

## NET ZERO POLICY ROUNDUP DECEMBER 2025



HUB UPDATES	LINK
The Chancellor has delivered the annual Budget Statement. The Hub has produced a briefing note outlining the main announcements relating to energy, which is available on our website.	<a href="#">NEYNZH</a>
Our Seeing is Believing programme is designed to share inspiring stories from community energy projects through site visits, networking events and matchmaking, and aims to inspire and support new projects.  The next Seeing is Believing event takes place on <b>Tuesday January 13th</b> at The Carriageworks Theatre, Leeds. Details are on our website.	<a href="#">NEYNZH</a>
The Hub has announced a new series of carbon literacy training dates for early 2026. The sessions are aimed at local authority staff, councillors and voluntary and community sector groups, and more details can be found on our website.	<a href="#">NEYNZH</a>

STRATEGY/POLICY UPDATES	LINK
<p>Great British Energy has published its first strategic plan. Objectives include:</p> <ul style="list-style-type: none"> <li>Establishing a portfolio through investment and ownership that will deliver 15 GW in clean energy generation and storage capacity and mobilise £15bn of private finance, in doing so: <ul style="list-style-type: none"> <li>Delivering a cleaner, more secure system that supports economic growth.</li> <li>Expanding access to electrification of everyday life, helping households and businesses switch to clean power.</li> </ul> </li> <li>Supporting over 1000 local and community energy projects by 2030: <ul style="list-style-type: none"> <li>Enabling communities to directly benefit from direct ownership of assets and shared ownership projects.</li> <li>Lowering energy costs for key public services.</li> <li>Broadening access to low-cost renewables and smart local energy systems that make regions more self-sufficient and resilient.</li> </ul> </li> </ul> <p>Initial investments will be focused on priority areas, including:</p>	

<ul style="list-style-type: none"> <li>• GBE Local: “Making local energy and community ownership commonplace, ensuring communities and public services directly benefit from the infrastructure they host.”</li> <li>• Onshore Energy: “Unlocking the energy potential of public land and investing strategically to deliver to the UK’s flexibility and grid stability needs”.</li> </ul> <p>Delivery of the forthcoming Local Power Plan will include:</p> <ul style="list-style-type: none"> <li>• GBE supporting an increase in community ownership and community benefits through grants, concessional loans, shared ownership models and blended finance.</li> <li>• GBE building capability in-house as well as through a network of partner organisations, making use of their expertise to support community energy organisations to develop projects.</li> <li>• Supporting policy makers to design effective policy to facilitate local energy deployment.</li> </ul> <p>GBE will also develop a commercial platform to provide an end-to-end business solution for onsite generation. It will be a shop window, open to any consumer groups with a desire to develop onsite energy generation at scale. This will include community organisations and local government, but would also be open to commercial buildings, social housing and NHS trusts. GBE’s role here will include:</p> <ul style="list-style-type: none"> <li>• Aggregation</li> <li>• Accredited delivery partner network</li> <li>• Financial solutions</li> </ul> <p>With regards to onshore wind, GBE will:</p> <ul style="list-style-type: none"> <li>• Unlock the public land opportunity, working in partnership with public landowners and mobilising private capital into emerging opportunities.</li> <li>• Develop, own, and operate clean energy projects as well as “delivering benefits for the community”.</li> <li>• Invest capital and share project development to de-risk whilst building capabilities in flexibility markets.</li> </ul>	
<p>The government has published a Public Participation Strategy for Net Zero. The strategy has three goals:</p> <ul style="list-style-type: none"> <li>• Giving people the facts to understand the scale, pace of change and benefits of climate action, can see these benefits in their local communities.</li> <li>• Policies which are responsive to people's needs, are trusted, and are effective at bringing benefits today, whilst also reducing emissions to meet climate targets and protect future generations.</li> <li>• People have the information and resources that they need.</li> </ul> <p>The plan has five principles, each with corresponding deliverables</p> <p><b>Communicate</b></p> <ul style="list-style-type: none"> <li>• Setting a clear mission and plan</li> <li>• Campaigns, such as the Warm and Fuzzy and Energy Saving campaigns</li> <li>• Partnering with Mayoral Strategic Authorities “recognising their vital role in engaging local communities”</li> <li>• Delivery of the Local Power Plan - “a shared vision for the local and community energy sector”</li> </ul>	<p>DESNZ</p>

<ul style="list-style-type: none"> <li>Demonstrating the benefit of renewables through deployment of solar panels on schools and hospitals.</li> </ul> <p><b>Listen</b></p> <ul style="list-style-type: none"> <li>Supporting and learning from engagement at a local level – including “convening a new Energising Britain event, bringing together community projects, local authorities and organisations, youth groups, and environmental champions”</li> <li>Promoting participatory engagement and policymaking.</li> </ul> <p><b>Enable</b></p> <ul style="list-style-type: none"> <li>Promoting use of behavioural and social research, including through establishment of a new internal Climate and Nature Participation Hub to support policy makers to learn when and how they can apply these methods to improve climate policies.</li> <li>Getting independent expert advice – including through the Royal Academy, with whom the Hub recently contributed to a roundtable on the role of placemaking in local energy projects.</li> </ul> <p><b>Grow</b></p> <ul style="list-style-type: none"> <li>Working with businesses and experts to support innovation and economic growth across the green economy, in particular related to the circular economy.</li> </ul> <p><b>Collaborate</b></p> <ul style="list-style-type: none"> <li>Teaming up with people and organisations that inspire action and can help people understand and access the benefits of the clean energy transition.</li> <li>Creating a new Youth Climate and Nature Panel to ensure the voice of younger people and intergenerational collaboration are at the heart of national policies</li> </ul>	
The Ofgem Energy Price Cap will rise by 28p per month for the typical households from January 1st 2026.	OFGEM
<p>NESO has announced the Strategic Spatial Energy Plan (SSEP) – which will set out the shape of national energy investment for the next 25 years – will be delayed by “several more months” to allow a rerun of its supporting modelling using newly-available energy generation data. The final SSEP will now be delivered in Autumn 2027.</p> <p>Delivery of the supporting Regional Energy Strategic Plans – including a North East and Yorkshire Plan – is now planned for the end of 2028.</p>	NESO
<p>DEFRA has published a revised Environmental Improvement Plan, a “roadmap for restoring England’s environment over the coming years”.</p> <p>The plan states: <i>“Restoring nature goes hand in hand with delivering our clean power mission. We are working at pace to help farmers transition to greener practices. This includes increasing woodland cover and restoring peatland to store carbon and benefit biodiversity and moving towards a circular economy to reduce our demand for raw materials that harm the environment.”</i></p> <p><i>“Under the Clean Power 2030 Action Plan, we are embedding nature recovery into new energy infrastructure, such as rewetting lowland peat soils beneath new solar farms or creating new wildlife corridors alongside or underneath power lines”</i></p> <p>Goal 7 of the plan is: <b>Climate change - We will reduce greenhouse gas emissions to accelerate to net zero and work to prepare the natural environment for the effects of climate change.</b></p>	DEFRA

<p>Specific commitments under this goal include:</p> <ul style="list-style-type: none"> <li>• Reducing and reporting on carbon emissions from farming and agricultural practices</li> <li>• Restoring approximately 280,000 hectares of peatland in England by 2050</li> <li>• Supporting the Clean Power 2030 pillar of the government's clean energy superpower mission whilst protecting and enhancing the environment – this is to be achieved through NESO's Strategic Spatial Energy Plan which will <i>"consider wider demands on land and sea, including food production, transport, water supply, nature recovery and fisheries"</i></li> </ul>	
<p>A prospectus has been published for the Pride in Place programme, which offers up to £20m of funding aimed at improving 244 communities.</p> <p>Indicative interventions which are eligible for funding include:</p> <ul style="list-style-type: none"> <li>• Grants for local businesses to upgrade current infrastructure to make energy savings.</li> <li>• Investing in infrastructure to deliver effective decarbonisation and energy efficiency for buildings and transport</li> <li>• Constructing new or updating existing defences to enhance community resilience against natural hazards</li> <li>• Modernisation of social housing</li> <li>• Establishing a 'healthy housing' advice hub space,</li> <li>• Mitigating the effects of extreme heat on homes</li> <li>• Fitting property flood resilience measures in homes at risk of flooding</li> <li>• Running community energy groups to help local residents, and in-person retrofitting advice sessions in community spaces</li> <li>• Green skills courses.</li> </ul>	MHCLG
<p>The Energy Secretary attended the government's first Clean Energy Jobs Fair, which took place at the Port of Tyne.</p> <p>Up to 15,000 extra clean energy jobs expected in the North East region in the next five years, and the North East and Yorkshire Net Zero Hub is leading a national Hubs project building a regional picture of clean energy skills and jobs within local authorities.</p>	DESNZ
<p>The government will publish an Energy Resilience Strategy in 2026, aimed at better safeguarding critical energy infrastructure.</p> <p>The strategy will build on the 12 recommendations from NESO made in an investigation of the fire at the National Grid's North Hyde substation earlier in the year, which caused widespread disruption at Heathrow Airport and focus on better asset management and collaboration between key partners.</p>	DESNZ
<p>An open letter from the Minister for Energy and Ofgem Director for Energy Systems Design and Development has been published setting out their expectations for the next phase of Connections Reform. The letter states:</p> <p><i>"Reform must succeed in order to deliver clean power by 2030 and beyond. Our shared ability to deliver the Clean Power 2030 pathway depends on the ambition and quality of the offers issued by NESO and Distribution Network Operators".</i></p>	DESNZ

<p>Guidance has been published for the next round of Local Skills Improvement Plans – three-year plans bringing together employers, businesses, education and training providers and local government to address current and future skills needs, which are expected to be produced by summer 2026.</p> <p>The guidance states that the government’s Clean Energy Jobs Plan and the Industrial Strategy – for which Clean Energy is a key sector – “should inform the development of LSIPs”</p>	Skills England
<p>The latest Carbon Budget and Growth Delivery Plan has been published setting out how the UK will continue to deliver the requirements of the 2008 Climate Change Act. The government’s stated priorities in the plan are:</p> <ul style="list-style-type: none"> <li>Investing in clean energy to deliver energy security and lower bills.</li> <li>Creating 400,000 extra jobs by 2030.</li> <li>Upgrading homes for 5 million families through the Warm Homes Plan, which will “provide support for families to switch to low carbon heating to cut their bills and have warmer homes, including with higher standards of insulation and rooftop solar”. This section continues: <i>“The Carbon Budget and Growth Delivery Plan does not include a boiler ban and nor will the Warm Homes Plan. Government is focused on making sure heat pumps and other low-carbon technologies are the natural consumer choice, in line with our wider approach to pursue the clean energy transition through incentives not penalties”</i>.</li> <li>Cleaner air.</li> </ul>	DESNZ
<p>The government has published an investor prospectus outlining “where and how investors can support the UK’s net zero transition by highlighting policy-backed, high-impact investment opportunities”.</p>	DESNZ
<p>Changes to the Environmental Permitting system mean many projects – including solar and onshore windfarms – that do not require ongoing operational permits, will be able to be constructed without the need for any environmental permits where the right conditions – to be determined by the Environment Agency - apply.</p>	DEFRA

CONSULTATIONS AND REVIEWS	LINK
<p>The consultation on the methodology for Regional Energy Strategy Plans remains open until January 16<sup>th</sup>.</p>	NESO
<p>The Department for Transport is consulting on extending permitted development rights aimed at allowing larger and more powerful electric vehicle charging units – up to 29 cubic metres in size or three metres in height, but within five metres of a highway and within 10 metres of a house or block of flats – without the need for planning permission.</p> <p>DfT is also looking to extend permitted development rights to cross-pavement solutions”, which enable a safe passage between a home chargepoints and vehicles parked on the street.</p> <p><i>This consultation closes on January 21<sup>st</sup> 2026.</i></p>	DfT
<p>DESNZ are seeking views on alternative low carbon heat technologies (including electric systems, solid biomass, potentially liquid biofuels and hybrid heat pumps) for properties that may not be suitable for heat pumps and heat networks.</p> <p><i>This consultation closes on February 10<sup>th</sup> 2026.</i></p>	DESNZ

<p>York and North Yorkshire Combined Authority has approved a Strategy for a Sustainable Future, setting out how the region intends to secure energy independence and lower bills for residents through the provision of 'locally-owned' energy sources including geothermal.</p> <p><i>The strategy will go to public consultation in the New Year.</i></p>	YNYCA
<p>The Humber Carbon Capture pipeline is a proposed underground pipeline to transport CO<sup>2</sup> from carbon capture projects to the coast for further transportation or storage, between the Drax area of North Yorkshire and north of Easington in East Riding of Yorkshire. There is currently a public consultation for feedback on the revised proposals.</p> <p><i>This consultation closes on December 17<sup>th</sup> 2025.</i></p>	Northern Endurance Partnership

FUNDING ANNOUNCED	LINK
<p>An additional £2m of funding has been made available for the Made Smarter Adoption Programme which helps SMEs lower their bills and become more energy efficient through investment in technology in areas like heating, insulation and solar power.</p>	DBT
<p>The Government has expanded the Boiler Upgrade Scheme and now offers the following two choices:</p> <ul style="list-style-type: none"> <li>£2,500 discount off air-to-air heat pumps (keep homes warm in winter and cool in summer)</li> <li>£2,500 off the price of heat batteries (store heat overnight to use during the day)</li> </ul>	DESNZ
<p>Several new models now qualify for the £3750 Electric Vehicle Grant – including the <a href="#">Sunderland-made Nissan LEAF</a>.</p>	DfT
<p>78 North East and Yorkshire schools will benefit from the latest round of funding from Great British Energy (GBE) for solar panels.</p> <p><i>Deployment of this funding is being supported by the Hub's Public Estate Decarbonisation programme.</i></p>	DESNZ
<p>Innovate UK is investing up to £10m in the development and demonstration of solutions for increasing public electric vehicle (EV) charging provision. This will address challenges such as grid constraints and a lack of EV infrastructure in rural areas.</p> <p><i>Applications can be submitted until November 3<sup>rd</sup> 2026.</i></p>	Innovation Funding Service
<p>The National Wealth Fund's new Regional Project Accelerator for local government will focus on areas with the most potential to deliver growth – to ensure projects are investment ready and to support Local Growth Plans. The Regional Project Accelerator includes:</p> <ul style="list-style-type: none"> <li>Flagship project advisory support – commercial and financial</li> <li>Low-cost lending direct to Local Authorities - £4bn lending capacity to local authorities.</li> </ul>	NWF
<p>Applications are now open for the latest round of the Ofgem Energy Industry Voluntary Redress Scheme, with £30m available for community energy groups able to apply for funding for projects that help households most at risk from cold homes and high energy bills.</p>	Energy Saving Trust

RESEARCH AND STATISTICS	LINK
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Figures from the National Energy System Operator show that zero-carbon sources made up 66% of national electricity use in November, peaking at 91% on November 30th.	NESO
<p>Case studies for 50 local government pilots aimed at tackling non-technical barriers to Net Zero delivered under the Net Zero Living programme – supported by the Local Net Zero Hubs – have been published. The three themes of the programme were:</p> <ul style="list-style-type: none"> <li>• Community empowerment</li> <li>• Planning, pipeline and finance</li> <li>• Retrofit.</li> </ul> <p><i>Projects delivered in the North East and Yorkshire include <a href="#">Gateshead</a>, <a href="#">Calderdale</a>, <a href="#">Northumberland</a>, <a href="#">York</a> and <a href="#">Wakefield</a></i></p>	IUK
<p>Net Zero Go, the Local Net Zero Hub Networks <a href="#">online library of best practice, case studies</a>, guidance and templates for delivering Net Zero projects has recently published resources relating to:</p> <ul style="list-style-type: none"> <li>• <a href="#">Power Purchase Agreements</a></li> <li>• <a href="#">Battery deployment</a></li> </ul>	Net Zero Go
The Town and County Planning Association have published updated guidance for local authority planners on using planning to address climate change – including the development of energy projects.	TCPA

MISCELLANEOUS	LINK
NESO's end of year review reports that the UK reached a significant milestone on our journey to a zero-carbon electricity system achieving a new record of 97.7% of electricity being generated by renewables on April 1 <sup>st</sup> .	NESO
Construction has started on the UK's third "Community Heat Hub" - a heat network connected to a new build development designed specifically to provide heat and hot water to low-rise, low density, residential communities. The Hub is part of the Swinnow Park development in Wetherby, North Yorkshire.	<a href="#">The Energyst</a>
The BBC has reported on a group of residents from Settle, North Yorkshire, who have started an energy club which takes excess energy produced from solar panels on a local business and passes it on to members at a discounted price.	BBC
The Yorkshire Ambulance Service is trialling electric ambulances for the first time.	BBC
Sheffield City Council has launched its municipal bond scheme, which allows local people to invest as little as £5 in local climate projects.	<a href="#">Sheffield City Council</a>