

Warm Homes Local Grant Funding and Resourcing

Relevant Portfolio Holder	Councillor Bernard McEldowney
Portfolio Holder Consulted	Yes
Relevant Assistant Director	Judith Wills
Report Author	Job Title: Climate Change Manager Contact email: matthew.eccles@bromsgroveandredditch.gov.uk Contact Tel: 07816112073
Wards Affected	All
Ward Councillor(s) consulted	N/A
Relevant Council Priority	Environment and Infrastructure
Key Decision	
If you have any questions about this report, please contact the report author in advance of the meeting.	

1. RECOMMENDATIONS

The Cabinet RECOMMEND that:-

- 1) Authority be delegated to the Deputy Chief Executive and Chief Finance Officer to reflect in the Capital Programme the grant funding in 2025/26 and to include the 2026/27 and 2027/28 funding into the Medium-Term Financial Plan for the Warm Homes Local Grant (WHLG) (as shown below).**

Year 1	Year 2	Year 3
£31,423.08	£129,000	£124,700

The Cabinet is asked to RESOLVE that

- 2) Authority be delegated to the Assistant Director of Community and Housing Services following consultation with the Portfolio Holder for Climate Change to administer the funding received in the WHLG in line with the grant conditions and any alterations to the delivery programme.**

2. BACKGROUND

- 2.1 The Warm Homes: Local Grant scheme, was launched in April 2025, aims to provide energy performance upgrades and low carbon heating to low-income households in England. The scheme targets homes with an Energy Performance Certificate (EPC) rating between D and G that

are privately owned. Social housing is not eligible, however, separate funding from the Government is being made available for this tenure. Local authorities will deliver measures such as insulation, solar panels, and air source heat pumps, tailored to individual homes. Occupants on a low income will not contribute to the cost of these upgrades

- 2.2 The Warm Homes Local Grant (WHLG) provides an opportunity for Bromsgrove District Council to directly address fuel poverty and improve the energy efficiency of homes within the district. By retrofitting homes with energy-saving measures, Bromsgrove District Council can work towards achieving the authority's climate goals, enhance the well-being of residents, and create employment in the green sector.
- 2.3 Additionally, the WHLG aligns with the UK government's objectives to improve the energy performance of homes and reduce fuel poverty nationwide. This program is a key component of the broader strategy to achieve Net Zero emissions by 2050 and ensure that all homes meet minimum energy efficiency standards by 2030.

3. OPERATIONAL ISSUES

- 3.1 The project delivery will focus upon an agreed list of homes identified by Act on Energy that are most likely to meet the eligibility criteria and be homes in a position to most likely go through the entire retrofit process in full.
- 3.2 The eligibility for the scheme is below
 - IMD:ID Eligible Postcodes: Households located in postcodes that fall within the most deprived 25% according to the Index of Multiple Deprivation (IMD) are eligible. These households are classified as auto eligible; or
 - Households with a gross income below £36,000 per year or a net income of £20,000 or less after housing costs or Households must be classified as low-income, which can be demonstrated by receiving specific means-tested benefits and;
 - Properties must have an EPC rating between D and G.
- 3.3 Act on Energy have been selected by the Midlands Net Zero Hub (MNZH) to provide the customer engagement in our area and Officers will work in partnership with them to leverage their expertise in engaging residents and encourage applications for the program through the owner-occupier part of the programme. to ensure residents are Engagement

- 3.4 Officers will undertake a joint procurement exercise with Housing Servies to employ a qualified and experienced Retrofit Assessor and Coordinator. The Council will also go out to procure a qualified and experienced PAS 2035 retrofit installer/contractor to undertake the retrofit works. This will include a clear specification for the retrofit measures to be delivered, emphasising quality and value for money, as well as experience of working across multiple grant schemes.
- 3.5 Officers will be required to supply monthly progress and financial reports to MNZH the consortium lead, on the progress, to ensure transparency and alignment with the overall programme goals.
- 3.6 Based on an average cost per home of £15,000, the WHLG funding can be utilised to retrofit approximately 19 homes (£285,123.08 / £15,000 per home)

The potential number of homes that can be retrofitted in each year based on the funding allocation for each year is:

Year 1	Year 2	Year 3
2	9	8

4. FINANCIAL IMPLICATIONS

- 4.1 MNZH have advised the funding allocation is £285,123.08 (including £28,512.31 for administrative and ancillary costs) over 3 years
- 4.2 The funding is split into the following amounts per year

Year 1	Year 2	Year 3
£31,423.08	£129,000	£124,700

5. LEGAL IMPLICATIONS

- 5.1 The Council will need to agree and sign the grant agreement form to receive the funding
- 5.2 The Council will need to enter into contracts with qualified retrofit installers and service providers to ensure compliance with PAS 2035 standards. This will need to be delivered in line with the Council's procurement process.

6. OTHER - IMPLICATIONS

Local Government Reorganisation

- 6.1 There are no expected implications for local government reorganisation.

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Relevant Council Priority

- 6.2 The Warm Homes Local Grant (WHLG) project directly aligns with Bromsgrove District Council's strategic priority of Environment and Infrastructure. By improving the energy efficiency of homes and reducing carbon emissions, the project contributes to creating a clean and green environment. Additionally, addressing fuel poverty and enhancing resident well-being supports sustainable development and improves the overall quality of life for the community. This initiative also fosters economic growth through job creation in the green sector and promotes the council's commitment to achieving Net Zero carbon emissions by 2040.

Climate Change Implications

- 6.3 Residential energy consumption is a significant contributor to carbon emissions. Improving home energy efficiency is crucial to achieving net-zero goals.
- 6.4 Enhanced home energy efficiency can lead to improved health outcomes for residents by reducing exposure to cold and damp conditions.

Equalities and Diversity Implications

- 6.5 The WHLG program targets households most affected by high energy costs, helping to alleviate fuel poverty and its associated health and social inequalities.
- 6.6 The program will ensure that all eligible residents, regardless of background, have access to the benefits of the retrofit measures.

7. RISK MANAGEMENT

7.1 Identified Risks and Mitigation Strategies:

1. Lack of Resident Participation:

- Risk: Insufficient resident engagement may lead to low participation in the WHLG program.
- Mitigation: Develop and implement a comprehensive engagement strategy, including outreach and education efforts, to encourage resident participation. Utilise partnerships with community groups and Act on Energy to increase awareness and involvement.

2. Challenges in Finding Qualified Contractors:

- Risk: Difficulty in securing suitably qualified and experienced contractors to undertake retrofit works.
- Mitigation: Conduct a robust procurement process to secure experienced PAS 2035 retrofit installers/contractors. Establish a reserve list of qualified professionals to ensure project continuity.

3. Supply Chain Issues for Retrofit Materials:

- Risk: Disruptions in the supply chain may lead to delays in obtaining necessary materials for retrofit works.
- Mitigation: Monitor supply chain trends and establish contingency plans for securing retrofit materials. Engage with multiple suppliers to diversify sources and minimize risk.

4. Overspending or Financial Mismanagement:

- Risk: The project may exceed its budget or face financial mismanagement.
- Mitigation: Implement strict financial monitoring and reporting processes. Submit regular financial reports to MNZH to ensure adherence to the budget and transparency.

5. Delays in Project Delivery:

- Risk: The project may face delays in implementation, affecting timelines and outcomes.
- Mitigation: Develop a detailed project timeline with built-in contingencies to address potential delays. Maintain regular communication with contractors and stakeholders to ensure timely progress.

6. Negative Publicity or Community Dissatisfaction:

- Risk: Issues during the project may lead to negative publicity or community dissatisfaction.
- Mitigation: Maintain transparent communication with the community throughout the project. Address any concerns or feedback promptly and effectively to build trust and support.

7. Poor Quality Work Being Delivered:

- Risk: The quality of retrofit works may not meet required standards, leading to dissatisfaction and potential rework.
- Mitigation: Conduct regular quality checks and inspections throughout the retrofit process. Ensure contractors adhere to PAS 2035 standards and address any issues promptly.

8. Complexity of Working Across Two Grant Funding Streams:

- Risk: Managing both the WHLG and WSHF funding streams may lead to administrative complexities and potential overlaps.
- Mitigation: Establish clear guidelines and protocols for managing both funding streams. Ensure coordination and communication between teams to streamline processes.

9. Misunderstanding of Eligibility Requirements by Residents:

- Risk: Residents may misunderstand the eligibility requirements for the WHLG program.
- Mitigation: Provide clear and accessible information to residents about eligibility requirements. Offer assistance through community engagement events and support from Act on Energy.

8. REPORT SIGN OFF

Department	Name and Job Title	Date
Portfolio Holder	Councillor Bernard McEldowney	
Lead Director / Assistant Director	Judith Wills	19/05/2025
Financial Services	Bob Watson	19/05/2025
Legal Services	Claire Felton, Head of Legal, Democratic and Property Services	19/05/2025
Climate Change Team (if climate change implications apply)	Matthew Eccles, Climate Change Manager	19/05/2025

BROMSGROVE DISTRICT COUNCIL

Cabinet

18/06/2025

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