



Report to: Portfolio Holder for Strategy, Performance and Finance

Decision Date: 13 April 2026

Portfolio Holder: Councillor Paul Peacock

Director Lead: Suzanne Shead – Director of Housing, Health & Wellbeing

Lead Officer: Wayne Fox, Business Manager- Building Safety & Asset Management

Report Summary	
<b>Type of Report</b>	Open Report / Key Decision
<b>Report Title</b>	Warm Homes: Social Housing Fund (WH:SHF) - Additional Capital Budget
<b>Purpose of Report</b>	To seek Portfolio Holder approval to receive additional £500,000 funding from Department of Energy, Security and Net Zero (DESNZ) to further the Councils decarbonisation ambitions. Due to confirmation of acceptance being required before 20 <sup>th</sup> April 2026, this requires Portfolio Holder approval to match fund this amount for 2026-27 to enable the co-funding letter to be returned before the deadline.
<b>Recommendations</b>	That the Portfolio Holder approves a variation to the Capital Programme for 2026-27 to increase the budget for WH:SHF by £1million which includes a £500,000 grant from DESNZ.  The co-funding document will then be signed and returned before the deadline of 20 <sup>th</sup> April 2026.
<b>Alternative Options Considered</b>	Not to accept the additional funding and maintain the existing programme and budget.
<b>Reason for Recommendation</b>	This additional funding enables the Council to accelerate our plans to decarbonise the Councils housing, replace poor performing and costly heating systems, reducing utility costs for tenants whilst also contributing to the decarbonisation agenda.

	This aligns with two ambitions in our Community Plan 2023-27: Ambition 2: Increase the supply of housing, in particular decent homes that residents can afford to buy and rent, as well as improving housing standards and, Ambition 7: Be a top performing, modern and accessible Council that get its everyday services right for the residents and businesses that it services.
<b>Decision Taken</b>	As per recommendation

## **1.0 Background**

- 1.1 The Council has submitted and has been successful in a bid to the Department of Energy Security and Net Zero (DESNZ), to secure £1.7 million grant funding from Wave 3 of the Warm Homes: Social Housing Fund to support a two programme to move poor energy performing homes to low carbon heating systems and supply additional measures to keep heating affordable.
- 1.2 The Council has a two year programme to upgrade c.93 heating systems to air source heat pumps, with solar panels and battery storage to maximise the benefits of solar power from a capital programme part funded by Warm Homes: Social Housing Grant to a value of £1,551,000 for 2026-27. This is alongside activities to complete any outstanding energy performance assessments to understand how the Council's homes are performing.
- 1.3 Further to this original award, the Council applied to DESNZ for additional £500,000 funding for 2026-27 to expand the programme, and this has been successful providing the Council can match fund the contribution.
- 1.4 The Council's acceptance of the additional funding needs to be received by Mid Notts Net Zero Hub (MNZH) before the 20<sup>th</sup> April 2026, hence the need for Portfolio decision. A complementary paper is scheduled for Cabinet on the 21<sup>st</sup> April 2026 covering a broader update of the Warm Homes scheme and acceptance of the original grant award explained in 1.1.
- 1.5 The Portfolio Holder- Housing and Leader of the Opposition were consulted on 8<sup>th</sup> April 2026 and the Chair of Policy, Performance Improvement Committee on the 9<sup>th</sup> April 2026, all support the recommendation to accept the additional grant funding of £500,000 understanding the requirement for this grant to be match funded.

## **2.0 Proposal/Options Considered**

- 2.1 The Council could choose to not accept the additional funding and be content with the original award for the WH:SHF programme for 2026-27.
- 2.2 This report recommends the Council accepts the grant of £500,000 and match funds this from a favourable underspend in the Capital programme for 2025-26.

### 3.0 Implications

In writing this report and in putting forward recommendations, officers have considered the following implications: Data Protection; Digital & Cyber Security; Equality & Diversity; Financial; Human Resources; Human Rights; Legal; Safeguarding & Sustainability and where appropriate they have made reference to these implications and added suitable expert comment where appropriate.

Implications Considered			
Yes – relevant and included / NA – not applicable			
Financial	Yes	Equality & Diversity	NA
Human Resources	NA	Human Rights	NA
Legal	Yes	Data Protection	NA
Digital & Cyber Security	NA	Safeguarding	NA
Sustainability	NA	Crime & Disorder	NA
LGR	NA	Tenant Consultation	Yes

#### Financial implications (FIN26-27/5463)

- 3.1 The WH:SHF programme is currently included in the Capital Programme as outlined in the table below:

WH:SHF (HRA)	2026/27	2027/28
NSDC 50%	775,940	795,340
Grant funded (DESNZ)	775,940	795,340
<b>Total</b>	<b>1,551,880</b>	<b>1,590,680</b>

The actual grant now available to the Council in 2026/27 is £1,275,940 which is £500,000 more than originally added to the Capital budget (shown above). This report is seeking to increase the capital budget by £1million to enable the Council to take advantage of £500,000 additional funding available from DESNZ. The match funding can be made available from favorable variances within the overall investment programme from 2025/26.

The table above and the capital budget would be revised as follows:

WH:SHF (HRA)	2026/27
NSDC 50%	1,275,940
Grant funded (DESNZ)	1,275,940
<b>Total budget available</b>	<b>2,551,880</b>

The grant funding also provides 10% of the original capital fund value for administration and ancillary costs incurred by the Council, the expenditure budget for which is included in the budget, therefore just the income will be received as follows:

Year	WH:SHF (HRA)
2026/27 – original value	77,594
<b>Total</b>	<b>77,594</b>

There will be no further implications on the revenue budget.

### 3.2 Legal Implications - LEG2627/8124

This aligns and aids with the Council's climate objectives. The Legal team will need to be instructed in relation to any arrangements to secure the funding.

### 3.3 Equality and Diversity Implications

The Social Housing Fund will be used to target Council social rented homes with older and more expensive heating – particularly in the current climate with the high volatility of oil prices impacting tenants who may not be able to absorb or budget for these unexpected costs. It is not anticipated that the proposals will have an adverse effect on any residents with one or more protected characteristics.

### 3.4 Tenant Consultation

Involved tenants tell us they support a measured approach to decarbonising homes and ideally, reducing bills through the measures fitted whether that is improving insulation or fitting solar panels and batteries. The programme outlined in this report takes the Council in the right direction but does not over commit or over stretch the team delivering the programme.

### **Background Papers and Published Documents**

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

None