UK2030

A SAMPLER FOR LOCAL NET ZERO INVESTMENT

AMERESCO

3Ci Cities Commission For Climate Investment

SDCL

gkstrategy

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The document has been put together by public and private partners to help shape the market. This includes Ameresco, SDCL and 3Ci (hosted by Connected Places Catapult).

Ameresco is a leading energy solutions provider dedicated to helping customers reduce costs, enhance resilience, and decarbonise to net zero in the global energy transition. It works closely with cities and local authorities supporting efforts for a just and fair transition, including pioneering work such as Bristol City Leap.

SDCL is a leading developer, investor and fund manager focused on energy efficiency and decarbonisation. Its work with cities includes overseeing London EDGE, a £100m fund dedicated to decarbonising assets across the city.

3Ci (Cities Commission for Climate Investment) is a partnership between Connected Places Catapult, Core Cities UK, London Councils, Key Cities, Scottish Cities Alliance, and other local authorities across the UK aimed at supporting local authorities secure the necessary long-term finance for achieving net zero.

GK Strategy is a political advisory and communications consultancy. Based in Westminster, it works with businesses, organisations and investors to enable them to navigate and influence the political and policy making environment. It has a strong track record of building meaningful relationships with government and political stakeholders, and securing meaningful policy and regulatory change for our clients.

INVESTING IN THE FUTURE

This document provides a sample of the opportunities for investing in net zero assets within UK local authorities. The small selection of projects showcased provides high-level information across a wide range of assets and economic geographies. The purpose is to show the leadership being demonstrated by local authorities on this important agenda, enabling early conversations with the international investment community.

FOREWORD

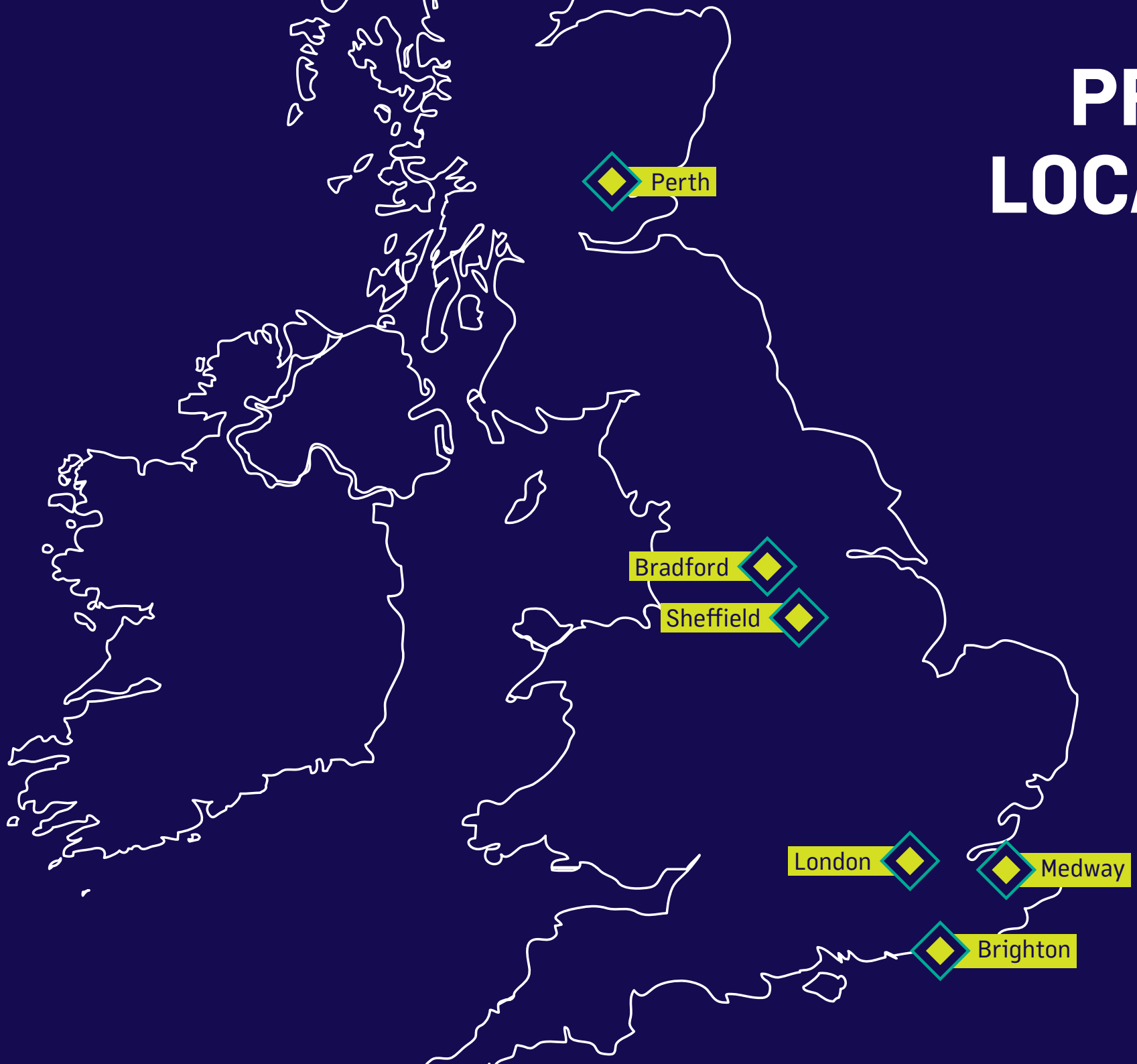
It is widely recognised that local authorities in the UK have a critical role to play in helping achieve carbon reduction targets whilst securing the socio-economic dividends on offer. The role and powers of local authorities vary widely, with a range of strategic and operational responsibilities for assets across the built environment, including infrastructure, buildings and transportation.

Significant effort is being expended by local authorities and their partners to decarbonise these assets. This presents investment opportunities, which come with significant commercial returns for those seeking to invest.

The list of projects within this document has been put together for New York Climate Week. They represent a very small percentage of the potential investment opportunities on offer across the UK local authority family. Work undertaken by the Cities Commission for Climate Investment (3Ci) on the National Net Zero Project Pipeline, has identified over 1,500 potential projects drawn from over 100 UK local authorities and representing an investment value of £50bn.

We aim to expand and develop the projects on offer ahead of COP30. However, it provides a focal point, enabling early engagement between cities and investors to deliver carbon reduction targets and create a more resilient and prosperous world.

PROJECT LOCATIONS



BRADFORD DISTRICT

SOUTHERN GATEWAY AND NEW CITY CENTRE RAIL STATION

Contact

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Key facts

126ha area of land

Up to 5,000 new homes

440,000m² in new office space

The Southern Gateway is a 126ha area of land located to the south of Bradford city centre. Following the Government's £2bn Bradford rail announcement, it is now one of the UK's biggest opportunity areas and largest regeneration sites.

The area provides a perfect opportunity to consolidate existing uses, support business innovation and create new sustainable low-carbon communities – all delivering inclusive economic growth.

The Southern Gateway is a once-in-a-generation opportunity to drive Bradford's economic transformation. At its core are two landmark transport investments:

- A new city centre rail station
- The West Yorkshire Mass Transit scheme

In 2023 the Government announced a £2bn investment for a brand new rail station and through line connection for Bradford to give a 30-minute journey to Manchester.

This is on top of £500m already committed to improve rail connectivity between Bradford and Leeds.

Alongside this investment, the Government also committed £2.5bn for the new West Yorkshire Mass Transit system, improving connections between Bradford and neighbouring city Leeds.

“Bradford’s labour market is huge and diverse, something recognised by many employers including PWC, Channel 4 and the Bank of England.”

A new flagship Low Carbon Hydrogen facility is being developed within the Southern Gateway area, which will have the capacity to produce 12.5 tonnes of green hydrogen per day – with huge potential for use in the decarbonisation industry, public transport and haulage.

With a population of 560,194, Bradford is the fifth largest metropolitan district in England and Wales. It is the youngest city in the UK, with 28% of the population aged under 20. Bradford’s labour market is huge and diverse, something recognised by many employers including PWC, Channel 4 and the Bank of England.

City of BRADFORD METROPOLITAN DISTRICT COUNCIL

BRIGHTON & HOVE COUNCIL

Contact

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Key facts

Project type:
Industrial clean growth hub investment (district heat networks, retrofit, onsite renewables)

City population:
560,200

Commercials

Costs: £450m

Investment type: TBC

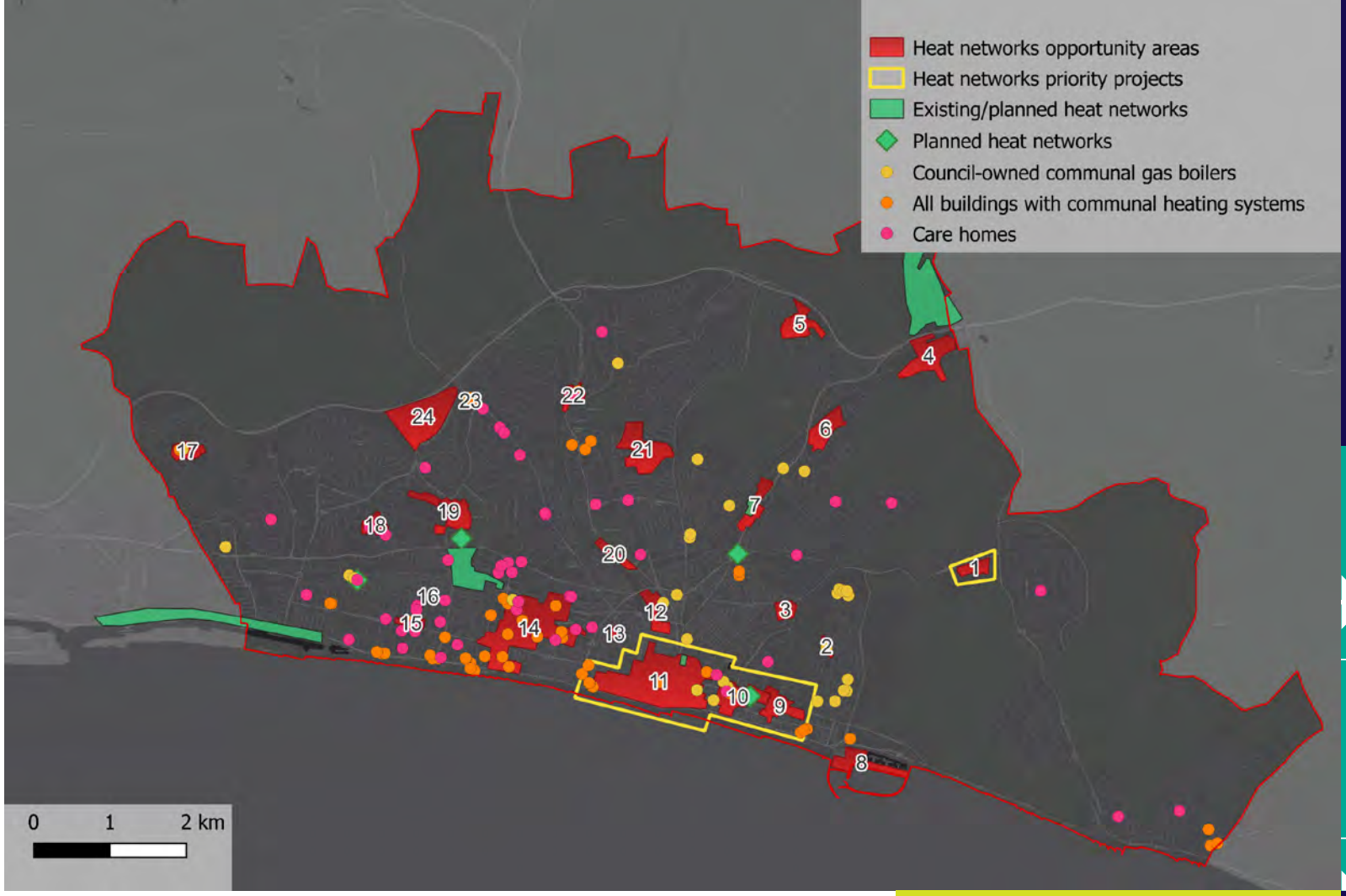
City centre is expected to be designated as a Heat Network Zone

Stage: Techno-economic feasibility

A low-carbon heat network project is a key infrastructure element of our net zero transition. This will initially serve the city centre, with additional clusters of high heat demand already identified that offer opportunities for expansion. This area is expected to be designated as a Heat Network Zone under upcoming regulation, which would require particular developments to connect to heat networks where one is available. The city council owns several heat demand anchor loads in the area, and other major heat demand stakeholders have indicated support for development of a techno-economic feasibility study for this heat network.

Our Decarbonisation Pathways Study (published 2024), shows in detail the transformational changes required across the city's energy system to reach net zero by 2040. Based on spatial data analysis and local insight, the study identifies priority projects. These include a solar farm, heat networks, zones of heat-pump ready housing stock, electric vehicle charging provision, and domestic and non-domestic building fabric upgrades. As the sunniest city in the UK, Brighton & Hove also has great opportunities for rooftop solar PV, with 670 MWp of potential identified. The city council has a strong track record of delivering fabric retrofit, rooftop solar PV and heat decarbonisation across its social housing and corporate estate.

The outcomes of the Decarbonisation Pathways Study have been submitted to the District Network Operator for assessment and inclusion in their electricity grid investment planning.



"As the sunniest city in the UK, Brighton & Hove also has great opportunities for rooftop solar PV."

Brighton & Hove is a CDP A-rated city and was scored in the top 10% of councils by Climate Emergency UK. In July 2025 the council reaffirmed its commitment to working towards net zero as a priority of the Council Plan. The population has a long history of engagement in climate action and working in partnership across sectors. The city is located in The Living Coast UNESCO Biosphere, the UK's only urban biosphere and the council has a leading role in Sussex Energy, the first regional mission to deliver zero carbon energy in Sussex.

Brighton & Hove City Council

CROSS RIVER PARTNERSHIP

WATERLOO FREIGHT HUB

Contact

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Key facts

Project type:
Freight, transport, commercial retrofit, air quality

City population:
3.5m, catchment of inner London

Carbon savings: 4t CO_2
(figures are from the pilot phase)

Commercials

Costs: £500,000 for total works and project development

Capital delivery costs: £150,000

Investment needed: £1m

ROI: 5 years

Cross River Partnership (CRP), an impartial partnership organisation, has delivered an innovative, sustainable and transformative trial of zero-emission deliveries from one arch underneath Waterloo Station, supporting residents and businesses across London. The Waterloo Freight Hub has reduced congestion and improved air quality and productivity across London by shifting freight journeys from polluting vans to electrically assisted cargo bikes, supporting communities to receive more sustainable deliveries at no extra cost.

CRP has been working closely with Network Rail, the London Borough of Lambeth, the Department for Transport, London and Continental Railways, and Waterloo Station, to unlock this underutilised space. This was funded through the DEFRA air quality grant programme, Smarter Greener Logistics. Since July 2025, Delivery Mates has been operating on a commercial basis from the existing hub, sorting and distributing packages across central London.

The trial saw over 20,000 parcels delivered, with cargo bikes travelling 4,203 km during the trial. This saved over 4,000 kg of CO_2 emissions from polluting vans driving across London; equivalent to CO_2 emissions from 84 football-pitch-sized forest fires.

The ambition is to develop a much larger, Multi-Modal Waterloo Freight Hub, with inbound middle-mile deliveries made by rail, river and road and last-mile deliveries by electric cargo bikes.

"The ambition is to develop a much larger, Multi-Modal Waterloo Freight Hub, with inbound middle-mile deliveries made by rail, river and road and last-mile deliveries by electric cargo bikes."

CROSS RIVER PARTNERSHIP

Delivering London's Future Together

SOMERS TOWN CAMDEN, LONDON

Contact

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Key facts

Project type:
Integrated heat network, housing retrofit and solar PV

Camden population: 280,000

Somers Town population: 8,500

Jobs: 80

Commercials

Costs: £20m for heat network decarbonisation and secondary side improvements. £3m for solar and EVCPs.

Investment needed: £10m

Payback 5-10 years, subject to 'heat as a service' model being adopted.

Camden's Climate Action Plan provides a framework to support our ambition for a zero carbon borough. The programme is designed to align with our Mission-based approach that seeks to improve our housing as well as health and employment opportunities for our diverse community.

Somers Town has a mix of social housing, schools and global institutions such as the British Library and Europe's largest biomedical research facility, the Francis Crick Institute.

Somers Town Energy, an existing heat network, serves the social housing through a 1MW gas powered CHP plant. The energy centre also provides a private wire connection to meet around a third of the Francis Crick Institute's power requirements.

Technical and commercial feasibility studies have been completed that propose replacement of the gas CHP to heat pump system, renovation and expansion of the heat network to further social housing, installation of solar PV and secondary side energy efficiency improvements to housing estates. EV charging infrastructure would also be installed.

As well as widespread political support, a community engagement programme delivered through the Mayor of London's Future Neighbourhood programme has built community support for the decarbonisation programme, with over 1,000 local residents engaged.

"Somers Town Energy, an existing heat network, serves the social housing through a 1MW gas powered CHP plant. The energy centre also provides a private wire connection to meet around a third of the Francis Crick Institute's power requirements."

Camden

LONDON BOROUGH OF SUTTON

Contact

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Key facts

Project type: Low carbon heat network expansion

City population: 213,901

Residents served: 3,000+

Carbon savings: Est 15,000t

Jobs: Up to 20

Commercials

Costs: £60-100m

Grant: £15-20m

The Sutton Decentralised Energy Network (SDEN) is a pioneering low-carbon heat network serving the London Borough of Sutton. Established in 2016 as a wholly council-owned company, SDEN currently supplies heat and hot water to over 800 homes and several commercial clients in Hackbridge, with a further 348 homes set to join by early 2027. The network is poised for significant expansion, leveraging up to 15MW of baseload zero-carbon waste heat from the nearby Beddington Energy Recovery Facility (ERF) through an exclusive agreement with Viridor, starting April 2027. This arrangement ensures a reliable, resilient, and sustainable energy supply, offering pricing stability and regulatory compliance for both customers and investors.

SDEN's growth strategy is underpinned by robust policy support, including the UK Government's Net Zero Strategy, the Energy Act 2023, and forthcoming Heat Network Zoning regulations. The project has identified multiple expansion opportunities, such as connecting major residential, commercial, and healthcare developments – including the London Cancer Hub and a planned redevelopment of Sutton Town Centre. With the borough designated as a Heat Network Priority Area, SDEN is well-positioned to benefit from future regulatory uplift and government grant funding. The expansion aims to create a scalable, market-ready platform for clean energy, delivering long-term returns for investors while supporting Sutton's climate action goals and the UK's transition away from gas boilers.

"With the borough designated as a Heat Network Priority Area, the Sutton Decentralised Energy Network is well-positioned to benefit from future regulatory uplift and government grant funding."

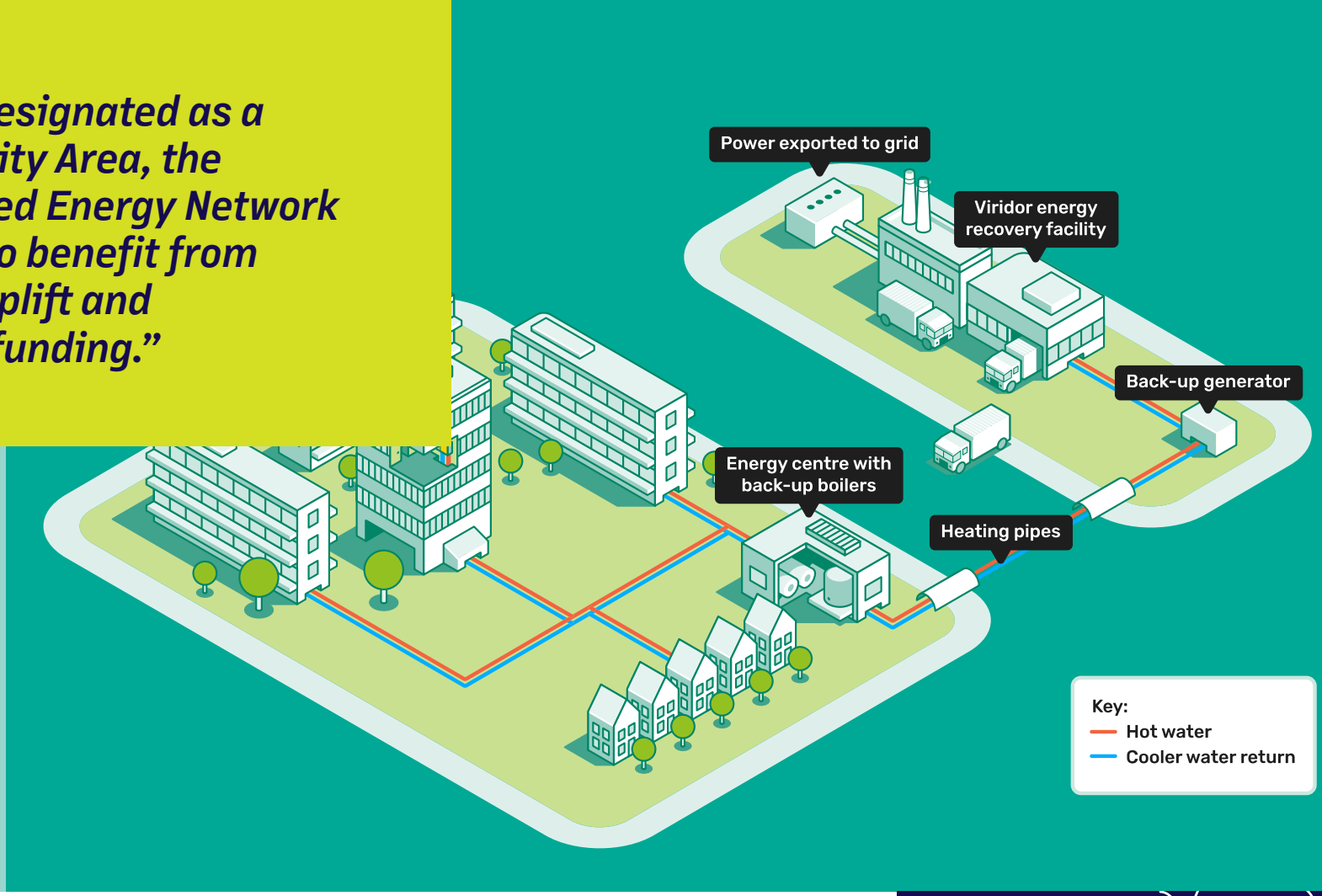

Illustration of the Sutton Decentralised Energy Network (SDEN)

SDEN
Sutton Decentralised Energy Network

Sutton

MEDWAY COUNCIL

CHATHAM MARITIME HEAT NETWORK

Contact

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Key facts

Project type: Heat network

Carbon savings:
1,200 tonnes per annum

Commercials

Costs: £27.58m

Model: Concession

Loan interest rate: 5.5%

The Chatham Maritime Heat Network is based on water-source heat pump technology, using heat from the river and electricity to generate heat for the users. The energy centre would be in the dockyard area and the network would revolve around a key set of 'anchor loads': Medway Campus, Royal School of Military Engineering, Chatham Historic Dockyard, and Medway Maritime Hospital (MMH). The network would reach Chatham Town Centre, in preparation for the regeneration of that area. As per the technical business case, annual carbon savings for this project are initially estimated at 1,200 tonnes per annum, making it a very sizeable intervention towards achieving net zero for Medway. A concession model has been chosen as the preferred commercial delivery model. Hence, the Council would enter into an agreement with a private organisation to finance, construct and operate the network. The concession agreement could be either time-limited or evergreen, based on the Council and market's preferences at the time.

"...annual carbon savings for this project are initially estimated at 1,200 tonnes per annum, making it a very sizeable intervention towards achieving net zero for Medway."

The Chatham Maritime Heat Network is a revenue-generating project that requires significant upfront capital investment. The project's potential to generate a cash return on investment, coupled with the Council's limited ability to provide the upfront finance, has led to the project being identified as a suitable candidate for private investment and government grant.

It is hoped that approximately 30% of the initial funding requirement of £39.4m could be a grant from the UK Government's Green Heat Network Fund. The remaining balance would be funded by the private sector concessionaire, with approximately 25% in the form of equity and the remaining 75% as a shareholder 40-year interest-only loan with an interest rate of 5.5%. The principal balance of the loan is paid off with available cash from the project. The equity IRR is predicted to be 9.18%. Medway are interested in initial commentary on their approach.

Vitor Consultants Anthesis Medway Council

PERTH & KINROSS COUNCIL

HEAT NETWORK AND STRATEGIC ENERGY PARTNERSHIP PROJECTS

Key facts

Project type: Zonal Heat Network and bundled 'whole energy system' projects (estate decarbonisation, EV charging stations, hydrogen refuelling, renewables installation, battery storage)

City population: 47,893

Carbon savings: ~2,680,000 tCO_2e @40 years

Contact

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Commercials

Costs: £85m for Zonal opportunity (Reference Project in city centre of £10.9m) within a pipeline of other energy projects of approx. £410m

Investment needed: £85m

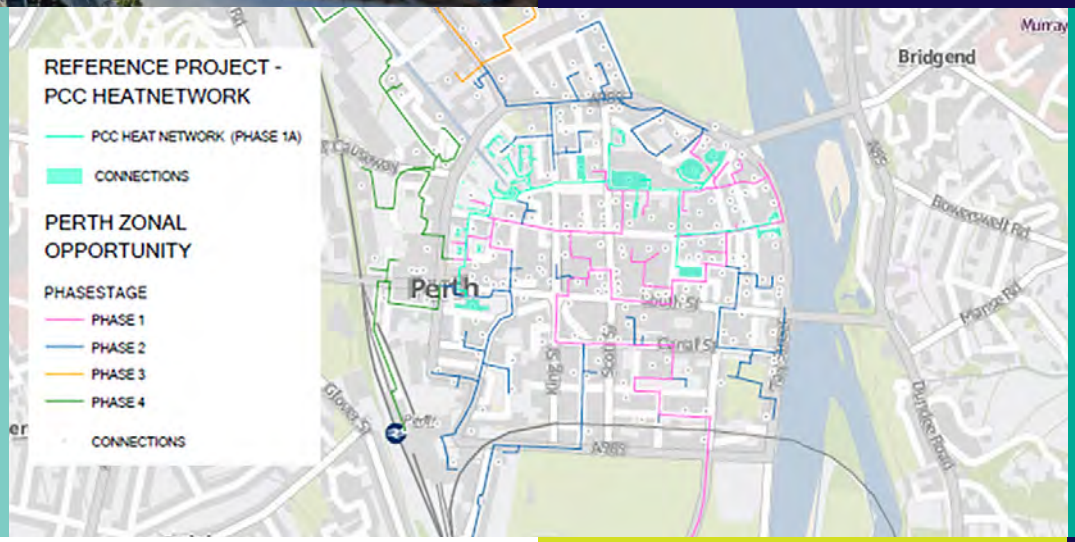
NPV (@40 years) – £13.3m
IRR (@40 years) – 5.1%

The Perth Strategic (Zonal) Heat Network (HN) is a key anchor project for the Strategic Energy Partnership being established by Perth and Kinross Council. It is identified in our Local Heat and Energy Efficiency Strategy (LHEES), Local Area Energy Plan (LAEP), Economic Strategy and Action Plan and Climate Change Strategy and Action Plan. The heat network project is one of the whole energy system projects that will be offered to the market.

Up to 75% of buildings are to be connected belong to the council, including a planned £62m leisure centre including swimming pool and council offices, plus museum and theatre. A new City Centre Development and Design Framework will complement the heat network and bring further funding to enhance and regenerate key areas within the city, including the Cultural Quarter and Harbour Quarter.

Technical and commercial delivery model feasibility studies have been completed that propose a combination of air source heat pumps (ASHPs) and sewer source heat pumps (SSHPs) to supply heat to approximately 270 heat customers in four phases. An initial Reference Project in the City Centre as part of phase 1 would connect priority public sector buildings in the Perth city centre.

"A new City Centre Development and Design Framework will complement the heat network and bring further funding to enhance and regenerate key areas within the city, including the Cultural Quarter and Harbour Quarter."



InvestinPerth

PERTH & KINROSS COUNCIL

SHEFFIELD CITY COUNCIL

GLEADLESS VALLEY

Contact

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Key facts

Project type: Regeneration

Size: 2.18 km²

Area population: 9,724

Levels of deprivation: 69.5% of population in any dimension

Commercials

Costs: +£195m

Council: £90m

Investment needed: +£105m

Stage: Planning and design OR techno-economic feasibility

Sheffield is accelerating towards net zero by 2030, pioneering clean transport, energy innovation, and inclusive growth. By unlocking economic potential through advanced manufacturing, creative industries, and low-carbon technologies, the city offers a resilient environment for sustainable development. Strategic investment zones, retrofit programmes, and inclusive infrastructure are laying the foundation for long-term prosperity. Sheffield's bold leadership, strategic stability, collaborative delivery, and climate-integrated planning make it a compelling destination for investors seeking high-impact, future-ready opportunities.

Gleadless Valley is a housing estate in south Sheffield, built in the 1960s, with a mix of residential and commercial occupancies, green spaces, and community areas. The Gleadless Valley Masterplan, published in 2022, outlines a holistic vision to transform the area into a vibrant, inclusive, and sustainable neighbourhood aligned with Sheffield's 2030 net zero goal.

Funding identified includes £40m from the Housing Revenue Account and £50m in council borrowing. The council is actively seeking external sources to deliver these projects and support the development of a net zero neighbourhood in line with city ambitions.

The Masterplan focuses on retrofitting properties, particularly residential, and building new homes to high energy efficiency standards, with potential for self-heating homes if further funding is secured. Sheffield City Council aims to make the estate a city-wide exemplar for net zero innovation.

It also promotes active travel through improved cycling and walking infrastructure, enhanced use of green spaces for food growing and carbon sequestration, and a waste management strategy aligned with circular economy principles.

PUBLIC ELECTRIC CHARGING INFRASTRUCTURE

Sheffield City Council is developing four key transformational initiatives aimed at demonstrating leadership in climate action while addressing operational, financial, and strategic challenges. These projects seek to take a whole-systems approach with a focus on scalable solutions, and external partnerships. They include decarbonisation of over 900 fleet vehicles, deep retrofit of the authority's 580 buildings, biodiversity and nature recovery projects, as well as gold standard sustainability in city centre regeneration projects.

The Sheffield Transport Vision set the council's ambition to transform the way that people and goods move around the city, including a rapid transition to low and zero-emission cars, vans and lorries. This will not only help us to tackle the climate emergency but will also create a more inclusive city with cleaner air, less noise and congestion from traffic, and safer and more pleasant streets and neighbourhoods.

Funding identified includes up to £15m in public funding, in addition to unknown future grant schemes. We also anticipate significant future revenue-backed return on investment.

Sheffield City Council is seeking to appoint an external provider(s) to work with us to develop and operate a strategic and commercially sustainable electric vehicle charging network for residents, businesses and visitors to Sheffield, and to secure further public investment to support this.

Sheffield City Council

"We will also create a more inclusive city with cleaner air, less noise and congestion from traffic, and safer and more pleasant streets and neighbourhoods."

Key facts

Journeys by car: 60%

Carbon savings: 290 $ktCO_2e$

Commercials

Costs:

Grant: +£10m

Investment needed:

Payback period: ~10 years

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