

Policy Horizon



Timeline	Publications	Consultations	Responses to be published	Policy into effect
Summer 2026	• Scottish Programme for Government (promising Heat in Buildings Bill in 26/27) - LIVE • ADE RESP Vision - LIVE	• NESO RESP Forums - LIVE • ESNZ Inquiry into Warm Homes Plan/Agency • Heat networks in Northern Ireland – protecting consumers and setting up regulation - LIVE • Scottish Gov consultation on Building Regulations - LIVE	• Ofgem DNO role in clean technologies Government Response - LIVE	
Fall 2026	• HMT Autumn Budget • DESNZ Zoning SI to Parliament • SI for Statutory undertaker to be laid in parliament • NESO RESP Methodology	• New London Plan - LIVE • SI for Statutory undertaker - LIVE • Heat Trust consultation on Scheme Modification Proposal MOD33 - LIVE • Further engagement on HNTAS • Ofgem consultation on GSOPs	• DESNZ Alternative clean heating solutions Government Response • DESNZ HEM consultation Government Response • WHF CfE Response	
Winter 2027		• Further engagement on HNTAS • MHCLG Consultation on Permitted development rights		• DESNZ Zoning SI
Spring 2027			• DESNZ HNTAS Government Response	

Local Authorities and Heat Networks



How to get involved and why

- Heat networks can meet solve a variety of challenges, including:
 - Lowering consumer bills
 - Decreasing demand on the grid
 - Providing cooling
 - Lowering emissions
- Local authorities can partner with heat networks or operate their own to meet their zero goals
- Local authorities can use planning levers to ensure buildings are connection ready inside heat network zones

Questions:

- Do you see heat networks as a strategic solution to meet local goals and needs?
- How do heat networks fit with into your climate and energy commitments?

Local Authorities and Heat Networks



Heat Network Zoning

- Zone coordination bodies formed by local authorities or strategic authorities
 - Acting alone or with neighbouring authorities
- Key Responsibilities:
 - Coordinate delivery of zones and interface with the Heat Network Zoning Authority
 - Refine and consult on identified zone opportunity areas
 - Designate Zones
 - Engage local stakeholders and communities
 - Enact zone consenting and appointment of developers
 - Issue exemptions, consents, enforcements and penalties

Question: What type of guidance would be most useful? Draft KPIs, template contracts, additional information on heat sources?

Local Authorities and Heat Networks



Legacy Heat Networks

- Heat networks are gaining more prominence in the policy, media, and political landscape
- We are getting a clearer picture of the needs and impacts of these legacy networks.
- New networks are being built with standards in mind
- Many existing networks have not consistently invested in upgrades, maintenance, efficiency measures, or customer service
- This has led to some poor performance and consumer outcomes
- Need to develop a path forward to support these networks and their consumers

A path forward for legacy networks



Scope

- Heat network debt
- Consumer sentiment and trust
- Price shocks – Russia/Ukraine and Middle East Conflicts
- Fair and transparent pricing treatment
- Heat Network Technical Assurance Scheme (HNTAS)
- Introduction of regulation
- Exemptions
- Supply chain

Is the scope list complete? Does it make sense?

A path forward for legacy networks



Approach & Solutions

Approach

- Is there a silver bullet?
- What do people think of the conflation of legacy and new networks?
- How can we create a solution that is long term and strategic?
- How can we balance the need for urgency against resolving the problem fully?

Solutions

- Fair funding settlement?
- Unbundling?
- Socialisation?

Case Studies

Vattenfall's Bristol heat network is an example of where local, place-based priorities are delivering low carbon solutions for new and existing buildings that support the wider vision for the city.



Case Studies



Sutton Dwellings in Chelsea

- **Kensa and Clarion Housing Group**
- Edwardian social housing estate
- Gas boilers replaced with connection to a shared ground loop and individual ground source heat pumps
- Operational carbon emissions cut by around 70% compared with previous gas system
- Annual heating bills are around £300 for a one bedroom flat and about £700 for a four bedroom home