



Department for
Energy Security
& Net Zero

Michael Shanks MP
Minister for Energy

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Net Zero
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Bill Esterson MP
Chair of the Energy Security and Net Zero Committee
House of Commons
London
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21st March 2025

Dear Bill,

Great British Energy's first projects

Hundreds of schools, NHS trusts and communities across the UK will benefit from new rooftop solar power and renewable schemes to save money on their energy bills, thanks to a total £200 million investment partnership between the UK government and Great British Energy.

In another step forward for the government's Plan for Change, the Energy Secretary has today (Friday 21 March) announced the first major project for Great British Energy — a company owned by the British people, for the British people. It will immediately begin working with schools, the NHS, and devolved governments to install solar panels, build local clean power and bring down energy bills.

In England around £80 million in funding will support around 200 schools, alongside £100 million for nearly 200 NHS sites, covering a third of NHS trusts, to install rooftop solar panels that could power classrooms and operations, with potential to sell leftover energy back to the grid. The first panels are expected to be in schools and hospitals by the end of summer 2025, saving schools money for the next academic year.

Schools and hospitals have been hit with rocketing energy bills in recent years, costing taxpayers millions of pounds, and eating into school budgets. This has been driven by the UK's dependency on global fossil fuel markets. The NHS is the single biggest public sector energy user, with an estimated annual energy bill of £1.4 billion, that has more than doubled since 2019.

Great British Energy's first investment could see millions invested back into frontline services, targeting deprived areas, with lifetime savings for schools and the NHS of up to £400 million over around 30 years.

Estimates suggest that on average, a typical school could save up to £25,000 per year, whilst the average NHS site could save up to £45,000 per year on their annual energy bill if they had solar panels with complementary technologies installed such as batteries.

A further £9.3 million will power schemes in Scotland, Wales and Northern Ireland. These projects can be a mixture of installations on public sector buildings, new community or local renewables projects, and other complementary technologies such as battery storage solutions. This funding has come from the budget allocated to GBE Local delivery in the 25/26 spending review, which has been apportioned between all four nations by population share. England has supplemented this with funding from existing budgets including health and education. The Devolved Governments may similarly choose to use this new funding alongside existing budgets to deliver ambitious new projects or expand existing schemes.

In addition, local authorities and community energy groups will also be supported by nearly £12 million to help build local clean energy projects - from community-led onshore wind, to solar on rooftops and hydropower in rivers – that can help drive growth.


The Great British Energy Community Energy Fund will provide £5 million in grant funding to support community energy groups to develop their own clean power supply projects. These could generate profits which could then be reinvested into community projects or take money off people's bills.

The UK Government will continue to fund the Local Net Zero Hubs in England, with a total of £6.8 million for existing Hubs. These offer a free to use service for local authorities to access the expertise and resource to get clean energy projects up and running.

Great British Energy is also launching partnerships strategic mayoral authorities. The metro mayors can apply for a share of £10 million to deliver clean power projects in every region of England.

We have been clear from the start that significantly expanding support for local and community power is a core ambition for Great British Energy. On 20 November 2024, Juergen Maier, the Start-up Chair of Great British Energy, made clear to the Energy Security and Net Zero Committee, that local and community energy projects would be an important part of GBE's work. This announcement demonstrates an immense commitment by Great British Energy, and the Government to support local and community energy now and in the future.

Yours ever,

A handwritten signature in black ink, appearing to read 'Michael Shanks', written over a horizontal line. The signature is fluid and cursive, with a period at the end.

MICHAEL SHANKS MP
Minister for Energy