

HEAT NETWORK ZONING UPDATE – SEPTEMBER 2026

THE NORTH EAST AND YORKSHIRE NET ZERO HUB HOSTS SUPPORT FROM THE DEPARTMENT FOR ENERGY SECURITY AND NET ZERO HELPING LOCAL AREAS PREPARE FOR THE INTRODUCTION OF HEAT NETWORK ZONING. THIS REGULAR UPDATE SETS OUT THE LATEST POLICY, FUNDING AND BEST PRACTICE RELATING TO HEAT NETWORKS.

HUB & POLICY UPDATES

Regulation: Maximising value and reducing costs

The Department for Energy Security and Net Zero have launched a new work area focusing on heat network growth. To meet the **Warm Homes Plan** target of **7% of heat demand in England** to come from heat networks by 2035, we need to reduce the costs of low-carbon district heating projects.

The workstream will look at how we can reduce the cost of finance for projects and how we maximise the value of heat networks flexibility benefits. It will look at increasing the number of commercial and industrial heat sources that sell heat to networks, implement new licences to give developers new statutory rights and consider what further funding mechanisms government will need to implement to further boost the growth of the sector.

You can learn more about the Warm Homes Plan here: [Warm Homes Plan \(web-optimised PDF\)](#)

Driving Local Growth through Heat Networks

Energy UK and the Heat Networks Industry Council have published a paper covering potential solutions relating to the cost of heat and how to improve the financial viability of Heat Networks.

The paper, entitled ‘**Driving local growth through a new economic model**’ sets out the measures that would realise the potential of heat networks in line with government targets and outlines that in the short term, an additional public investment of £1 billion would crowd in significant private capital, enabling £5 billion worth of heat networks projects to come to fruition.

You can access the paper via the following link: [Energy UK report](#)



Hull DHN – Energy Centre Development

Development of the Hull Heat Network has reached a major milestone with the installation of both the flue and thermal store at the Energy Centre on Trippett Strett. Once operational, the Heat Network will distribute heat and hot water to buildings across the city centre resulting in:



The 23-metre-tall flue sits next to the thermal stores, which will allow heat to be stored, and then accessed later, to enable the network to maintain performance during periods of peak demand. By retaining and releasing heat when required, the network will ensure a consistent supply of heating and hot water to all connected businesses and organisations. The Energy Centre’s primary heat generation will be from air source and water source heat pumps, which will reduce reliance on gas and reduce carbon emissions across the city centre

You can explore the Hull Heat Network website here: [Home – Hull Heat Network](#)

FUNDING AND KNOWLEDGE SHARE OPPORTUNITIES

Heat Network Efficiency Scheme (HNES) – Round 13 Opens

The Heat Network Efficiency Scheme supports performance improvements to existing district heating or communal heating projects. It is a £107 million grant support programme spanning years 2023-2024 to 2029-2030 and is open to organisations in the public, private or third sectors in England and Wales.

Round 13 of the scheme opened for new applications on **August 17th 2026**. Organisations considering an application need to submit an Expression of Interest by **September 25th 2026**. Full applications close on **October 9th 2026**.

Guidance on how to prepare an application is available and provides information on:

- the application process
- eligibility criteria
- how applications will be scored and assessed
- the monitoring and reporting obligations for successful applicants

Contact hnes@talan.com for guidance, to request an application form or to be added to the HNES mailing list and receive scheme announcements and news updates.

Heat Network Zoning and the NHS: What Trusts need to know

As major energy users and anchor institutions, NHS Trusts will have an important role to play in the success of heat network zones.

Join the North East and Yorkshire Hub for a practical webinar designed specifically for NHS estates and sustainability professionals. This session will provide an accessible introduction to Heat Network Zoning policy, explore what it could mean for NHS estates, and outline the steps Trusts can take now:

Date: **Thursday 17th September**

Time: **10-11am**

Sign up link: <https://tinyurl.com/3skvsdcn>

If you are unable to make the above date and time, please let me know and I will share the time and details of similar webinars arranged by my colleagues in the other Net Zero Hubs.

Mine Water Heat Roundtable

Fairheat, alongside representatives from the Mining Remediation Authority and Gateshead Council will be hosting the Mine Water Heat Roundtable in **Gateshead** on **September 15th 2026**.

FAIRHEAT
ROUNDTABLE



Mine Water & Heat Networks

Along with an exclusive tour of the Gateshead Energy Network, one of the UK's leading mine water heat projects, you'll have the opportunity, through presentations, discussions and Q&A sessions, to explore the benefits, challenges and lessons learned from delivering mine water heat in practice and ask your questions directly to the people who have been there and done it.

You can find out more about the event and sign up via the following link: [here](#)

KEEP IN TOUCH

For more information about Hub support for Heat Network Zoning please contact: lauren.kemp@westyorks-ca.gov.uk or enquiries@neynetzerohub.com.

Don't forget, the Department for Energy Security and Net Zero have their very own Heat Networks newsletter. You can sign up here: [DESNZ – HN Bulletins](#)