

DfE Confirms Green Light for School Solar PPAs as 2026 Begins

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Department for Education formally confirms that the 2025 pause on solar Power Purchase Agreements (PPAs) for schools has been lifted, unlocking renewed momentum for rooftop solar across the education estate.

Schools and academy trusts across England can now move forward with solar Power Purchase Agreement (PPA) projects following formal confirmation from the Department for Education that the temporary pause introduced in 2025 is no longer in effect.

The confirmation, issued in January 2026 via a Parliamentary response, marks a significant turning point for schools seeking to reduce energy costs, decarbonise estates, and progress long-planned solar projects that were delayed last year.

A Temporary Pause — Now Fully Lifted

The original pause, introduced during summer 2025, affected some state-funded schools and academy trusts considering rooftop solar through third-party funded PPAs. The pause was linked to concerns around how long-term PPA arrangements were classified under public sector accounting and borrowing rules.

In a formal response published via UK Parliament, the Department for Education confirmed that:

- The pause applied in 2025 was temporary
- It has now been removed
- Schools may proceed with solar PPA projects under existing guidance

This clarification confirms that, as of early 2026, solar PPAs for school buildings in England are no longer on hold, and proposals are once again being reviewed and approved.

Why This Matters Now

For many schools and trusts, this confirmation removes a major source of uncertainty that stalled decision-making during 2025.

With energy costs remaining a significant pressure on school budgets, and with sustainability and carbon-reduction commitments accelerating across the sector, the lifting of the pause re-opens a critical delivery route for:

- Zero-capital solar installations
- Long-term energy cost certainty
- Large-scale decarbonisation across multi-school estates

This announcement effectively restarts the pipeline for school solar projects that were ready to proceed but awaiting policy clarity.

What Schools Should Do Next

Schools with existing PPA proposals

Schools and trusts with applications or projects already in development can continue progressing them, as approvals are now being processed.

Schools planning new solar PPA projects

Schools considering rooftop solar via a PPA can once again apply through the standard DfE approval route, following published guidance. Projects are not being blocked or dismissed due to the earlier pause.

Important context

While technical work continues across government to further refine how PPAs are

treated under Treasury accounting rules, this is not preventing current projects from moving forward.

State-Funded vs Independent Schools

During the 2025 pause, the impact was felt primarily by state-funded schools and academy trusts, where long-term PPA arrangements can fall within public sector borrowing classifications and therefore require DfE oversight.

Independent (fee-paying) schools, by contrast, were largely unaffected, as PPAs for private schools are treated as standard commercial contracts and do not require the same government consent.

With the pause now lifted, this distinction is less significant in practice, although governance and approval routes remain different depending on school status.

Solar PPAs in Schools: January 2026 Status

- The 2025 pause on school solar PPAs is no longer in effect
- Schools and trusts can resume applying for rooftop solar via PPAs
- Existing proposals can continue to progress
- Accounting treatment continues to be refined, but approvals are moving
- Independent schools were unaffected and continue to operate freely

A Reset Moment for School Solar

This confirmation represents more than a procedural update. It provides schools, trusts, and delivery partners with the clarity needed to re-engage at pace, rebuild project pipelines, and move from planning back into delivery.

For the education sector, 2026 now begins with solar firmly back on the agenda.