

NET ZERO POLICY ROUNDUP MARCH 2025

HUB UPDATES	LINK
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The government has confirmed funding for the national network of Local Net Zero Hubs has been extended to support Great British Energy with the development of local clean power projects.

A new Memorandum of Understanding is set to give the Hubs the explicit mission of assisting the new publicly owned energy company with identifying and developing the clean energy generating projects which will deliver the government's Clean Energy 2030 ambition and supporting the implementation of the forthcoming Warm Homes plan.

The South West Net Zero Hub has successfully led a consortium to secure nearly £67 million in government funding to help 6,500 homes across the region become warmer and more energy efficient.

SWNZH

The new funding comes from the Government's Warm Homes: Social Housing Fund and is one of the largest per-person settlements from the Warm Homes programme. The investment will be matched by local authorities and social landlords, bringing the total funding to over £130 million.

STRATEGY/POLICY UPDATES

LINK

The first Great British Energy projects have been announced, including:

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- Extension of the funding for the Local Net Zero Hubs (see above).
- A new round of the Great British Energy Community Fund, previously known as the Community Energy Fund which is managed locally by the Local Net Zero Hubs.
- A £10m Mayoral Renewables Fund, allowing Mayoral Combined Authorities to put forward clean energy projects that could begin this year with up to £700,000 of funding.
- Funding for roof-top solar installations on 200 schools and 200 hospitals through a scheme called Great British Solar. South West installations include Cornwall Partnership NHS Foundation Trust, Devon Partnership NHS Trust, Dorset Healthcare University NHS Foundation Trust, Royal United Hospitals Bath NHS Foundation Trust, Somerset NHS Foundation Trust, South Western Ambulance Service NHS Foundation Trust, University Hospitals Dorset NHS Foundation Trust and University Hospitals Plymouth NHS Trust



Ofgem has unveiled a new grid connections system which ends the current first-come, first-served system and prioritises "ready" and "needed" projects.

Ofgem

The regulator has also written a letter to the National Energy System Operator setting out expectations for the scope of the transitional Regional Energy Strategic Plan.

Households near new transmission infrastructure could see their energy bills reduced under plans set out in the new Planning and Infrastructure Bill

MHCLG

GB Energy has announced that Dan McGrail has been appointed as interim Chief Executive Officer.

DESNZ

Five non-executive directors have also been appointed to the organisation's start-up board.

DESNZ

The Chancellor has set out a new approach for the National Wealth Fund (NWF) and the Office for Investment (OfI) to work with local leaders to build pipelines of incoming investment and projects linked to regional growth priorities.

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Measures included the NWF trialling Strategic Partnerships in several areas, including West Yorkshire and the OfI piloting an approach in the North East Combined Authority to connect the region to central government and industry expertise to unlock private investment.

The NWF's Statement of Strategic Priorities sets out clean energy as one of two key aims, with the Fund having the explicit remit of:

- Investing in the development of low-carbon power generation, flexibility and storage technologies and their supply chains.
- Supporting the deployment of low-carbon fuels and technologies in transport, homes, and workplaces.
- Investing in nascent markets and earlier-stage technologies that support the clean energy mission.

The government's Net Zero Council - which brings together business, civil society, and local authorities to drive the clean energy transition - has been relaunched.

DESNZ

The first meeting of the new look council focused on agreeing its priorities for 2025 to 2026, which will include:

- A new focus on providing expert input to inform government strategies relating to net zero
- Supporting the development and delivery of sector roadmaps, helping businesses to develop transition plans and investors to identify opportunities
- Supporting small and medium-sized enterprises to decarbonise.



• Informing the government's approach to public engagement.

New guidance has been published supporting water companies and heat network developers to use waste heat from sewers as a form of low carbon heat to supply for heat networks.

DESNZ

The guidance states: "Sewer heat recovery represents a significant opportunity for the decarbonisation of heat in urban areas - particularly when combined with heat network."

A Treasury working paper states that "Delivering the clean energy superpower mission" will be a major priority for the forthcoming 10-Year National Infrastructure Strategy.

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Former COP Chair Lord Alok Sharma has been announced as Chair of the Transition Finance Council.

City of London Corporation

Co-launched by the government and the City of London Corporation, the council aims to make the UK "best market in the world to raise and deploy high-integrity transition finance - the financial products and services that facilitate an economy-wide transition to Net Zero."

There will be bonuses attached to future rounds of Contracts for Difference funding, where applicants can demonstrate support for local supply chains.

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CONSULTATIONS AND REVIEWS

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The government has formally responded to a consultation on barriers to Community Energy projects. The consultation will inform future policy.

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The response states:

"Communities will be at the heart of our mission to make Britain a clean energy superpower. Our government is incredibly ambitious about the role community energy can play in delivering energy security, good jobs, and climate leadership.

"Every solar panel and every wind turbine communities put up helps protect us from the rollercoaster of global fossil fuel markets. That is why one of Great British Energy's early priorities is to invest in local and community energy, which will support local and mayoral strategic authorities and community groups to roll out clean, homegrown energy projects in their areas."

A consultation into Land Use in England is open for submissions until April 25th.

DEFRA



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The consultation will inform development of a strategic framework balancing the need to protect productive agricultur land and the development of energy infrastructure.	-al	
A consultation on a review of the Fuel Poverty Strategy is open until April 4 ^{th.}	DESNZ	
A consultation into improving the energy performance of privately rented homes is open until May 2 nd	DESNZ	
The consultation includes proposals to raise the minimum energy efficiency standard required of privately rented home in England and Wales to the equivalent of Energy Performance Certificate (EPC) C by 2030.		
At Spring Statement, the government committed to removing Climate Change Levy (CCL) costs from electricity used in electrolysis to produce hydrogen.	g HMT	
A consultation on the most effective way to achieve this is open until May 7^{th}		
The government has released a Maritime Decarbonisation Strategy, aiming to for a 30% reduction in greenhouse gas emissions from the sector by 2030 and 80% by 2040. Under the strategy, the shipping sector will be brought under the Emissions Trading Scheme (UK ETS). This will see operators of larger vessels such as tankers and cruises pay more for their emissions.	UK of	
To further develop the policies set out in the strategy, two calls for evidence have opened: Net Zero ports Decarbonising smaller vessels		
The sixth round of the Clean Maritime Demonstration Competition is open for applications until April 16th.	DfT	
The competition is designed to support clean maritime technologies including electric, hydrogen, ammonia, methanol, wind power.		
The Green Heat Network Fund is open for applications until April 11 th	DESNZ	
GHNF is a capital grant fund that supports: • the commercialisation and construction of new heat networks		
 the retrofitting and expansion of existing heat networ 	KS	



The Ofgem Strategic Innovation Fund has awarded £4m to three projects aimed at improving network planning for increased demand and accelerating connections.

Ofgem

The Plug-in van grant has been extended for a further year. The fund is aimed at helping van drivers and businesses transition to zero emission vehicles with grants of up to £2500 towards the purchase of small vans and up to £5000 for larger vans.

DfT

DfT

The Workplace Charging Scheme has also been extended by a further year. The scheme provides grants for state-funded education institutes towards the costs of the purchase, installation, and infrastructure of electric vehicle charge points. Over 1407 charging points have been installed outside schools and colleges in the past year under the scheme.

RESEARCH AND STATISTICS

LINK

The national Local Net Zero Hubs network recently partnered with the Association of Public Service Excellence to deliver their annual Big Energy Summit. The event is designed to share knowledge and insight from innovative energy generation and demand reduction projects from across local government. It sets out the technologies, business models, and approaches that local authorities have adopted to deliver their local strategies.

SWNZH

The National Innovation Centre for Rural Enterprise Innovation Portal NICRE has published resources for rural community energy projects, including:

- Solar farms
- Community energy co-ops
- Governance structures for community energy providers
- Starting community energy projects

The government has published Heat Network Zoning opportunity reports for several cities, including:

DESNZ

- Bristol
- Cheltenham
- Plymouth

IPPR have published 2030 and beyond: Great British Energy's role in the green transition, a detailed report into the potential operating model for GB Energy.

IPPR

Localis have published **Generating Hope**, which looks at how the Local Power Plan can best build on best practice and overcome local barriers to drive decarbonisation of energy at the level of place.

Localis