



**Corporate Policy and
Resources**

25th September 2025

Subject: Warm Homes Local Grant (WHLG)

Report by:

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Purpose / Summary:

To provide information on Warm Home Local Grant allocation and seek approval to sign the grant funding agreement.

RECOMMENDATION(S):

1. Members agree to accept the award of £5,027,000 funding on behalf of Central and South Lincolnshire Consortium for the Warm Homes Local Grant from Midlands Net Zero Hub (MNZH) and authorise signing of the grant funding agreement by Section 151 Officer, for return to MNZH.
2. Members approve creation of a new capital scheme in the Capital Programme and create a capital and revenue budget for the Warm Homes Local Grant once funding agreement has been signed.

IMPLICATIONS

Legal:

(N.B.) Where there are legal implications the report MUST be seen by the MO

MNZH have issued a grant funding agreement to the Council which includes all details of the funding to be allocated to the Consortium for Warm Homes Local Grant. As accountable body, to the Central and South Lincolnshire Consortium, WLDC have sought a review of the grant funding agreement by Legal Services Lincolnshire.

The Council will need to ensure that WHLG Delivery proposal is compliant with UK subsidy control rules. This will be reviewed by Legal Service Lincolnshire as part of the contracting procedure.

All procurement activity will be undertaken in line with the Council's Contract Procedure Rules (CPRs) and ultimately Public Contract Regulations 2015 (PCRs), which is embedded into UK Law. All frameworks which the Council are using and may consider using are PCR compliant.

Financial: FIN/74/26/MT/SST

Committee are asked to approve the signatory of the Grant Funding agreement, due to the value of the contract – an allocation of **£5,027,000** to be spent across the 4 districts, all funds and processing of invoices will be held/completed via WLDC.

The table below is the total allocation for capital and admin and ancillary.

	Capital	Admin & Ancillary (A&A)	FY Total
FY 25/26	£325,750	£114,250	£440,000
FY 26/27	£2,158,340	£173,660	£2,332,000
FY 27/28	£2,085,910	£169,090	£2,255,000
Scheme Total	£4,570,000	£457,000	£5,027,000

Admin & Ancillary to be used for the Energy Efficiency Project Officer hosted by West Lindsey District Council and any costs incurred in utilising a partner for the delivery of the scheme .

Table below is an estimate of cost based on Band 8. This officer is already in post due to decision at CP&R on 11th March 2025.

	SCP	Salary	Ni	Super	Total
25/26	8a	£34,434	£4,407	£8,091	£46,932
26/27	8b	£36,474	£4,688	£8,936	£50,098
27/28	8c	£38,390	£4,914	£9,405	£52,709

Staffing :

(N.B.) Where there are staffing implications the report **MUST** have a HR Ref

The scheme will be delivered by the following:

- Current staff within Homes, Health and Wellbeing Team
- An extension to the Energy Efficiency Project officer post funded by the Warm Homes Local Grant administration allocation, hosted by WLDC previously agreed at CP&R in March
- Customer journey support provided by MNZH appointed partner
- Installations, and all other services via procured delivery partner.

HR comments:

Should the contract end for this post-holder, this will be a dismissal due to redundancy with the associated costs. Upon receipt of the grant funding agreement, should it be possible, we will look to incorporate any redundancy costs within the A&A budget.

The current postholder would have been employed for more than 4 years and therefore has permanent employment status.

NB The Energy Efficient Project Officer has been evaluated at Band 7.

HR Ref: HR245-08-27

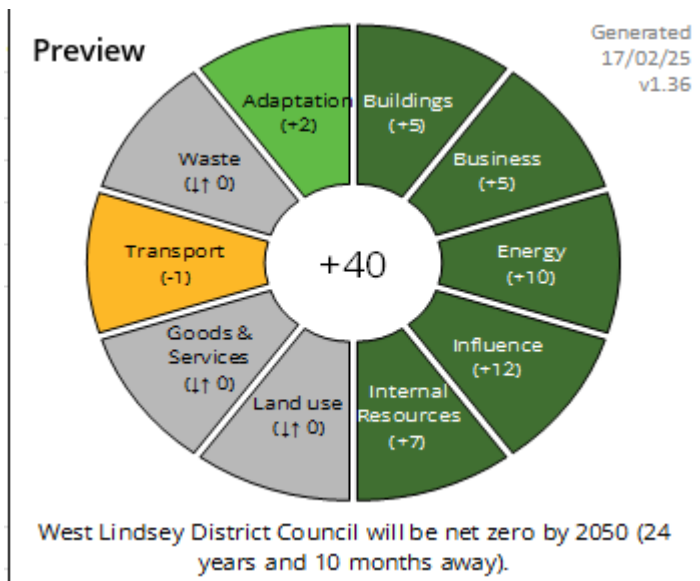
Equality and Diversity including Human Rights :

N/A

Data Protection Implications :

Data Sharing agreement in place with Midlands Net Zero Hub

Climate Related Risks and Opportunities:



This scheme strongly aligns with the council's environmental objectives, particularly:

- Becoming a net-zero carbon council by 2050
- Supporting residents to reduce emissions
- Addressing fuel poverty while promoting sustainability

Monitoring methods:

- Before and after EPC ratings
- Energy consumption data from participating households
- Carbon savings calculations
- Number and types of measures installed

In conclusion, the Warm Homes Local Grant demonstrates very significant positive environmental impacts, particularly in energy efficiency and carbon reduction. While there are some very minor negative impacts from implementation and transport mileage, these are vastly outweighed by the long-term environmental benefits. The scheme represents an excellent opportunity to achieve both social and environmental objectives simultaneously.

Section 17 Crime and Disorder Considerations:

N/A

Health Implications:

Living in a cold, damp home is harmful to physical and mental health. Installing household energy efficiency measures, will not only reduce carbon emissions, but will make it easier and more affordable for residents to maintain a warm, comfortable environment, thereby reducing cold-related illnesses and associated stress.

Offering such initiatives also supports the work of the Good Homes Alliance.

Title and Location of any Background Papers used in the preparation of this report :

Warm Homes Local Grant – 11th March CP&R

[Agenda for Corporate Policy and Resources Committee on Tuesday, 11th March, 2025, 6.30 pm | West Lindsey District Council](#)

Risk Assessment :**Call in and Urgency:****Is the decision one which Rule 14.7 of the Scrutiny Procedure Rules apply?**

i.e. is the report exempt from being called in due to urgency (in consultation with C&I chairman)

Yes

☐

No

x

Key Decision:

A matter which affects two or more wards, or has significant financial implications

Yes

x

No

☐

1. Executive summary

- 1.1 Midlands Net Zero Hub (MNZH) have secured funding via Department for Energy, Security and Net Zero (DESNZ) for Government funding through Warm Homes Local Grant (WHLG) on behalf of Midlands Councils, amongst this is the Central and South Lincolnshire Consortium comprising of West Lindsey, North Kesteven, City of Lincoln and South Kesteven Councils.
- 1.2 An allocation of £5,027,000 has been allocated to the consortium to deliver the new grant initiatives under the WHLG scheme.
- 1.3 Funding secured from DESNZ will be used to carry out a range of improvements on homes owned by low-income families in the district – making them warmer, reducing energy bills, and improving the quality of our residents lives.
- 1.4 A decision is required to accept the grant award, and sanction return of the grant funding agreement from the S151 Officer.
- 1.5 This approval will enable delivery of the scheme to start immediately, with installations commencing as soon as contracts are in place, and release spend from the administration allocation which will fund the Energy Efficiency Project Officer post hosted by WLDC.

2. Warm Homes Local Grant

- 2.1 The Government have committed to a Warm Homes Plan to upgrade five million homes over next five years to cut bills for families and deliver warmer homes to slash fuel poverty.
- 2.2 This ambition is a key part of the Government's 'second mission' to transform Britain into a clean energy superpower, including providing the country with clean energy by 2030, reducing bills, and transitioning homes to clean heat as part of the wider ambition to reach net zero by 2050.
- 2.3 As a key part of the Warm Homes Plan, the Government has committed to partnering with combined authorities, local and devolved governments to deliver insulation measures and other improvements such as solar panels, batteries and low carbon heating to cut bills for families, slash fuel poverty, and reduce carbon emissions in support of our net zero 2050 target.
- 2.4 The Warm Homes: Local Grant is a government-funded scheme delivered by Local Authorities that will take the first steps to delivering on the ambitions of the Warm Homes Plan.
- 2.5 The Warm Homes: Local Grant will begin delivery in 2025 and will provide energy performance upgrades and low carbon heating via local authorities, to households that:
 - are in England
 - are low income
 - have an Energy Performance Certificate (EPC) between D and G
 - are privately owned (owner occupied or privately rented)
- 2.6 Once in delivery local authorities will be able to install energy performance measures and low carbon heating to eligible homes in their area. Measures could include:
 - insulation
 - solar panels
 - an air source heat pump if suitable
- 2.7 Upgrades should be tailored to individual homes so that the most appropriate measures are installed. Occupants on a low income will not contribute to the cost of upgrades.
- 2.8 These upgrades will be open to all fuel types, including on gas households (those heated by mains gas), and off gas households (those heated by electricity, oil, coal, or liquid petroleum gas).
- 2.9 There has been positive changes to delivery guidance from previous grant schemes, one major change includes landlords will now be eligible for one property to be retrofitted free of charge, any subsequent properties require a 50% contribution.

- 2.10 All eligibility criteria and eligible works that are to be undertaken through this grant scheme are set by Central Government and cannot be dictated by Local Authorities. West Lindsey will be administering this scheme on behalf of Central Government and cannot make any decisions on the eligibility of applicants or the measures that are covered through the grant. More detail about the scheme itself can be found at this link [Warm Homes: Local Grant - GOV.UK](#)
- 2.11 To support delivery of the Warm Homes Plan, the primary and a secondary objectives of the Warm Homes: Local Grant are:
- To deliver progress towards the statutory fuel poverty target for England, by improving as many fuel-poor homes as reasonably practicable to energy efficiency rating of Band C by 2030, delivering significant annual energy bill savings for the occupants, not just in the short term, but for good.
 - To deliver progress towards Net Zero 2050, and the Carbon Budgets, by installing energy performance upgrades and low carbon heating in homes that drive carbon abatement.
- 2.12 Alongside those leading objectives, the Warm Homes: Local Grant will help to ensure homes are healthy living environments, thermally comfortable, efficient and well-adapted to climate change. It will also support the green economy, local supply chains, and skilled jobs for tradespeople in every part of England.
- 2.13 By focusing on low-income households and areas of high economic deprivation, upgrades made to the housing stock will support deprived communities throughout England, ensuring that they are not left behind in the transition towards Net Zero, but instead lead the way.

3. Background

- 3.1 Central and South Lincolnshire Consortium (WLDC, NKDC, SKDC, CoL) formed to deliver the Sustainable Warmth Competition (SWC) grants LAD3/ HUG1 and HUG2 in 2022.
- 3.2 Due to the success of the scheme, good working partnerships formed, and following approval from Management Team in November 2024, the expression of interest was submitted as a consortium for Warm Home Local Grant funding.

4 Warm Homes Local Grant allocation, delivery, and timeframes

- 4.1 The total allocation for Central & South Lincolnshire Consortium is **£5,027,000**.
- 4.2 The table below is the total allocation for capital and admin and ancillary, 10% of the total allocation can be used for admin & ancillary purposes. For FY1 a maximum A&A limit of 25% can be utilised to cover start up costs, the reduced A&A available in FY2&3 must be split equally between the two years. It is proposed to increase A&A spend in FY1 to cover staff costs adequately.

	Capital	A&A	FY Total
FY 25/26	£325,750	£114,250	£440,000
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4.3 For previous energy grant schemes, a delivery partner was appointed via the Fusion 21 Framework to provide a full turnkey delivery service, and installation of energy efficiency measures. We propose to go with a similar approach to deliver the new grants.

4.4 It was agreed to extend the current Energy Efficiency Project Officer role for a further 3 years, funded by the administration allocation to deliver this scheme. This is hosted by WLDC.

	SCP	Salary	NI	Super	Total
25/26	8a	£34,434	£4,407	£8,091	£46,932
26/27	8b	£36,474	£4,688	£8,936	£50,098
27/28	8c	£38,390	£4,914	£9,405	£52,709

4.5 As with previous initiatives, MNZH will require the Council to submit a delivery plan, outlining how it intends to allocate the Warm Homes Grant to fuel poor households in the Consortium Districts. The Delivery plan must set out the number of properties, type of measures and cost of the retrofit works the council expects to be able to deliver within the parameters of the grant guidance. As the lead authority, this will be led and submitted by WLDC but the plan will be drafted by the consortium as a whole.

4.6 The Council will be expected to submit monthly reports to MNZH on progress delivery. Delivery of WHLG will also be monitored via KPI'S, Housing and Wellbeing Programme Board, and quarterly capital expenditure via CP&R.

5. Decision and Next Steps

- 5.1 As the lead authority and holder of funds, WLDC are required to sign and return a grant funding agreement. Works are underway to complete the delivery plan for submission to MNZH and procurement for an installer has commenced. Once the delivery plan has been approved, and procurement is in place, a delivery assurance check will be scheduled, once passed this will allow for commencement of grant funding delivery to begin.
- 5.2 On signing the grant funding agreement, the council will receive the revenue admin and ancillary costs percentage as detailed above, followed by a 15% deposit payment which will be received after Delivery Assurance Check has been approved by MNZH.

- 5.3 A decision is being requested to seek approval for signing and returning the grant funding agreement once it is received.

6. Recommendations

- 6.1 Members agree to accept the award of £5,027,000 funding on behalf of Central and South Lincolnshire Consortium for the Warm Homes Local Grant from Midlands Net Zero Hub (MNZH) and authorise signing of the grant funding agreement by Section 151 Officer, for return to MNZH.
- 6.2 Members approve creation of a new capital scheme in the Capital Programme and create a capital and revenue budget for the Warm Homes Local Grant once funding agreement has been signed.