

£80 million boost to cut emissions from homes and industry

Press release

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- first phase to help heavy industry go green, helping to cut energy costs, protect jobs, and cut carbon emissions
- new green homes programme will retrofit homes with latest green tech, helping people save money on their energy bills

Energy Minister Kwasi Kwarteng has announced nearly £80 million of government investment to help cut carbon emissions from homes and energy intensive businesses.

The funding will be invested in a wide range of programmes, including pioneering heat network trials and an innovative new programme to bring down the cost of retrofitting residential properties with the latest energy efficiency technologies.

Funds announced today include:

- £30 million towards the first phase of the Industrial Energy Transformation Fund (IETF), which supports energy intensive manufacturers, like car factories and steel plants, to cut their carbon footprint
- £25 million for heat networks, which reduce carbon and cut heating bills for customers, including one which will harness geothermal water sitting in disused mines to heat 1,250 homes
- £24 million for innovative projects to help develop energy efficient homes by installing green tech and insulation in houses

Energy Minister Kwasi Kwarteng said:

We want to invest now to ensure we continue to propel the UK towards a stronger, greener future.

This new £80 million investment will help to reduce emissions across our economy, which will save people money on energy bills and protect jobs in heavy industry.

[Phase 1 of the IETF](#), for which guidance is published today, is worth an initial £30 million in support of the manufacturing sector. The fund allows companies with high energy use to apply for grants to install technology that reduces their energy bills and cuts carbon emissions.

Worth an eventual £289 million in England, Wales and Northern Ireland up until 2024, the IETF also seeks to help bring down the costs of technologies that reduce energy consumption and emissions in heavy industrial processes.

£25 million will go towards heat networks, including one in Gateshead, which will harness hot geothermal water sitting in disused mines to heat 1,250 homes. With thousands of redundant mine shafts criss-crossing the country, experts say that if the mine shaft technology proves successful and economically viable, it could be scaled up to power around 6 million homes around Britain.

The final £24 million green homes investment will comprise of:

- £7.7 million to install green technology and insulation in over 300 council houses, to bring down the cost of retrofitting homes – with pilot projects in Cornwall, Nottingham, and Sutton
- £14.6 million to pilot the roll-out of innovative heat pumps to 750 homes in the South East of Scotland, the South East of England and Newcastle
- £1.8 million to support the development of innovative green home finance products by lenders.

The announcements today form part of the wider efforts to ensure the UK meets its legally binding target to reach net zero emissions by 2050.

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