

IN FOCUS: SOLAR SOLUTIONS

Unlocking Solar PV Potential in UK Logistics Properties



The rooftops of the UK's logistics and industrial buildings represent a largely untapped resource in our journey toward a decarbonised future. These spaces hold the key to accelerating the clean energy transition, offering a unique opportunity for the property sector to lead a profound economic and environmental transformation. By harnessing the power of solar photovoltaic (PV) technology, we can further unlock a powerful source of renewable energy, drive significant economic growth, and take a monumental step towards achieving national sustainability goals.

This article will draw upon the findings of our [Solar Solutions](#) research, exploring the scale of this opportunity, detailing the potential of industrial roof space for solar PV installations. We will examine the compelling economic benefits, from direct revenue generation to enhanced property value, and highlight the critical role of solar in decarbonising the logistics sector.

The Hidden Asset: 1.5 Billion Square Feet of Opportunity:

The UK's logistics and industrial property sector is vast. Buildings of 50,000 square feet and larger alone account for an estimated 1.5 billion square feet of roof space. This figure likely doubles when smaller units are included. Much of this expansive area is perfectly suited for solar PV installations, yet it remains underutilised.

When we translate this square footage into energy potential, the numbers are staggering. A well-designed solar array on a standard 100,000 sq ft building can generate approximately 1.16 million kilowatt-hours (kWh) per year. When scaled across the total available roof space, this equates to a potential annual generation of 36,486 gigawatt-hours (GWh). This level of clean energy production could contribute an estimated £3 billion to the UK

economy annually, based on recent wholesale energy prices.

This represents a tangible pathway to increasing our energy independence, stabilising operational costs for businesses, and creating a more resilient national grid. Every square foot of roof space converted to a solar generator moves us closer to a future powered by clean, sustainable energy.

Powering Decarbonisation and Economic Growth

To meet the UK's ambitious 2035 decarbonisation targets, solar energy's contribution to our electricity generation must increase dramatically, from the current 8% to between 15% and 25%. The logistics and industrial sector is uniquely positioned to drive this change. By embracing mass adoption of solar PV, the sector can become a primary producer of renewable energy, rather than just a consumer.

Environmental Impact

The environmental benefits are clear and measurable. Based on the UK government's current carbon emission factor for grid electricity, a single 100,000 sq ft building fitted with solar panels could offset between 225 and 250 tonnes of carbon emissions each year. Scaling this across the entire sector suggests a potential reduction of 7 to 7.5 million tonnes of carbon annually. This contribution would be a significant leap forward in reducing the carbon footprint of the built environment and the national supply chain.

As consumer awareness of sustainability grows, companies that demonstrate a genuine commitment to environmental responsibility gain a powerful competitive edge. Integrating renewable energy generation is no longer just a compliance issue; it's a strategic imperative that aligns business operations with customer expectations and strengthens brand reputation.

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Economic Advantages

Beyond the environmental upside, the financial case for solar PV is becoming increasingly compelling. While initial investment is required, the long-term returns can be substantial.

- **Energy Cost Reduction:** On-site energy generation reduces reliance on the grid, insulating businesses from volatile energy prices and lowering operational expenditures.
- **New Revenue Streams:** Excess energy can be sold back to the grid or to neighbouring properties through private wire arrangements, creating a new source of income.
- **Enhanced Asset Value:** Buildings equipped with solar PV are more attractive to tenants and investors. They command better rents, have lower vacancy rates, and are future-proofed against evolving environmental regulations and energy performance standards.

Our analysis shows that returns are particularly strong for larger, energy-intensive buildings. A 200,000 sq ft facility with a high energy user, for example, could achieve an initial rate of return (IRR) of up to 18% with a payback period as short as 5.5 years.

The Path to Mass Adoption

While the potential is undeniable, several barriers have hindered widespread adoption. High upfront costs, a lack of standardised agreements, and complexities surrounding grid connectivity have slowed progress. Currently, 70% of industry stakeholders have either adopted or are in the process of installing solar, but most have done so on less than half of their properties.

To accelerate the transition, a concerted effort is needed from all stakeholders.

1. **Policy and Incentives:** Clearer government policies, streamlined grid connection processes, and robust financial incentives are essential to de-risk investment and shorten payback periods. Mandating solar-ready designs for new builds would also future-proof assets and simplify later installations.
2. **Industry Collaboration:** Landlords, tenants, developers, and energy providers must work together to establish best practices. Standardizing lease clauses, Power Purchase Agreements (PPAs), and maintenance responsibilities will reduce friction and make solar adoption a simpler, more transparent process.
3. **Strategic Implementation:** Property owners should conduct portfolio-wide analyses to identify the most suitable buildings for solar installations—prioritising larger facilities with energy-intensive tenants to maximize returns and impact.

A Call to Action for a Brighter Future

The logistics and industrial property sector stands at a crossroads. It can continue with sporadic adoption or it can seize the initiative and lead the UK's clean energy revolution. The 1.5 billion square feet of available roof space is more than just a statistic; it is a call to action.

By unlocking the immense potential of solar PV, we can decarbonise our supply chains, generate substantial economic value, and build a more sustainable and resilient future.

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How To Play It

OCCUPIERS

Size the Solar PV system based on your consumption and usage profile, ensuring it is optimised to maximise energy savings while minimising upfront costs.

INVESTORS

Assess the benefits of adding Solar PV to your properties and analyse your portfolio to identify buildings best suited for installation and operation.

Find out more in our Solar Solutions Research

Dive into the findings of our survey and analysis

Cushman & Wakefield's [Solar Solutions](#) report reveals the significant untapped potential of rooftop solar PV across the UK's Logistics & Industrial sector. Based on primary market research, it explores stakeholder attitudes, financial viability, monetisation strategies, and the key barriers to adoption—including grid constraints, upfront costs, and legal complexities. The report also outlines three policy recommendations to accelerate deployment and benchmarks current industry practices.

[Click to download the full report](#) and explore the future of solar energy in UK logistics and industrial real estate.



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