

Sue Dawson
Patrick Hagopian
Highgate New Town Leaseholders Association

Councillor Meriç Apak
Cabinet Member for Better Homes
London Borough of Camden
By Email

7 March 2022

Dear Councillor Apak:

RE: Heating and Hot Water on the Highgate New Town estate; Notice of Dispute

On 17 November 2016, Sir Keir Starmer forwarded to Sue Dawson, now the chair of the Highgate New Town Leaseholders Association, a letter from Mary McGowan, Camden's Director of Housing Management. Ms McGowan's letter responded to an enquiry that Sir Keir had sent Camden on behalf of Ms Dawson regarding the provision of heating and hot water at Highgate New Town.

Ms McGowan's letter of 11 November, 2016, made the following commitments, which Sir Keir passed on to Ms Dawson:

"We should not invoice until works have been completed, tested and signed-off and invoices should be put on hold".

"The Council acknowledges that our leasehold tenants have a right to an expectation of value for money and prior to commencing recovery of service charge in January 2017 we will seek confirmation from the delivery team that works have been completed to the required standard".

"If there is any concern about quality following the completion of the works the delivery team will seek rectification through contractual mechanisms. Rectification of works not completed in accordance with the contract provisions will be undertaken at no additional cost to leaseholders. All leaseholders who have concerns about the quality of works or cost are able to withhold elements of payment and there are dispute resolution mechanisms available".

With reference to the letters from Camden dated 3 February 2022 purporting to offer a "Final Account" for "Major Works: 14/164 – Heating Renewal", the finalisation of costs the letters announce is premature. We note that the so-called "Final Accounts" are not accompanied by an invoice. This is quite proper. Any invoicing at this stage for the works will breach Ms McGowan's commitment not to invoice until the works have been completed, tested, and signed off; or, more seriously, will follow an invalid "sign off" that was conducted in defiance of the prevailing facts.

We have shared the relevant content of Ms McGowan's letter with our members.

The System Should Not Have Been Signed Off and the "Final Accounts" Are Premature

As we shall demonstrate, any suggestion that the works have been satisfactorily completed is premature, any report of a successful test would be misleading and deceptive, and any signing off of the heating and hot water system is accordingly ill informed.

Because the new system does not deliver heating and hot water reliably across the estate but is subject to recurrent failures for which Camden's contractors have found no reliable solution, the works have not met the "required standard" and do not deliver value for money.

Camden's past actions demonstrate its recognition of the system's shortcomings. The date of the commencement of the recovery of the service charge, which Ms McGowan anticipated would fall in January 2017, had already slipped by the time she wrote her letter, because the system was not working properly. In an email message of 1 November 2016, Camden told Ms Dawson that the final accounts would not be presented until the summer of 2017.

A number of leaseholders recall and have presented evidence that Camden offered them five-year interest-free loans to pay their share of the costs and advised them not to make any payments until the system had been "signed off". For example, on 2 October, 2017, Camden Leaseholder Officer Ritesh Rathod wrote to a leaseholder that invoices for the hot water and central heating Major Works were "on Hold" and that **"therefore payment is not yet expected until satisfactory completion of the heating works.** At which point we will inform you that we are taking the invoices off Hold and that payment should be commenced [bold type in original]"

The period from 2016 to the present ought to have been sufficient to resolve any problems in an intrinsically sound heating and hot water system. The fact that this period has not been sufficient provides evidence of the scale of the deficiencies that Camden and its contractors have delivered to the residents on the estate. Although we have exceeded the period during which Camden believed that the demand for payment could be put on hold, the system is still not working and "final accounts" are not appropriate until it is. Until the moment that the recurrent problems with the heating and hot water have been definitively and finally resolved, we shall be unable to take stock of the scale of the deficiencies in the system, which will have to be taken into account in determining whether it delivers value for money and whether it is fit for purpose.

Camden properly made an effort to rectify the chronic problems of the heating and hot water system at Highgate New Town by arranging a complete shutdown across the whole estate from 7–9 September, 2021, so that repairs could be performed. This effort demonstrably failed.

Negotiation and Dispute Resolution

Because of the issuing of the "Final Accounts" of 3 February, 2022, we appear to have surpassed the point to which Ms McGowan's letter and Mr Rashod's message referred, when Camden purports that "the completion of the works" has taken place. There are still "concerns about the quality of works or cost", which Ms McGowan said would justify the withholding of elements of the payment and could precede the invocation of "dispute resolution mechanisms".

This letter constitutes a formal Notice of Dispute. Before we enter a formal dispute resolution process, we invite Camden to enter a period of negotiation to settle the outstanding matters concerning the appropriateness of any demand for payment and of its proper amount.

So that any meaningful conversation can take place, we ask that Camden first commit to pay the costs of a genuinely independent assessment of the problems of the heating and hot water system, conducted by a mutually agreed individual, organisation, or company; that this assessment include an evaluation of what correcting the problems would require; and that Camden reassure leaseholders that it has suspended any effort to collect payments of the costs of the relevant Major Works.

To ensure that there is no misunderstanding, we ask that Camden commit to the following course of action:

- **Register a Notice of Dispute about the purported "Final Accounts" for heat and hot water Major Works at Highgate New Town;**

- **Agree to pay the costs of an independent assessment of the performance failures of the heating and hot water system at Highgate New Town by mutually agreed experts;**
- **Suspend any attempt to collect the costs of the Major Works from leaseholders and send them written assurance of this suspension;**
- **Enter a period of negotiation with representatives of the Highgate New Town Leaseholders Association intended to resolve the matter of the heating and hot water Major Works costs for which Camden believes that leaseholders are liable.**
- **Make a voluntary disclosure of information set out on p. 7, below.**

The Leaseholders Association reserves the right to invoke the dispute resolution mechanism that Ms McGowan held out to us. We do not have the authority to control the behaviour of individual leaseholders, although we can commit as an Association not to initiate further procedures, judicial or otherwise, until we determine that there is no plausible means to resolve the outstanding matters with the local authority through discussion. Should Camden accept our invitation to enter negotiation, we expect that both parties will enter negotiation in good faith with the goal of achieving resolution and avoiding if possible an escalation to formal or judicial procedures.

Although we have no authority to instruct our members to suspend any individual efforts of redress they elect to pursue, we shall inform them of Camden’s response to our invitation to enter negotiations, and shall keep them abreast of the progress of such negotiations.

Evidence that the Heating and Hot Water System Continues to Be Defective

There can be no doubt that the heating and hot water system continues to suffer from chronic and recurrent problems, and that Camden knew or ought to have known of this situation before it made the questionable decision to issue the purported “Final Accounts”. This section will present evidence under the headings:

- Large-Scale Data
- A Case Study
- Case Study 2
- Camden’s Own Account
- Further Evidence
- Vulnerable Residents
- A Picture of Deficiency
- Disclosure of Camden’s Own Records

- Large-Scale Data: A resident on the estate maintained records of failure events—the reported loss of heat or hot water—for a sustained period from May 2016 until September 2021. We then undertook to make a similar recording, using the same data sources, from the September 2021 shutdown to the present.

Our comparison of the records before and after September 2021 indicates that there have been more failures per month since the shutdown than there were in the reference period up to September 2021.

The work performed during the shutdown has evidently not solved the record of chronic and recurrent failure in the heating and hot water system.

- A Case Study: A resident in a leasehold property, not a member of the Association’s core group, has chronicled the recent details of her case. In the context of a longer history of failure, she records failures in the hot water supply over an approximately year-long period beginning in February 2021. Her data indicate that there have been numerous failures since the shutdown in September 2021.

Heating/Hot Water Failures and Repairs at a Property on Retcar Place.

09.02.2021 – GEM cleaned filter 12.02.2021
24.02.2021 – GEM repair
27.05.2021 – GEM cleaned filter
31.05.2021 – GEM cleaned filter
16.06.2021 – GEM fitted new sensor
15.09.2021 – GEM repair
09.11.2021 – GEM cleaned filter, water cold again by 11th Nov
26.11.2021 – GEM cleaned filter
14.01.2022 – GEM cleaned filter 17.01.2022 and took 5p coin out (from previous fix)
01.02.2022 – GEM cleaned filter and replaced actuator

In an email message of 1 March, 2022, the resident told us that she has had continual problems with heat and hot water for the past five years, and described the most recent repair: “The actuator needed replacing—I think that’s the third time I’ve had that done. Also, the filter was completely full of black gunk (again!). I think I’ve had the filter cleaned 6 times since they did the big flush out of the pipes”

Ten failures between February 2021 and February 2022, with as many after the September 2021 shutdown as before.

The reports of “black gunk” clogging the filters—and therefore evidently circulating through the pipes leading to the Heat Interface Units (HIUs)—are general among those whose heat and/or hot water have failed.

The reference to the 5 pence coin indicates the informal fix that the contractor’s staff have improvised.

Neither Camden nor its contractors have provided residents with an explanation of the source of the black gunk and therefore no plausible account of how long it will take to remove it from the system, or whether such a removal is technically possible. We are accordingly facing an indefinite future with a hot water and central heating system subject to failure in individual properties at intervals of several weeks or months.

- Case Study 2: On 7 December 2021, one of our members wrote a message to Camden’s Andrew Georgiou and John Stow that included this chronicle of failures:

“Since installation in 2016/17, the system has been beset with on-going issues so that we are without heating and hot water on an ad hoc basis throughout the year;

- Often we are without heating and hot water during particularly cold weather, when heating is especially important.
- In addition to periods with no heating/hot water, we have had a number of visits from GEM to clear filters and carry out other defects rectification.
- We often have inconvenient periods when the hot water and heating is turned off by you so that repairs to the boiler or defective installation if our block can be carried out
- We are currently waiting for a repair where replacement parts are needed to the unit in our flat before a service can take place.
- We are advised that accessories in the heat exchange unit are not designed to work with a high pressure system and will degrade quickly, needing regular and ongoing replacement

- Currently the water in our shower runs warm for approx 30 second and then cold again. We are not able to use our shower and properly wash. Given the amount of debris we see being collected from the filters in the heating exchange unit in our flat, we suspect that some debris is in our system and may be clogging up our bathroom brassware, which is good branded quality and only a couple of years old.”

You will notice that this message followed the September 2021 shutdown, that it reports the persistence of problems after that date, and is consistent with the previous case study in its report of debris clogging up the system and requiring the cleaning of filters.

- Camden’s Own Account: In response to the letter quoted in Case Study 2, Camden’s Project Manager Andrew Georgiou replied on 17 January, 2022: “I am chasing the contractor on this and . . . can confirm that these works are being carried out by GEM not under the maintenance contract, but under remedial works and at no cost to any of the leaseholders.

We are trying to determine what the underlying issues, that are being presented to the estate and also have consultants involved so that we are looking at all aspects of the designs and the plant and installation to site to try and get the issues that are being presented resolved.

Part of the HIU remedial works is so that we are balancing the system and so that the HIU works correctly, and to provide instantaneous hot water and to ensure that the HIU’s are performing as per the manufacturers guidelines.”

There is accordingly no need to rely on the Leaseholders Association’s word for the chronic problems on the estate. Mr Georgiou accepts that Camden is still trying to ensure the HIUs are performing adequately, and further acknowledges that Camden is “trying to determine . . . the underlying issues”.

In other words, on 17 January, 2022, Camden and its consultants and contractors did not fully understand the underlying problems, were examining “all aspects of the design”, were trying to get the issues resolved, and were trying to get the major piece of kit in residences, the HIUs, performing as they should.

That was less than three weeks before Camden sent the “Final Accounts” to leaseholders.

The issuing of the “Final Accounts” was implicitly predicated on Camden’s perception that the system’s problems had been resolved following its successful testing. Was Camden aware of the situation that Mr Georgiou reported when it sent the “Final Accounts”?

May we see the record of the conduct of the test?

- Further Evidence: To disabuse us of the belief that the problems with the heating and hot water on the estate had resolved after Mr Georgiou’s message of 17 January, 2022, please see the reports of failures of the heating and hot water in one property of the estate, on Stoneleigh Terrace. These failures followed a Camden-notified all-day shutdown of the heating and hot water supply to Stoneleigh Terrace on 24 January, 2022. You may note that the radiators in the property were not working on 3 February, 2022, the day the “Final Accounts” were sent.

Camden Patrick Hagopian Log out

Home Housing

Check the repairs that have been requested (step 1 of 4)

Save yourself some time and check if your neighbour has already requested the repair.

Search:

Date logged	Work order reference	Description	Location	Status
February 21 2022	2004660/1	Communal heating - standard please use description	59 Stoneleigh Terrace, London, N19 5TZ	Repair raised
February 17 2022	2003278/1	Communal heating - standard please use description	59 Stoneleigh Terrace, London, N19 5TZ	Repair raised
February 16 2022	2002806/1	Communal heating - standard please use description	59 Stoneleigh Terrace, London, N19 5TZ	Repair raised
February 3 2022	2000772/1	Heating problem - all radiators in the property not working	59 Stoneleigh Terrace, London, N19 5TZ	Repair raised
February 2 2022	2000133/1	Communal heating - standard please use description	59 Stoneleigh Terrace, London, N19 5TZ	Repair raised
February 1 2022	2005428/1	Communal heating - standard please use description	59 Stoneleigh Terrace, London, N19 5TZ	Repair raised
January 26 2022	2001546/1	Communal heating - programmed works contract managers only	59 Stoneleigh Terrace, London, N19 5TZ	Repair raised

< < > >

The issue has been reported The issue has not been reported

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The property belongs to one of the signatories of this letter, who observes that the reports were made independently and unbeknownst to him by his tenants before they reported the problem to him on 16 February, 2022; and that his property had been largely immune to the problems when he resided there in 2018. The problems may be cumulative, breaking through after a latency period during which the existence of the fault was hidden; or they may have been precipitated by the shutdown of 24 January, 2022. Whichever is the case, according to this record, the problems worsened, not resolved, in January and February 2022.

- **Vulnerable Residents:** We are aware of worrying accounts of elderly and vulnerable residents being left without heat and hot water during the cold of winter.

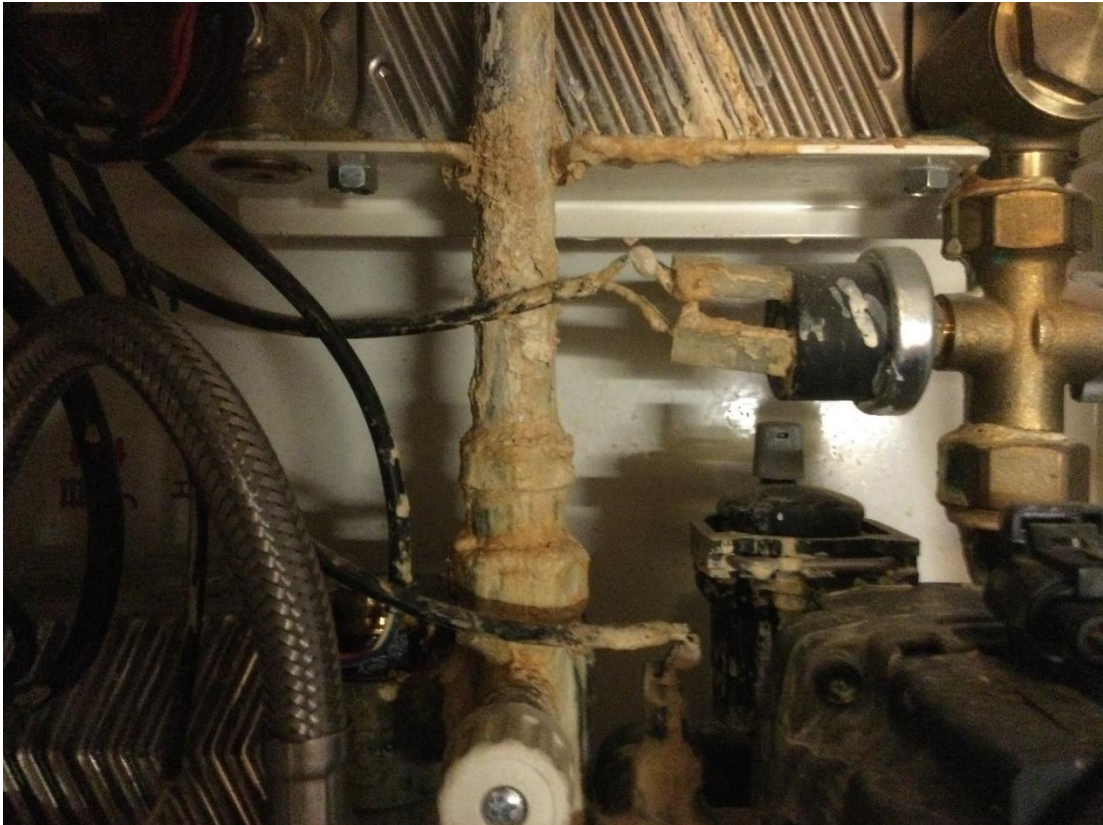
On 13 February, 2022, at 3.28 pm, a member of the Leaseholders Association core group said, “I can confirm the ongoing loss of hot water. I spent time with Joy at DPH [Dartmouth Park Hill] (86 years old, tenant) last night and she is consistently without hot water, has to ring round multiple contacts to try to get someone to clean the filters again and then missed appointments/ work not done properly.”

On the same date, at 2.47 pm, a member of the Association at Sandstone Place said, “I hear my next door 93yo neighbour sobbing consistently. When I asked why I was told she is freezing most days / nights also no hot water to wash.” The elderly neighbour suffers from dementia, which must make it difficult for her to confront Camden’s bureaucracy and advocate for her own case.

These correspondents are not trying to make a point. They try to offer support and are desperate about where to turn.

We have made an effort in this letter to remain dispassionate and to avoid emotive language. To sustain that approach in the face of these cases would be an affront to human dignity. We are all disgraced by living in a society that leaves its elderly and vulnerable people freezing and sobbing in the depths of winter. Tell us again, Camden, that the heating and hot water system has been “signed off”.

- A Picture of Deficiency: Here is a picture of corrosion in an HIU in a property on Stoneleigh Terrace, provided by the leaseholder on 25 February, 2022. It has been marred by extensive corrosion.



- Disclosure of Camden’s Own Records: In the message of 17 January, 2022, cited above, Camden’s Project Manager Andrew Georgiou writes, “Again, please accept my apologies and I am chasing Alex from GEM for an update on your property and if there are any failures to the estate, *which does not look likely from the amount of calls that we have had for Highgate Newtown*” [emphasis added]. Mr Georgiou is suggesting that there are now minimal problems on the estate.

We wish to understand whether Camden made an inadvertent error in communicating its belief that the system had become problem-free by 3 February, 2022, when it sent the “Final Account”. It will assist us to do so if Camden could disclose the records of the repair requests through Camden Accounts and any other means by which Camden receives repair requests.

We believe that this information would come within the scope of a request under the terms of the Freedom of Information Act 2000 and that the Leaseholders Association has standing to request such information under the Act. In order not to put Camden through the process of having to make a compulsory disclosure under the Act, we believe it would be in our common interests for Camden to make a voluntary disclosure of all the information constituted by repair requests regarding the heating and hot water via the Camden Accounts, and within the

records of any and all of its departments with responsibilities to deal with repairs, before and after 9 September, 2021. A voluntary disclosure of all such information since 1 January, 2022, will tell us what Camden knew, or should have known, at the time it sent leaseholders the “Final Accounts”.

Appropriate Costs

In line with Ms McGowan’s letter of 11 November, 2016, we appreciate the availability of a dispute resolution mechanism. Pending the determination that it is necessary to invoke that mechanism and pending agreement of its terms of reference, we believe that a period of negotiation may resolve the position with respect to the Major Works charges.

Before any meaningful conversation can begin, whether under the auspices of a formal dispute resolution process or in the form of a negotiation, we must have a clear understanding of where the problems with the heat and hot water system lie, and how (if at all), and within what time frame (if any) they might be resolved.

We have demonstrated that the hot water and central heating system does not work reliably, could not have passed a credible test in January or February 2022, and ought not to have been “signed off”. It follows that no “Final Accounts” ought to have been produced, and that any charges and invoices should be suspended pending a proper, objective, and independent investigation and assessment.

Beyond the question of the premature timing of the “Final Accounts”, there are further questions that will help determine the justifiable charges so that valid Final Accounts may be produced. We believe that they are among the appropriate topics for negotiation. We may begin some preliminary discussions at our meeting of 21 March, 2022.

In his letter to Sue Dawson of 17 November, 2016, Keir Starmer expresses the hope that “you will be able to resolve your differences with the council in a mutually beneficial arrangement”. We share that hope.

We look forward to meeting you later this month.

Yours faithfully,

Sue Dawson

Patrick Hagopian