

# Heat Networks (Scotland) Act 2021

#### PART 3

#### HEAT NETWORK ZONES

Designation of heat network zone

# 46 Power to designate heat network zone

- (1) A local authority may at any time designate an area in its area that is particularly suitable for the construction and operation of a heat network in accordance with section 48.
- (2) The Scottish Ministers may designate an area in the area of a local authority that is particularly suitable for the construction and operation of a heat network in accordance with section 49.
- (3) In this Part, "heat network zone" means an area designated by—
  - (a) a local authority—
    - (i) under subsection (1), or
    - (ii) pursuant to a direction under section 53(1)(a) or (2), or
  - (b) the Scottish Ministers under subsection (2).

#### **Commencement Information**

I1 S. 46 in force at 30.5.2023 by S.S.I. 2023/148, reg. 2(1)(2)(a)

# Duty on local authority to review heat network zoning in area

- (1) Each local authority must carry out a review to consider whether one or more areas in its area is likely to be particularly suitable for the construction and operation of a heat network.
- (2) A local authority must carry out—

- (a) its first review under subsection (1) as soon as practicable after the day on which this section comes into force,
- (b) each subsequent review under that subsection by no later than 5 years after the day on which the local authority last published a statement under subsection (6).
- (3) In carrying out a review under subsection (1), a local authority must have regard to the matters mentioned in section 48(1).
- (4) If, following a review under subsection (1), the local authority considers that one or more areas considered as part of the review is likely to be particularly suitable for the construction and operation of a heat network, the local authority must, in relation to each area—
  - (a) proceed to consider whether to designate the area as a heat network zone in accordance with section 48, or
  - (b) request that the Scottish Ministers consider whether to designate the area as a heat network zone in accordance with section 49.
- (5) But a local authority may not make a request under subsection (4)(b) if the area is the subject of a direction under section 53.
- (6) After each review, the local authority must publish a statement in relation to each area considered as part of the review—
  - (a) explaining whether the local authority considers that the area is likely to be particularly suitable for the construction and operation of a heat network,
  - (b) explaining the reasons for that view, and
  - (c) if the local authority considers that the area is likely to be particularly suitable for the construction and operation of a heat network—
    - (i) identifying the area by reference to a map, and
    - (ii) giving reasons for its decision under subsection (4)(a) or (b).
- (7) The Scottish Ministers may specify by regulations, in relation to a statement published under subsection (6)—
  - (a) any further information that must be included in a statement,
  - (b) how it is to be published,
  - (c) the persons to whom copies of it are to be sent, and
  - (d) such other requirements relating to the statement as they consider appropriate.

# **Commencement Information**

- I2 S. 47 in force at 16.1.2023 for specified purposes by S.S.I. 2022/376, reg. 2, sch.
- I3 S. 47 in force at 30.5.2023 in so far as not already in force by S.S.I. 2023/148, reg. 2(1)(2)(b)

## 48 Designation of heat network zone by local authority

- (1) A local authority must, in considering whether to designate an area in its area as a heat network zone, have regard to the following matters—
  - (a) the potential for use by a heat network of—
    - (i) thermal energy generated from renewable sources,
    - (ii) waste heat or cold,

- (b) buildings in the area that require considerable and consistent use of thermal energy,
- (c) the nature and extent of existing infrastructure in the area that could assist in the development of a heat network in the area,
- (d) the potential for a heat network in the area to contribute to meeting the fuel poverty targets,
- (e) the potential for a heat network in the area to contribute to meeting the targets specified in section 92(1),
- (f) any building assessment report received under section 65, and
- (g) such other matter as the Scottish Ministers may specify by regulations.
- (2) Before deciding whether to designate an area as a heat network zone, a local authority must consult such persons, and in such manner, as the Scottish Ministers may specify by regulations.
- (3) Having had regard to the matters mentioned in subsection (1) and complied with the requirements under subsection (2), the local authority may—
  - (a) designate the area as a heat network zone, or
  - (b) decide not to designate the area as a heat network zone.
- (4) If a local authority designates an area as a heat network zone it must—
  - (a) identify the area in a document by reference to a map,
  - (b) specify in the document the day on which the designation takes effect, and
  - (c) publish the document in such manner as the Scottish Ministers may specify by regulations.
- (5) In subsection (1)(a)(ii), "waste heat or cold" means heat or cold generated as a result of a use of (or process affecting) land, which would disperse unused if released into air or water.

#### **Commencement Information**

- I4 S. 48 in force at 16.1.2023 for specified purposes by S.S.I. 2022/376, reg. 2, sch.
- 15 S. 48 in force at 30.5.2023 in so far as not already in force by S.S.I. 2023/148, reg. 2(1)(2)(c)

# 49 Designation of heat network zone by Scottish Ministers

- (1) This section applies where the Scottish Ministers are considering whether to designate an area in the area of a local authority as a heat network zone—
  - (a) pursuant to a request by the local authority under section 47(4)(b), or
  - (b) on the Scottish Ministers' own initiative.
- (2) The Scottish Ministers must, in considering whether to designate the area as a heat network zone, have regard to the matters mentioned in section 48(1).
- (3) Before deciding whether to designate the area as a heat network zone, the Scottish Ministers must consult—
  - (a) each local authority in whose area the proposed heat network zone would be situated,
  - (b) such other persons as they consider appropriate.

- (4) Having had regard to the matters mentioned in section 48(1) and complied with the requirements under subsection (3), the Scottish Ministers may—
  - (a) designate the area as a heat network zone, or
  - (b) decide not to designate the area as a heat network zone.
- (5) If the Scottish Ministers designate an area as a heat network zone, they must—
  - (a) identify the area in a document by reference to a map,
  - (b) specify in the document the day on which the designation takes effect, and
  - (c) publish the document in such manner as they consider appropriate.

#### **Commencement Information**

I6 S. 49 in force at 30.5.2023 by S.S.I. 2023/148, reg. 2(1)(2)(d)

## Variation of heat network zone

# Variation of heat network zone by local authority

- (1) A local authority may vary a heat network zone situated in its area if the heat network zone was designated by the local authority under section 46(1).
- (2) In considering whether to vary a heat network zone under subsection (1), a local authority must have regard to the matters mentioned in section 48(1).
- (3) Before deciding whether to vary a heat network zone under subsection (1), a local authority must consult such persons, and in such manner, as the Scottish Ministers may specify by regulations.
- (4) Having had regard to the matters mentioned in section 48(1) and complied with the requirements under subsection (3), the local authority may—
  - (a) vary the heat network zone, or
  - (b) decide not to vary the heat network zone.
- (5) If the local authority varies the heat network zone, it must—
  - (a) identify the area of the heat network zone as varied in a document by reference to a map,
  - (b) specify in the document the day on which the variation takes effect, and
  - (c) publish the document in such manner as the Scottish Ministers may specify by regulations.

#### **Commencement Information**

- I7 S. 50 in force at 16.1.2023 for specified purposes by S.S.I. 2022/376, reg. 2, sch.
- I8 S. 50 in force at 30.5.2023 in so far as not already in force by S.S.I. 2023/148, reg. 2(1)(2)(e)

# Variation of heat network zone by Scottish Ministers

(1) The Scottish Ministers may vary a heat network zone—

- (a) following a request by the local authority in whose area the heat network zone is situated, or
- (b) on the Scottish Ministers' own initiative.
- (2) It does not matter for the purposes of subsection (1) whether the heat network zone was designated by—
  - (a) a local authority, or
  - (b) the Scottish Ministers.
- (3) In deciding whether to vary a heat network zone under subsection (1), the Scottish Ministers must have regard to the matters mentioned in section 48(1).
- (4) Before deciding whether to vary a heat network zone, the Scottish Ministers must consult—
  - (a) each local authority in whose area the heat network zone is situated,
  - (b) such other persons as they consider appropriate.
- (5) Having had regard to the matters mentioned in section 48(1) and complied with the requirements under subsection (4), the Scottish Ministers may—
  - (a) vary the heat network zone, or
  - (b) decide not to vary the heat network zone.
- (6) If the Scottish Ministers vary the heat network zone under subsection (5)(a), they must—
  - (a) identify the area of the heat network zone as varied in a document by reference to a map,
  - (b) specify in the document the day on which the variation takes effect, and
  - (c) publish the document in such manner as they consider appropriate.

## **Commencement Information**

I9 S. 51 in force at 30.5.2023 by S.S.I. 2023/148, reg. 2(1)(2)(f)

## Local authorities acting jointly

# Two or more local authorities acting jointly in relation to heat network zone

- (1) Where an area proposed for designation as a heat network zone falls within the area of more than one local authority, each of the local authorities in whose area the proposed heat network zone would be situated may act jointly to—
  - (a) designate the area as a heat network zone under section 46(1),
  - (b) request under section 47(4)(b) that the Scottish Ministers consider whether to designate the area as a heat network zone.
- (2) Where two or more local authorities have acted jointly by virtue of subsection (1)(a) to designate as a heat network zone an area falling within the area of each of the local authorities, the local authorities may act jointly to vary the heat network zone under section 50(1).
- (3) Where two or more local authorities act jointly under subsection (1) or (2), references in sections 46, 48, 49, 50 and 51 to—

- (a) a local authority are references to the local authorities acting jointly, and
- (b) a local authority's area are references to the combined area of the local authorities.

#### **Commencement Information**

I10 S. 52 in force at 30.5.2023 by S.S.I. 2023/148, reg. 2(1)(2)(g)

## Ministerial direction and guidance

# 53 Ministerial power of direction to designate or vary heat network zone

- (1) The Scottish Ministers may direct a local authority to—
  - (a) designate such area in the area of the local authority as the Scottish Ministers consider appropriate as a heat network zone,
  - (b) vary a heat network zone situated in the area of the local authority in such manner as the Scottish Ministers consider appropriate.
- (2) The Scottish Ministers may direct two or more local authorities to jointly designate such area falling within the areas of the local authorities as a heat network zone as the Scottish Ministers consider appropriate.
- (3) Subsection (4) applies where—
  - (a) two or more local authorities have jointly designated an area as a heat network zone—
    - (i) under section 46(1), or
    - (ii) pursuant to a direction under subsection (2), or
  - (b) the Scottish Ministers have designated as a heat network zone under section 46(2) an area falling within the areas of two or more local authorities.
- (4) The Scottish Ministers may direct the local authorities to jointly vary the heat network zone in such manner as the Scottish Ministers consider appropriate.
- (5) Before issuing a direction under subsection (1), (2) or (4), the Scottish Ministers must—
  - (a) have regard to the matters mentioned in section 48(1), and
  - (b) consult—
    - (i) each local authority in whose area the heat network zone is, or would be, situated, and
    - (ii) such other persons as they consider appropriate.
- (6) Section 48(4) applies to the designation of an area as a heat network zone pursuant to a direction under subsection (1) or (2) as it applies to the designation of a heat network zone under section 46(1).
- (7) Section 50(5) applies to the variation of a heat network zone pursuant to a direction under subsection (1) as it applies to the variation of a heat network zone under subsection (1) of that section.
- (8) Where two or more local authorities are acting jointly by virtue of subsection (2) or (4), section 48(4) or (as the case may be) section 50(5) applies jointly to the local authorities (but subject to the modification mentioned in subsection (9)).

- (9) The modification is that references in those sections to a local authority are to be read as if they were references to the local authorities acting jointly.
- (10) The Scottish Ministers may revise or revoke a direction under this section.

#### **Commencement Information**

III S. 53 in force at 30.5.2023 by S.S.I. 2023/148, reg. 2(1)(2)(h)

## 54 Guidance

- (1) The Scottish Ministers may issue guidance about—
  - (a) reviews under section 47(1),
  - (b) the designation by local authorities of heat network zones,
  - (c) the variation by local authorities of heat network zones.
- (2) Guidance under subsection (1) may be addressed to—
  - (a) a local authority, or more than one local authority, identified in the guidance, or
  - (b) all local authorities.
- (3) Before issuing guidance under subsection (1), the Scottish Ministers must consult—
  - (a) the local authorities to whom the guidance is to be addressed,
  - (b) the Scottish Fuel Poverty Advisory Panel, and
  - (c) such other persons as they consider appropriate.
- (4) Local authorities to whom guidance under subsection (1) is addressed must have regard to the guidance in exercising their functions under this Part.
- (5) The Scottish Ministers must publish guidance issued under subsection (1) in such manner as they consider appropriate.

## **Commencement Information**

- I12 S. 54 in force at 16.1.2023 for specified purposes by S.S.I. 2022/376, reg. 2, sch.
- 113 S. 54 in force at 30.5.2023 in so far as not already in force by S.S.I. 2023/148, reg. 2(1)(2)(i)

# **Changes to legislation:**

There are currently no known outstanding effects for the Heat Networks (Scotland) Act 2021, PART 3.