gov.uk/service-charge-insurance-and-freeholders which has information about heating and management charges.

Yours sincerely

Sean Scott,
Head of Leaseholder Services and Housing Income