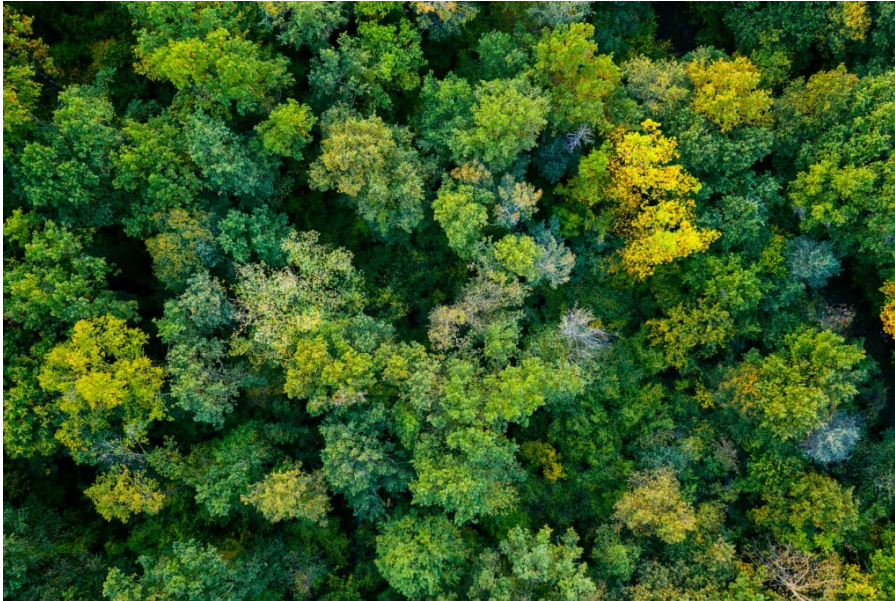


Burges Salmon launches report on Net Zero and energy resilience challenges for industrial and logistics buildings

2 years ago



Burges Salmon has launched a new report in which it asks industry experts about the major energy challenges being faced by industrial and logistics developers, investors and occupiers, in the context of ensuring energy resilience and achieving the UK Government's Net Zero targets.

Industrial and logistics buildings are playing a key role in the running of the post-pandemic economy. The boom in ecommerce has seen distribution centres become the backbone of the economy, acting as intermediaries in the supply chain. This extra demand has brought about increasing pressures on energy supply.

Due to their sheer size, buildings can often expend huge amounts of energy due to heating, lighting and general operation. Whilst previously, energy costs formed a low proportion of overall running costs and energy provenance was less of a concern, spiralling prices and mounting public awareness of environmental issues has led to increased worry about energy security, affordability and sustainability. For continued success, the industrial and logistics sector must manage these concerns, whilst futureproofing its assets to meet tenant demand and achieve the UK's 2050 Net Zero targets.

Burges Salmon's report addresses the challenges faced by the sector and also uncovers the opportunities in onsite generation and how developers and investors can adapt their strategies to benefit from this. The insights from the firm's interviewees show that while there is no magic formula to enable energy resilience, onsite generation can play a key part in futureproofing such sites, so that they meet the expectations of future tenants and increasing energy regulation.

Contributors to the report are:

- Panattoni – Ian Anderson, Technical Delivery Director
- Greater London Authority – Sarah Birt, Head of Development, Strategic Projects and Property
- St. Modwen Logistics – Richard Carter, Senior Construction Director
- ISG – Mark Cesenek, Managing Director
- Savills Earth – Nick Green, Director
- British Property Federation – Melanie Leech, Chief Executive
- Tritax Symmetry – Will Oliver, Finance Director
- Atrato Group – Francisca Wiggins, Director, Renewable Energy

Ross Polkinghorne, Burges Salmon's lead for Net Zero in the built environment sector, says: "The challenges faced in the development of industrial and logistics buildings are tangible. All businesses are acutely aware of the need to do something about their Net Zero agendas and there is a high degree of uncertainty both in terms of capacity and cost in accessing power from the grid. However, futureproofing is essential. Many have already started this journey (particularly with investment in on-site renewable energy production and storage) and there is real momentum at the moment amongst developers, investors, funders and occupiers to meet the UK's Net Zero targets."

Burges Salmon is a leading advisor in the built environment sector, especially in the context of energy supply and resilience to new and existing buildings. The firm has particular expertise in providing advice to clients that develop, own, fund and/or occupy industrial and logistics buildings.

This report marks the third in Burges Salmon's 'Getting to Net Zero' thought leadership series. The firm's previous research report explored [ways to support the consenting and permitting process for the anticipated increase in low-carbon hydrogen projects in the coming years](#), with the first exploring [rural land and how Net Zero ambitions can be practically achieved, how they might be financed, and the opportunities for the sector](#).

For more information or to read the report, please [click here](#).