Orchard Court Residents Ltd

Heat charges working

For the board. Supports conditions A6 and A7.

> This shows how you shared your heat costs, applying the approach in Ofgem's fair pricing and cost allocation guidance to the cost types you chose. The guidance isn't exhaustive and doesn't deal with every cost. This doesn't say your charges are fair: Ofgem sets no price, and it may compare networks using benchmarks it hasn't published. It isn't a service charge statement, a notice of a change to charges, or legal advice.

Summary

Network	Orchard Court
Period	1 April 2025 to 31 March 2026
Homes	24
How the variable costs were shared	Unmetered: by floor area
Total costs	£28,540.00
Average per home	£1,189.17
Lowest and highest	£889.29 and £1,697.12
Last year's charges, all homes	£25,644.80
Standing charge	£287.08 a year for each home

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The costs

Cost	Type	Amount
Gas for the boilers	Varies with use	£21,650.00
Boiler servicing and repairs contract	Fixed	£3,180.00
Electricity for pumps and controls	Fixed	£1,410.00
Contribution to boiler replacement fund	Fixed	£1,800.00
Managing agent's time on heat	Fixed	£500.00
Costs that vary with use		**£21,650.00**
Fixed costs		**£6,890.00**
Total shared out		**£28,540.00**

How costs shared with other networks or work were apportioned	Gas is metered at the plant room and only serves the heating. The agent's fee is shared by time spent on heat.

Things to look at

Heatdesk flags these as prompts. The thresholds are ours, not Ofgem's: a charge up 20% or more on last year, which may be a shock bill to plan for, and use over three times or under a third of the middle home, which may be a faulty meter, or someone going without. Under-use doesn't appear on any letter.

Ref	Home	Charge	Last year	Why it's flagged
OC-21	Penthouse A Orchard Court	£1,697.12	£1,392.00	Up 20% or more

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OC-22	Penthouse B Orchard Court	£1,697.12	£1,392.00	Up 20% or more

Questions Ofgem says it may ask

From the fairness test in Ofgem's guidance. It's worth your board having an answer ready.

- How do prices compare with alternatives, with past prices, and with similar networks?
- What are the cost drivers?
- How do profits or the rate of return compare with similar networks? This doesn't apply to a pure cost recovery model.
- Have high prices persisted?
- Who is affected by any high price, how many of them, how much, and does that include people in vulnerable situations?
- Has there been any intentional breach, negligence or pattern of poor behaviour?
- What's the tariff design and rationale? Here: unmetered: by floor area, with the fixed costs shared equally.
- What's the structure of cost and capital recovery? Connection costs shouldn't be charged twice, or after they've been recovered.
- Is any group of customers subsidising another? Is the tariff putting people off joining the network?
- Are prices and billing transparent? Each home has a letter showing its share.

Every home

Ref	Home	Based on	Variable	Standing	Total
OC-01	Flat 1 Orchard Court	52 m²	£763.77	£287.09	£1,050.86
OC-02	Flat 2 Orchard Court	68 m²	£998.78	£287.09	£1,285.87
OC-03	Flat 3 Orchard Court	52 m²	£763.77	£287.09	£1,050.86
OC-04	Flat 4 Orchard Court	68 m²	£998.78	£287.09	£1,285.87
OC-05	Flat 5 Orchard Court	52 m²	£763.77	£287.09	£1,050.86
OC-06	Flat 6 Orchard Court	68 m²	£998.78	£287.09	£1,285.87
OC-07	Flat 7 Orchard Court	52 m²	£763.77	£287.09	£1,050.86
OC-08	Flat 8 Orchard Court	68 m²	£998.78	£287.09	£1,285.87
OC-09	Flat 9 Orchard Court	52 m²	£763.77	£287.08	£1,050.85
OC-10	Flat 10 Orchard Court	68 m²	£998.78	£287.08	£1,285.86
OC-11	Flat 11 Orchard Court	52 m²	£763.77	£287.08	£1,050.85
OC-12	Flat 12 Orchard Court	68 m²	£998.78	£287.08	£1,285.86
OC-13	Flat 13 Orchard Court	52 m²	£763.77	£287.08	£1,050.85
OC-14	Flat 14 Orchard Court	68 m²	£998.78	£287.08	£1,285.86
OC-15	Flat 15 Orchard Court	52 m²	£763.77	£287.08	£1,050.85
OC-16	Flat 16 Orchard Court	68 m²	£998.78	£287.08	£1,285.86
OC-17	Flat 17 Orchard Court	52 m²	£763.77	£287.08	£1,050.85
OC-18	Flat 18 Orchard Court	68 m²	£998.78	£287.08	£1,285.86
OC-19	Flat 19 Orchard Court	52 m²	£763.77	£287.08	£1,050.85
OC-20	Flat 20 Orchard Court	68 m²	£998.78	£287.08	£1,285.86
OC-21	Penthouse A Orchard Court	96 m²	£1,410.04	£287.08	£1,697.12
OC-22	Penthouse B Orchard Court	96 m²	£1,410.04	£287.08	£1,697.12

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OC-23	Flat 23 Orchard Court	41 m²	£602.21	£287.08	£889.29
OC-24	Flat 24 Orchard Court	41 m²	£602.21	£287.08	£889.29

Prepared 1 December 2026 for Orchard Court Residents Ltd. Total of the homes: £28,540.00.

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Orchard Court Residents Ltd
1 Orchard Court, Bristol, BS6 7XX
0117 496 0000
office@orchardcourt.example

Sam Example
Flat 1 Orchard Court
Bristol, BS6 7XX

1 December 2026 · Your reference: OC-01

How your heat charge for Orchard Court was worked out

This letter shows your home's share of what it cost to run the heating and hot water at Orchard Court from 1 April 2025 to 31 March 2026. **It isn't a demand for payment, and it isn't a notice of a change to your charges.** Your service charge demand and statement follow your lease.

Your share	Based on	Amount for the year
Costs that change with use	52 m²	£763.77
Standing charge	An equal share across 24 homes	£287.09
Total		**£1,050.86**
Last year, for comparison		£955.40

That's about £20.21 a week. If prices and use stay the same, you can expect about the same next year. If that's a big rise for you, please talk to us: we can look at how you pay.

How it was worked out

The whole network cost £28,540.00 to run over the year. The homes don't have individual heat meters, so we use floor area in place of a meter to share the costs that change with use, such as fuel. Costs that don't change with use are shared equally between 24 homes as a standing charge.

Your heat comes from gas boilers in a basement plant room. We don't pass on any penalties, compensation or redress we've paid. Your heat supply terms have more about how this works, and you can ask us for a copy.

If you think something's wrong, or you're worried about paying

Call 0117 496 0000 or email office@orchardcourt.example. Harbourside Block Management Ltd handles billing for us, and you can reach them the same way. We can help with how you pay, and we can add you to our Priority Services Register if you need extra help. If your heating or hot water goes off, or you think there's an emergency, call 0117 496 0001 straight away.

Complaints, and independent help

Please come to us first: our Complaints Handling Procedure is available free. We have 8 weeks to resolve a complaint (12 for a housing ombudsman), and after that, or sooner if we say we can't, you can go to the Energy Ombudsman (0330 440 1624 · enquiry@energyombudsman.org · www.energyombudsman.org) or the Housing Ombudsman Service (0300 111 3000 · info@housing-ombudsman.org.uk · www.housing-ombudsman.org.uk). A tribunal is the main route for disputes about a service charge.

Free advice: Citizens Advice consumer helpline: 0808 223 1133 · www.citizensadvice.org.uk/consumer. National Debtline: 0808 808 4000 · nationaldebtline.org. National Energy Action: www.nea.org.uk. Saving energy: Simple Energy Advice: www.simpleenergyadvice.org.uk.

One organisation supplies everyone on a heat network like this one, so you usually can't change who supplies your heat.

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Orchard Court Residents Ltd
1 Orchard Court, Bristol, BS6 7XX
0117 496 0000
office@orchardcourt.example

The Occupier
Flat 2 Orchard Court
Bristol, BS6 7XX

1 December 2026 · Your reference: OC-02

How your heat charge for Orchard Court was worked out

This letter shows your home's share of what it cost to run the heating and hot water at Orchard Court from 1 April 2025 to 31 March 2026. **It isn't a demand for payment, and it isn't a notice of a change to your charges.** Your service charge demand and statement follow your lease.

Your share	Based on	Amount for the year
Costs that change with use	68 m²	£998.78
Standing charge	An equal share across 24 homes	£287.09
Total		**£1,285.87**
Last year, for comparison		£1,168.20

That's about £24.73 a week. If prices and use stay the same, you can expect about the same next year. If that's a big rise for you, please talk to us: we can look at how you pay.

How it was worked out

The whole network cost £28,540.00 to run over the year. The homes don't have individual heat meters, so we use floor area in place of a meter to share the costs that change with use, such as fuel. Costs that don't change with use are shared equally between 24 homes as a standing charge.

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Orchard Court Residents Ltd
1 Orchard Court, Bristol, BS6 7XX
0117 496 0000
office@orchardcourt.example

Alex Example
Flat 3 Orchard Court
Bristol, BS6 7XX

1 December 2026 · Your reference: OC-03

How your heat charge for Orchard Court was worked out

This letter shows your home's share of what it cost to run the heating and hot water at Orchard Court from 1 April 2025 to 31 March 2026. **It isn't a demand for payment, and it isn't a notice of a change to your charges.** Your service charge demand and statement follow your lease.

Your share	Based on	Amount for the year
Costs that change with use	52 m²	£763.77
Standing charge	An equal share across 24 homes	£287.09
Total		**£1,050.86**
Last year, for comparison		£955.40

That's about £20.21 a week. If prices and use stay the same, you can expect about the same next year. If that's a big rise for you, please talk to us: we can look at how you pay.

How it was worked out

The whole network cost £28,540.00 to run over the year. The homes don't have individual heat meters, so we use floor area in place of a meter to share the costs that change with use, such as fuel. Costs that don't change with use are shared equally between 24 homes as a standing charge.

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