

Title of Report	AWARD OF WARMER HOMES FUNDING	
Presented by	Councillor Andrew Woodman Housing, Property and Customer Services Portfolio Holder	
	PH Briefed	<input checked="" type="checkbox"/> Yes
Background Papers	Warm Homes: Local Grant – guidance for local authorities	Public Report: Yes
		Key Decision: Yes
Financial Implications	The Council has approved £20m of funding in the Housing Revenue Account Capital Programme 2025/26 for the period 2025/26 to 2029/30. The allocation of the Warmer Homes Grant of £8.1m as outlined below requires a reprofiling of the funding which will be considered by Council at its meeting on 13 May 2025.	
	Signed off by the Section 151 Officer: Yes	
Legal Implications	The Council is required to enter into a grant funding agreement in order to accept the grant. It is expected that the grant funding agreement will contain monitoring, reporting and assurance requirements that the Council will have to comply with. Legal advice will be sought and provided on the obligations contained within the agreement. The Contract Procedure Rules require Cabinet authority to enter into an agreement of this value.	
	Signed off by the Monitoring Officer: Yes	
Staffing and Corporate Implications	The grant award will be delivered through procured external resources to supplement the in-house team. These costs will be borne by the grant payment.	
	Signed off by the Head of Paid Service: Yes	
Purpose of Report	To provide Cabinet with details of the grant award from Government in respect of the Warmer Homes Fund and for Cabinet to approve acceptance of the grant.	
Reason for Decision	To gain Cabinet approval to the Grant acceptance in line with the Constitution and Contract Procedure Rules.	
Recommendations	THAT CABINET: 1. RECOMMENDS THAT COUNCIL AMENDS THE	

	<p>HOUSING REVENUE ACCOUNT CAPITAL PROGRAMME CARBON ZERO ELEMENT, AS SET OUT IN SECTION 2.0 BELOW, AT ITS MEETING ON 13 MAY 2025; AND</p> <p>2. SUBJECT TO COUNCIL AMENDING THE CAPITAL PROGRAMME UNDER RECOMMENDATION ONE, ACCEPTS THE GRANT OF UP TO £8,069,584.00 FROM THE WARMER HOMES FUND FROM GOVERNMENT AND AUTHORISES THE STRAEGIC DIRECTOR WITH RESPONSIBILITY FOR HOUSING IN CONSULTATION WITH THE MONITORING OFFICER AND S151 OFFICER TO ENTER INTO ALL NECESSARY AGREEMENTS TO RECEIVE THE GRANT AS SET OUT IN THE REPORT</p>
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1.0 BACKGROUND

- 1.1** As part of the Government's approach to improving energy performance in Social Homes, it committed to a Warmer Homes Fund as part of its pathway to Net Zero 2050. The fund aims to deliver warm, energy-efficient homes, reduce carbon emissions and fuel bills, tackle fuel poverty, and support green jobs.
- 1.2** The Council submitted a bid to the fund in late 2024 for an initial sum of £23,699,698. In March this year, the Council was notified that the funding across all bids had been scaled back and that up to £8,069,584.00 total had been allocated to the Council. This is split across the three years in approximately equal thirds as set out below.

FY 25/26	FY 26/27	FY 27/28
£2,340,179.00	£2,905,050.00	£2,824,354.00

- 1.3** The grant operates on a cost cap for measures for each home, which is consistent across all homes. The Wave 3 cost cap is £7,500 of grant funding per home. There is an additional £7,500 of grant funding available if the Grant Recipient installs low carbon heating measures in homes off the gas grid. The Council, therefore, receives a fixed sum per property and can spread underspend onto other properties that qualify. Conversely if the costs exceed £7,500 on a property the Council funds additional works costs (either directly or via underspend). The scheme is governed by significant guidance which can be found using the link in the background papers section of the report header.
- 1.4** The required due diligence will be completed by the legal and finance teams in order to accept the grant.

2.0 FINANCIAL IMPLICATIONS

- 2.1** The Housing Revenue Accounting (HRA) capital programme, approved by Council on 20 February, has allocated up to £4m of funding identified for Carbon Zero works to the Council's housing stock over the five years to 2029/30.
- 2.2** The grant will be used on a substitution basis, replacing planned HRA funded spend where it can, to enable this to be spent in future years. This has the effect of extending

the Carbon Zero element of the HRA programme into future years and creating greater headroom in the HRA capital reserves, and increasing the programme overall.

- 2.3** As the grant of £8.1m changes the funding of the £20m Zero Carbon programme over the five years, as outlined in paragraph 2.1 above, a further report will be considered by Council at its meeting on 13 May 2025, to seek approval to the revised funding profile..

Policies and other considerations, as appropriate	
Council Priorities:	<ul style="list-style-type: none"> - Communities and housing - Clean, green and Zero Carbon -
Policy Considerations:	N/A
Safeguarding:	N/A at this strategic level – however individual works will comply with normal processes in this regard
Equalities/Diversity:	N/A at this strategic level – however individual works will comply with normal processes in this regard.
Customer Impact:	Works of the type covered by this funding can be disruptive for tenants. The Housing Service will work with its engagement teams to seek to both communicate clearly on planned works and the longer- term benefits of the works being completed for the tenants
Economic and Social Impact:	N/A
Environment, Climate Change and Zero Carbon:	The programme of works will improve the Energy Performance Certificate (EPC) rating and therefore efficiency of Council homes where works are undertaken. This will assist in both warmer homes, and reduction in running costs as well as contributing to the Council's 2050 carbon targets.
Consultation/Community/Tenant Engagement:	See Customer Impact above.
Risks:	<p>The main risks to the project which may impact on these works are:</p> <ul style="list-style-type: none"> - Inability to deliver on the basis of supplier, contractor or other resource constraints. - Tenant resistance to works being undertaken - Non-compliance with grant conditions. <p>A full risk assessment is in place as part of the grant process.</p>
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