

# District Heating Audit STATUS UPDATE 07.03.2025

Project Sponsor	Service Manager	District Heating Representative	Status Date	Overall Status	Project Status	
					Scope	Schedule
Scott Wise	Paulette Johnson	Julie Woodfine	10/02/2025	Amber	Amber	Amber

## OVERALL PROJECT STATUS

Overall status is Amber. The programme is Amber due to not having a dedicated resource to manage the district heating programme and the implementation of the Decarbonisation Strategy Kirklees has 25 individual district heat networks that supply heat to 1,042 homes. Approximately of which 10% are leasehold.

### Top Accomplishments

#### Progress:

- Boiler replacement programme across the district heating sites ongoing, 10 have been replaced to date, with a further two to be completed by end of March 2025, and a further 13 that do not require immediate replacement will be replaced accordingly.
- Process agreed to obtain monthly metering readings for finance to reconcile against invoices from gas supplier, ongoing.
- All district heating expenditure and income is now accounted for directly within the HRA.
- A consultant has been commissioned to do a full survey of our heat networks, including an efficiency review of all our boiler houses, assist with the procurement of a meter and billing provider, advising on the new heat regulations and the impact for Kirklees as well as working with us to complete our decarbonisation strategy.
- The recalculation the new tariff charge for residents now completed, 31 days notice was provided to all residents prior to the new charges being applied on 2nd January 2025.
- The Director of Homes and Neighbourhood signed off, Switch2 Extension for a period of 12 months

### Next Steps

- Complete boiler replacement programme: Replacing the remaining two boilers by end of March 2025.
- Continue to have monthly District Heating Group meeting
- Work with HR on recruitment campaign for dedicated resource to manage the decarbonisation strategy including District Heating Programme.
- Work closely with the consultant to complete a full survey of heat networks, efficiency review of boilers houses and procurement of a metering and billing provider. Incorporating their advice on new heat regulations and compiling our decarbonisation strategy. Agree a programme including a route to tender specification following the necessary reviews and assessments. See [Kirklees Heat Networks Project Plan.pdf](#)
- Continue to monthly review meeting with Switch2 – Ensure the new tariff charges are effectively monitored for any resident's feedback or issues

### Risks/Issues

#### ACTIVE RISKS & ISSUES:

- Regulatory compliance: Failure to comply with the new heat regulations could result in legal or financial penalties.
- Resource Availability: Limited availability of skilled personnel to lead the programme could hinder programme progress.
- Contract Management: Evolving contract management with Kirklees and Switch 2 could affect collaboration and programme outcomes, leading to failure to track contract renewal dates, poor decision-making missed deadlines and miss payments.
- Inaccurate Data: The absence of a central storing place of the data makes it difficult to keep track of the latest versions and ensure data accuracy in one central place.
- Investigation of accounts which may yield potential debts and other issues around contractor performance, due to Inaccurate reporting by Switch2 and not having a dedicated Officer to manage the contract.

### Key Milestones

Key Milestones	Status	Target Date	% Complete	Status
New Tariff charge implemented		02/01/2025	100%	Completed
Award Consultancy contract		20/01/2025	100%	Completed
Complete boiler replacement programme		31/03/2025	90%	In Progress
Recalculation of the full costs and income associated with the District Heating		31/03/2025	5%	In Progress
Review vulnerability criteria to ensure it is still appropriate.		31/03/2025	90%	In Progress