

Boiler Upgrade Scheme (BUS)

30 AUG 2022

Quarterly Report Issue 1 - May to July 2022

The Boiler Upgrade Scheme (BUS) quarterly report provides information on issued vouchers, grants paid, and the installations that have been supported over the previous quarter and since the start of the scheme. This report is provided in compliance with our obligations as set out in the Boiler Upgrade Scheme (England and Wales) Regulations 2022¹. This is the first BUS quarterly report since the scheme launched on 23 May 2022 and covers the period from launch until 31 July 2022. Subsequent quarterly reports will be published in line with the schedule below.

Reporting Period	Publication deadline		
February to April	31 May		
May to July	31 August		
August to October	30 November		
November to January	28 February		

In addition to this quarterly report we choose to also publish a monthly update on our website² that provides summary information on the number of voucher applications received, vouchers issued, redemption applications received, the value of grants paid and the remaining scheme budget. A more detailed BUS report will be published annually by 31 July each year, with the first annual report being due by 31 July 2023.

¹ Regulation 30(3) - <u>Boiler Upgrade Scheme (England and Wales) Regulations 2022</u>:

https://www.legislation.gov.uk/uksi/2022/565/contents/made

² <u>BUS monthly scheme update</u>: https://www.ofgem.gov.uk/publications/bus-monthly-scheme-update

BUS voucher summary

The BUS grant application is a two-stage process which is illustrated in the flow chart below. Firstly, installers are required to submit a voucher application (stage 1) where we check the majority of the eligibility criteria are met. If the voucher application is successful we issue a voucher. Following commissioning of an installation the installer can submit a voucher redemption application (stage 2). Once we have established that the remaining eligibility requirements have been met, the grant payment is made. A summary of applications at each stage of the process can be found in Figures 1 and 2. For further information on the BUS application process please refer to our BUS guidance for installers.3

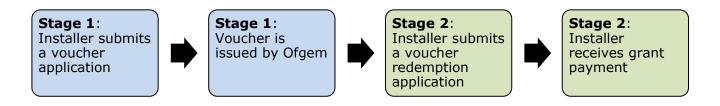


Figure 1: Voucher applications and vouchers issued (stage 1)

Quarterly Period	Voucher applications received	Vouchers issued	Value of vouchers issued	
May 2022 to Jul 2022	4,337	2,930	£14,711,000	
Total	4,337	2,930	£14,711,000	

Figure 2: Voucher redemption applications and grants paid (stage 2)

Quarterly Period	Voucher redemption applications received	Grants paid	Value of grant payments	
May 2022 to Jul 2022	1,208	912	£4,589,000	
Total	1,208	912	£4,589,000	

Scheme budget is allocated based on the number of vouchers issued at stage 1. As such from the original £150 million budget for year one, £135,289,000 remains to be allocated.

https://www.ofgem.gov.uk/publications/boiler-upgrade-scheme-guidance-installers

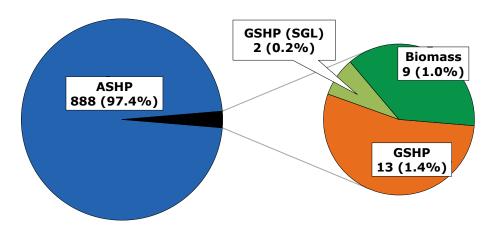
³ Information on the BUS application process can be found in our Installer Guidance:

Breakdown of grants paid

The analysis below provides information on the installations for which grants have been paid at the completion of stage 2.

Figure 3: Grants paid by technology type

This chart shows that of the 912 grants paid to date 888 or 97.4% were for air source heat pumps (ASHP). There were 13 grants paid for ground source heat pumps (GSHP), nine for biomass boilers and two for shared ground loop (SGL) GSHPs.



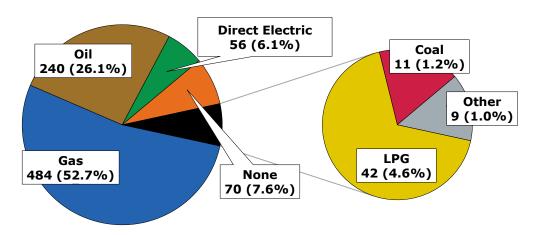
	ASHP	GSHP	GSHP (SGL)	Biomass
May 2022 to Jul 2022	888	13	2	9
Total	888	13	2	9

Figure 4: Regional distribution of grants paid by technology type

	ASHP	GSHP	GSHP (SGL)	Biomass	Total	Total (%)
South East	169	2	0	0	171	18.8%
South West	167	3	0	1	171	18.8%
East of England	113	2	0	0	115	12.6%
Yorkshire and The Humber	100	3	0	0	103	11.3%
East Midlands	79	1	0	0	80	8.8%
North West	73	0	0	1	74	8.1%
Wales	63	2	0	4	69	7.6%
West Midlands	55	0	2	2	59	6.5%
London	39	0	0	0	39	4.3%
North East	30	0	0	1	31	3.4%

Figure 5: Original heating system

This chart shows the number and types of heating systems that have been replaced by new installations. The most common were gas systems which made up 52.7% of the total. Oil was the second most common at 26.1%. Overall, replaced fossil fuelled systems account for 92.3% of grants paid. Fifty-eight of the grants paid were for heating systems in eligible self-build⁴ properties where no heating system was replaced.



	Gas	Oil	Direct Electric	LPG	Coal	Other	None
May 2022 to Jul 2022	484	240	56	42	11	9	70
Total	484	240	56	42	11	9	70

Further information

For further information on how the BUS scheme works including guidance for property owners and installers please refer to the BUS section of the Ofgem website⁵.

If you can't find the information you need on our website, our customer service team will be happy to help. You can contact us by email at BUS.Enquiry@ofgem.gov.uk or by telephone at **0330 053 2006**

For press enquiries please contact Ofgem's press office on 0207 901 7179

⁴ New properties are not eligible for the scheme with the exception of certain 'self-builds'. A self-build must have been built mainly using the labour or resources of the first owner, and must never have been owned by a business or organisation.

⁵ <u>BUS section of the Ofgem website</u>: bus section of the Ofgem website: https://www.ofgem.gov.uk/environmental-and-social-schemes/boiler-upgrade-scheme-bus