

Decarbonisation After PSDS

Delivering Sustainable Solutions for the Public Sector

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Eddisons



About EDDISONS

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Nazar Soofi - Eddisons Head of Sustainability and Decarbonisation

- 25 years delivering international fast track mega projects
- Previously Head of Decarbonisation and Planned Maintenance at Leeds City Council
- Over £65m of Salix funding successfully won and delivered in Leeds, across 80 sites since 2021
- Raising the profile of decarbonisation initiatives through workshops with local authorities and estate management teams
- Developing high performing teams to deliver challenging projects



PSDS Announcement – Scheme Closure



- On June 12, 2025, **Salix Finance** announced that there will be **no further rounds** of the Public Sector Decarbonisation Scheme
- This marks the end of one of the most significant public funding streams for decarbonisation of buildings in the UK.
- While the closure limits future PSDS bids, it opens new conversations around alternative funding and private sector-led retrofitting initiatives.

Have Our Targets Changed?

The net zero law in the UK mandates that by 2050, the country must achieve a 100% reduction in greenhouse gas emissions compared to 1990 levels. This law was established through an amendment to the Climate Change Act 2008, which set the target for net zero emissions.

**Net Zero Targets
Still Apply**

Public Sector Decarbonisation Scheme – What Happened?

- The **PSDS**, managed by **Salix Finance** and funded by the UK Government's Department for Energy Security and Net Zero (DESNZ), provided grants to reduce carbon emissions from public sector buildings.
- Since its launch in 2020, PSDS has helped public organisations **lower energy bills, reduce emissions, and meet Net Zero targets.**
- On 12 June 2025, the UK Government confirmed no new funding will be made available under the Public Sector Decarbonisation Scheme (PSDS). Existing projects awarded funding under Phase 3c and Phase 4 will continue to be supported until completion in March 2027 and March 2028 respectively.
- Salix will continue to support with ongoing scheme but will not deliver the next round of funding

The Dilemma

- The drive to Net Zero cannot stop – we must keep striving to reduce our carbon footprint
- Decarbonisation comes at a significant financial cost
- Organisations are established to operate their sites and businesses and not necessarily to have the finances and expertise to decarbonise them
- Who will help to decarbonise?



What Is Coming Next For Funding?

Government provides a range of support to help local areas decarbonise. This includes:

- the Local Net Zero Accelerator Programme
- the Local Net Zero Hubs Programme
- funding for Net Zero Go, an on-line platform to provide councils with information to develop locally focused net zero projects
- Mayoral Renewables Scheme: a £10 million fund from Great British Energy and the government to support Mayoral Combined Authorities and the Greater London Authority to roll out local renewable energy projects
- Great British Energy Community Fund: a £5 million grant funding scheme from the government to support communities to develop their own clean power projects
- Retrofit Trailer-blazer Schemes with the devolved Mayoral Combined Authorities
- Green Heat Network Funds and similar for developing and funding heat networks

Next Steps – Moving on from PSDS

Alternative Public Sector Opportunities:

- Greater Manchester Combined Authority (GMCA)
- West Midlands Combined Authority (WMCA)
- Education estate improvement funding
- UK Infrastructure Bank Green Investment
- Green Heat Network Fund
- Heat Network Efficiency Scheme (HNES)



Although PSDS is ending, a new national funding stream is expected to replace it, ensuring continuity in public sector retrofit investment.

West Midlands Combined Authority

Overview:

- WMCA is driving regional Net Zero targets through tailored retrofit and energy innovation schemes.
- Works in partnership with local authorities, universities, and Energy Capital.

Key Initiatives:

- **Net Zero Neighbourhoods Pilot:** Place-based decarbonisation focused on housing, transport, and infrastructure.
- **Energy Capital:** A regional body under WMCA coordinating low-carbon energy strategy.
- **Community Green Grants:** Funding for community-led sustainability projects.
- **Smart Local Energy Systems (SLES):** Trialling decentralised energy projects.

Funding & Support:

- Support includes capital grants, technical assistance, and delivery partnerships.
- Close collaboration with the **Midlands Net Zero Hub** for feasibility and implementation.

Opportunities:

- Early-stage engagement for public buildings.
- Alignment with local industrial strategy and social equity goals.
- Future schemes expected under UK Infrastructure Bank alignment.



West Midlands
Combined Authority

Greater Manchester Combined Authority

Overview:

- GMCA is a national leader in local climate action and retrofit policy, supporting public estate decarbonisation through innovative, region-led programmes.

Key Initiatives:

- **Retrofit Accelerator (Public Sector):** Provides funding and delivery support for LA-led building retrofit.
- **Local Area Energy Plans (LAEP):** Data-driven energy planning for efficient investment.
- **Smart Energy Plan:** Promotes digital innovation in grid flexibility and demand management.
- **Green Spaces Fund:** Incorporates climate resilience in community development.

Support Mechanisms:

- Delivered in collaboration with the **North West Net Zero Hub** and local district councils.
- Emphasis on co-benefits like job creation, health, and energy justice.

Opportunities:

- Ideal for schools, leisure centres, libraries, and housing retrofit projects.
- Funding available for feasibility, business case development, and capital works.
- Increasing focus on climate adaptation as well as mitigation.



Net Zero Hubs

- ✓ Government-funded regional hubs supporting net zero projects.
- ✓ Provide technical expertise and funding guidance.

Examples:

- **North West Net Zero Hub** – works closely with GMCA.
- **Midlands Net Zero Hub** – supports WMCA initiatives.

Help with project development, feasibility, and business cases.

Hub increases support for Public Sector Decarbonisation

The North East and Yorkshire Net Zero Hub has increased the support it offers public sector organisations looking to decarbonise their own estates and community spaces.

A specialist three-person team has been created to enable local areas by:

- Supporting the **development of heat decarbonisation plans**
- Supporting development of **investment grade proposals** that can secure approvals, resource or funding.
- Helping find ways to **progress stalled plans**
- Maximising the use of available resources and toolkits to apply and embed best practice
- Encouraging peer learning and sharing experience of what works

The Hub has previously delivered heat decarbonisation plans for at over 70 public buildings and public spaces, as well as energy technology assessments at over 100 more and training sessions to upskill over 70 local authority staff.

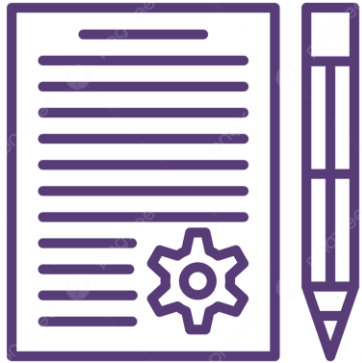
It has also developed **online resources** to help public organisations decarbonise their own estates.

Do We Wait Or Continue To Decarbonise ?

- We must keep moving towards net zero
- Work towards decarbonisation gradually
- Understand your estate
- Develop your estate strategy
- Develop your sustainability culture
- Get ready for the next round of funding – be first on the mark



How Do We Prepare For The New Funding



- ✓ Compile good asset registers
- ✓ Compile energy data
- ✓ Conduct energy audits
- ✓ Develop estate strategy and sustainability policy
- ✓ Prepare you climate action plan
- ✓ Carry out HDPs
- ✓ Prepare your strategy

Prioritise Your Net Zero Drive

- ✓ Where are your priority sites for your estate
- ✓ Can you address your lighting and switch to LED
- ✓ Can you invest in Solar PV
- ✓ Can you address your BMS
- ✓ Where can you improve your fabric
- ✓ Where should you invest in further investigation or design development
- ✓ What cost are required for the upgrades – ROI?

Proactive approach



Why Partner with Eddisons?

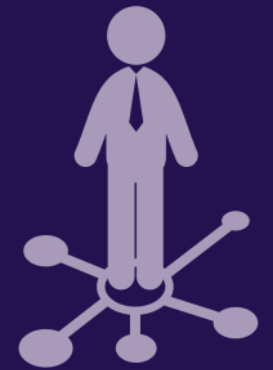
We've **cemented our reputation** as a trusted advisor and delivery partner.

We have **developed in-house expertise** in M&E upgrades, low-carbon design, and stakeholder engagement.

Our recent success positions us well to **diversify into other public and private sector sustainability schemes.**

Eddisons' Decarbonisation Delivery Model

- ❑ **Assessment:** Site audits, energy reviews, data collection.
- ❑ **Strategy:** Estate decarbonisation and funding strategy.
- ❑ **Design:** Technical specification and solution engineering.
- ❑ **Estimate:** Project Cost
- ❑ **Delivery:** Full project management and contractor oversight.
- ❑ **Monitoring:** Post-project evaluation and carbon savings analysis.



SUMMARY

- The UK's Net Zero targets still apply
- Do not wait to decarbonise
- Understand your priorities
- Gather data and estate information
- Plan your route to decarbonisation, focusing on data and low-cost interventions
- Look at your regional hubs and combined authorities for help
- Be ready for the new Public Sector Decarbonisation Scheme

GET IN TOUCH

Thank you for your time. We hope you found this presentation useful and informative.



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