



Department for
Energy Security
& Net Zero

Warm Homes: Social Housing Fund

Technical Annex: sources and methodology
for The Warm Homes and Public Sector
Decarbonisation Devolution Programme

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Introduction

This publication describes the sources and methodology used to calculate the capital funding allocations from the Warm Homes: Social Housing Fund to the Warm Homes and Public Sector Decarbonisation Devolution Programme.

The methodology outlined in this publication calculates multipliers which are used to allocate an initial three-year settlement to the Combined Authorities (CAs) of Greater Manchester (GMCA) and the West Midlands (WMCA) for the purposes of the Warm Homes and Public Sector Decarbonisation Devolution Programme.

The Warm Homes and Public Sector Decarbonisation Devolution Programme also includes funding from the Warm Homes: Local Grant and Public Sector Decarbonisation Scheme. However, this publication only covers the methodology for allocating Warm Homes: Social Housing funding.

Data Sources

Warm Homes: Social Housing Fund multipliers use two key sources; [subnational estimates of dwelling by tenure produced by the Office for National Statistics](#) and ONS estimates of the [percentage of homes with EPC D or below by tenure type at Local Authority level](#).

Methodology

The ONS subnational estimates of dwelling by tenure are used in conjunction with estimates of the percentage of homes with EPC D or below by tenure type at LA level, also produced by the ONS, to calculate the allocation of the Warm Homes: Social Housing Fund Warm Homes and Public Sector Decarbonisation Devolution Programme funding for GMCA and WMCA.

The methodology for this is as follows:

1. The number of social homes in each LA within the CA is selected from the ONS subnational estimates of dwelling by tenure.
2. The percentage of social homes with EPC D or below is selected for each LA from the ONS dataset and applied to the number of social homes in each local authority to estimate the number of households in scope¹ within the LA.
3. The number of households in scope in each LA are summed to calculate the number of households in scope in the CA, this is compared to the number of households in scope in England to calculate a multiplier.

¹ 'In scope' here refers to all social housing with EPC D or below. This does not necessarily reflect the scope of the Warm Homes: Social Housing Fund as a whole, for more details on scheme eligibility for Warm Homes: Social Housing Fund: <https://assets.publishing.service.gov.uk/media/672c9f3b21fd56bd96b1a2df/warm-homes-social-housing-fund-wave-3-guidance.pdf>

A Worked Example for WMCA:

- Using the two ONS data sources select the number of social homes and the percentage of social homes with EPC D or lower in each LA, multiply them together to estimate the number of households in scope in the LAs

$$\text{Number of Social Homes in LA} \times \text{Percentage of Social Homes with EPC D or below in LA}$$

Table 1: The number of social homes, percentage of social homes with EPC D and below and the number of social homes with EPC D and below for WMCA

Local Authority	Number Of Social Homes	Percentage of Social Homes with EPC D and Below	Number of social Homes with EPC D and below ²
Birmingham	108,452	54%	58,413
Coventry	25,005	48%	12,009
Dudley	26,521	51%	13,521
Sandwell	35,177	47%	16,622
Solihull	13,540	37%	5,022
Walsall	27,851	41%	11,346
Wolverhampton	28,581	41%	11,641
WMCA Total			128,574

Table 2: The number of social homes, percentage of social homes with EPC D and below and the number of social homes with EPC D and below for England

Local Authority	Number Of Social Homes	Percentage of Social Homes with EPC D and Below	Number of social Homes with EPC D and below
England	4,213,750	39%	1,641,870

- Sum the number of social homes with EPC D and below across the LAs to calculate the estimated number of households in scope within WMCA as shown in Table 2

$$\sum \text{Number of households in scope in LAs} = 128,574$$

- Calculate the number of households in scope in England as shown in Table 3

² Rounding of the percentage of social homes with EPC D and below means that figures in this column may not exactly match the product of the previous two.

$$\text{Number of Social Homes in England} \times \text{Percentage of Social Homes with EPC D or Below in England} = 1,641,870$$

4. Compare the estimated number of households in scope in WMCA (calculated in steps 1 and 2) to the estimated number of households in scope in England (calculated in step 3) to allocate an appropriate proportion of the Funding to WMCA

$$\frac{\text{Number of homes in scope in WMCA}}{\text{Number of Homes in Scope in England}} = \frac{128,574}{1,641,870} = 7.8\%$$

Table 3: The percentage of Warm Homes: Social Housing Fund capital funding allocated to each Combined Authority, rounded to the nearest decimal place

Combined Authority	Percentage of total capital funding
Greater Manchester	5.7%
West Midlands	7.8%

For further information on the Integrated Settlements please refer to the Gov.uk Integrated Settlement page: <https://www.gov.uk/government/collections/integrated-settlements-for-mayoral-combined-authorities>

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