

WESTMINSTER CITY COUNCIL

STATEMENT OF DECISION

SUBJECT: PDHU RENEWAL AND DECARBONISATION - TECHNICAL SERVICES

Notice is hereby given that Cabinet Member for Housing Services, Cabinet Member for Climate Action, Regeneration and Renters , Cabinet Member for Housing Services, Cabinet Member for Climate Action, Regeneration and Renters, has made the following executive decision on the above mentioned subject for the reasons set out below.

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Summary of Decision

The Cabinet Member has approved the appointment of Aecom to provide technical services support to the PDHU Renewal and Decarbonisation Outline Business Case

The Cabinet Member has also approved a maximum expenditure of £524,751 for the Outline Business Case (stage 2) to cover design services up to the end of the Outline Business Case. This will be a maximum fee and will be reduced where efficiencies are possible.

Reasons for Decision

Pimlico District Heat Undertaking (PDHU) is an important asset for Westminster City Council. PDHU provides heating and hot water to 3,300 homes and over 50 commercial buildings in the Pimlico area.

The existing PDHU network is over 50 years old. Due to its age, maintenance costs are increasing and WCC spend £1.97m per annum maintaining and repairing the network, with a further £1.7m on in flat repairs related to PDHU. The number of leaks from the network is increasing every year, a growing problem as the pipework deteriorates. PDHU is currently powered by three 8MW natural gas boilers which emit 16k Tonnes of CO2 per annum, this equates to 39% of the Council's total carbon emissions in 2021/22. Reducing this carbon footprint is considered vital in reaching the Councils 2030 net zero target and Fairer Environment ambitions outlined in the 'Fairer Westminster Delivery Plan'

The project is an opportunity to modernise the network including installation of advanced heat metering technology, improved energy management and greater control – all of which improve the experience for residents connected to the network

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Summary of Decision

Reasons for Decision

**Stuart Love, Chief Executive,
Westminster City Hall,
64 Victoria Street
LONDON SW1E 6QP**

Publication Date: 23 August 2023

Implementation Date:

Reference: