

WELWYN HATFIELD BOROUGH COUNCIL
CABINET– 1 APRIL 2025
REPORT OF THE EXECUTIVE DIRECTOR (RESIDENT SERVICES AND CLIMATE
CHANGE)

APPOINTMENT OF THE CONTRACTOR FOR THE DELIVERY OF WARMER
HOMES:LOCAL GRANT

1 Executive Summary

- 1.1 Welwyn Hatfield Council has targets to be net zero as an organisation by 2030 and as a borough by 2050.
- 1.2 A step to achieving the borough wide target of 2050 is helping privately owned homeowners retrofit their homes to make them more energy efficient and therefore lower their household emissions.
- 1.3 WH:LG (Warmer Homes: Local Grant) is a UK government initiative designed to improve the energy efficiency of homes, particularly those of low-income households in England.
- 1.4 Welwyn Hatfield Council has been awarded £1.5 million WH:LG funds to retrofit eligible homes in the Borough across a three year period.
- 1.5 As with previous schemes WHBC will need to work with a partner to effectively deliver the scheme to residents in the Borough.
- 1.6 It is proposed that WHBC partner with the National Energy Foundation (NEF) to deliver this scheme. The NEF is an independent charity focused on improving the use of energy in buildings.

2 Recommendation(s)

- 2.1 Cabinet is asked to consider and approve the partnership with NEF to deliver the WH:LG initiative across the Borough.

3 Explanation

- 3.1 Taking advantage of central government schemes such as this WH:LG is crucial in meeting the boroughwide net zero target of 2050.
- 3.3 Action 5 of the Climate Action Plan encourages supporting residents to access funding to reduce emissions, such as participating in and promoting schemes to improve homes to make them more efficient.
- 3.4 WH:LG is a key government-funded scheme in England, designed to improve energy efficiency in homes, particularly low income households.

3.5 It replaces previous scheme such as Home Upgrade Grant (HUG) and Local Authority Delivery (LAD)

WHBC submitted and expression of Interest last November and we have been awarded £1.5 million. This information is publicly available on the government website, [Warm Homes: Local Grant – successful local authorities - GOV.UK](https://www.gov.uk/government/news/warm-homes-local-grant-successful-local-authorities)

The scheme will target properties that;

- On and off gas
- EPC's D-G
- Owner occupiers or private renters (social housing can be infill only)
- £15,000 per home for energy performance upgrades
- £15,000 per home for low carbon heating
- These costs can be averaged across all homes participating
- Private landlords can get one home fully funded then others are 50% funded (subject to change)

3.5 WHBC do not have officer capacity to deliver this scheme. Therefore, we are required to work with a delivery partner. If we do not appoint a contractor, we will have to return the £1.5 million grant money to Department for Energy Security and Net Zero (DESNZ) and not participate in this scheme.

3.6 National Energy Foundation are a charity and existing delivery partner of Welwyn Hatfield Council in another energy efficiency improvement government scheme (ECO Flex and GBIS). There has been a proven track record with the NEF of successful delivery of funding for residents within the Borough.

3.7 The funding for the partnership will come via Admin and Ancillary (A&A) funding provided as part of the grant. This will be 10% NEF and 5% WHBC.

Table 1 shows breakdown of funding over the three year delivery period.

A	B	C	D	E	F	G	H	I	J
	Award Total	Admin & Ancillary	Capital	NEF Managing Agent Fee*	MA Rebate fee	Remainder MA fee	Approx Fee for EPCs, Land Registry checks etc	LA admin	£12.5k No. Properties
	£1,500,000.00	£225,000.00	£1,275,000.00	£150,000.00	£7,500.00	£142,500.00	£17,850.00	£57,150.00	102
FY 25/26	£375,000.00	£56,250.00	£318,750.00	£37,500.00	£1,875.00	£35,625.00	£4,462.50	£14,287.50	26
FY 26/27	£562,500.00	£84,375.00	£478,125.00	£56,250.00	£2,812.50	£53,437.50	£6,693.75	£21,431.25	38
FY 27/28	£562,500.00	£84,375.00	£478,125.00	£56,250.00	£2,812.50	£53,437.50	£6,693.75	£21,431.25	38

3.6 NEF would carry out the following work in order to successfully deliver this scheme;

- Publicity and marketing to develop awareness of the scheme in eligible households

- The customer journey, including:
 - engagement
 - eligibility checking
 - distributing privacy notices and collecting and managing customer data
 - coordinating installation timeline between customer and installer
 - managing customer expectation and recording feedback
- Management of retrofit installation, including:
 - selecting installers and measures appropriate for each property
 - ensuring installations are delivered within specified timelines
 - ensuring completed installations meet specified standards (NEF Retrofit Coordinator)
 - payment of installers
- Regular reporting of customer and installation data to the Council
- Preparing monthly reports as required by the DESNZ
- Engagement and Targeting of Residents -
 - Business Insight Lead to help NEF analyse data
 - Open Source EPC data
 - Open Source LSOA Areas of Multiple Deprivation (2019)

3.6 WHBC will be responsible for;

- Holding the funds and pay NEF administration fee and send grant funding to NEF to distribute
- Submit the monthly reports to DESNZ (that NEF prepare)
- Submit drawdown requests to DESNZ for grant funding (that NEF prepare)
- Support NEF with meetings with DESNZ/RISE
- NEF will hold a monthly meeting with all of Herts LAs to update on progress
- We can do this fortnightly for the first 2 months whilst we are setting up
- Sign off for mail outs (inc authorisation to use council logos)
- Draft webpages about WHLG
- Communications such as social media posts about WHLG referring to BHBH phonenumber and email address and a press release.

- 2.7 If DESNZ were to ask for any A&A funds to be returned due to poor performance NEF would share the risk as per their share of the Admin & Ancillary e.g. NEF would be liable for 2/3 and LA 1/3. This is acceptable to WHBC.
- 2.8 We would use the Watford Borough Council Energy Efficiency Framework. This means NEF have already been procured as a Managing Agent for these types of schemes for use across Hertfordshire and Buckinghamshire.
- 2.9 Watford and Three Rivers are using NEF to deliver their consortia (They put in a joint Expression of Interest) and have directly awarded NEF using this framework.
- 2.10 Six other Local Authorities in Herts submitted an expression of interest in this funding. It is understood that the other authorities are also looking to appoint a contractor to deliver this scheme.
- 2.11 If the other six Local Authorities in Herts decide to also choose NEF as a delivery partner, we will create a consortia, with an MOU whereby we will collaborate on joint meetings and any communications content for efficiency and consistency where possible.

Implications

4. Legal Implications

- 4.1 The Council is procuring the contractor via a framework agreement which was established under the Public Contracts Regulations 2015. As such, contract award complies with procurement regulations and our Contract Standing Orders.

5. Financial Implication(s)

- 5.1 There is financial risk if the Council does not deliver enough energy efficiency improvements. This could result in a request to return a proportion of A&A costs. The Council will retain a proportion of the A&A costs for the duration of the scheme which it could return if necessary. However, officers are confident that the retrofit measures to the targeted number of properties can be delivered. The contract would be managed through monthly meetings, they will report monthly on achievements, and this will be tracked internally. The Department Energy Security and Net Zero have provided intelligence for us to target the expenditure of the grant.

6. Risk Management Implications

- 6.1 A fraud risk management template will be completed to identify and reduce any risk in terms of false claims of eligibility. This will be completed with NEF once they are appointed.
- 6.3 There is reputational risk if poor workmanship is carried out on installations, however, NEF has a preferred list of retrofit contractors that go through rigorous checks to ensure they are compliant and satisfactory.
- 6.4 There is reputational risk to Welwyn Hatfield Borough Council if it does not take part in delivering this scheme to our residents as other Local Authorities will be supporting the scheme using a partnership model.

7. Communication

- 7.1 A communication plan will be developed alongside the Communication Team to ensure eligible residents are aware of this funding scheme and can register their interest in an easy and efficient manner.

8. Security & Terrorism Implication(s)

- 8.1 There are no security and terrorism implications relating to the delivery of WH:LG.

9. Procurement Implication(s)

- 9.1 The Council is procuring the contractor via a framework agreement which was established under the Public Contracts Regulations 2015. As such, contract award complies with procurement regulations and our Contract Standing Orders.

10 Climate Change Implication(s)

- 10.1 Domestic energy use accounts for 25% of boroughwide emissions (2022 data). In order to achieve our boroughwide net zero target by 2050, the Council must encourage and support residents who are eligible for this scheme, to improve the energy efficiency of their home and thereby reduce energy use and emissions.

- 10.1 The roll out of WH:LG will support residents to make energy efficiency improvements to their homes that they would otherwise not be able to afford to do.

11. Human Resources Implication(s)

- 11.1 The contract will be managed using existing staff in the Climate Change team at the council. (The delivery partner will manage the operational side processes).

- 11.2 The Finance team will have to facilitate the receipt of money from DESNZ and sending it to NEF. This can be done in batches to reduce the administration time.

- 11.3 The Communication team will promote the scheme via social media posts and a press release. It is hoped other Local Authorities in Hertfordshire will work together to create content to reduce the duplication of work. (The delivery partner will organise and fund direct mail outs).

12. Health and Wellbeing Implication(s)

- 12.1 Improving the energy efficiency of a residents home can bring a range of health and wellbeing benefits both physical and mental including; a reduce risk of illness due to cold conditions, lower bills leading to reduced anxiety, improved sleep, prevention of mould and damp.

13. Link to Corporate Priorities

- 13.1 The subject of this report is linked to one of the Council's 5 Priorities, in the following ways;

'Action on Climate'

- Renew our commitment to be a net zero council by 2030 (and as a borough by 2050)

- Step up climate adaptation and mitigation measures
- Lead by example and encourage others to make positive change
- Improve biodiversity

Delivering WH:LG scheme will support the Council's 'Action on Climate' corporate priority,

It will help Welwyn Hatfield Council to achieve our boroughwide net zero target (2050)

Delivering the WH:LG scheme illustrates our priority to encourage others to make positive behavioural change by providing the opportunity to residents to improve the energy efficiency of their property and reduce energy usage and costs.

Additionally, WH:LG links to the council's priority to 'Step up climate adaptation and mitigation measures', as it is a new scheme and presents the opportunity to home owners that would otherwise not have the means to make such improvements to their homes.

14. Equalities and Diversity

- 14.1 An EqIA was not completed because the scheme does not propose changes to existing service-related policies or the development of new service-related policies.

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Appendix 1 NEF presentation

Appendix 2 Offer letter