

# Boiler Upgrade Scheme (BUS)

**31 MAY 2023**

## Quarterly Report

### Issue 4 – February to April 2023

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 2022<sup>1</sup>. This is the fourth BUS quarterly report since the scheme launched on 23 May 2022 and covers the period from 1 February 2023 until 30 April 2023.

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 also publish a monthly update on our website<sup>2</sup> 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.<sup>3</sup>

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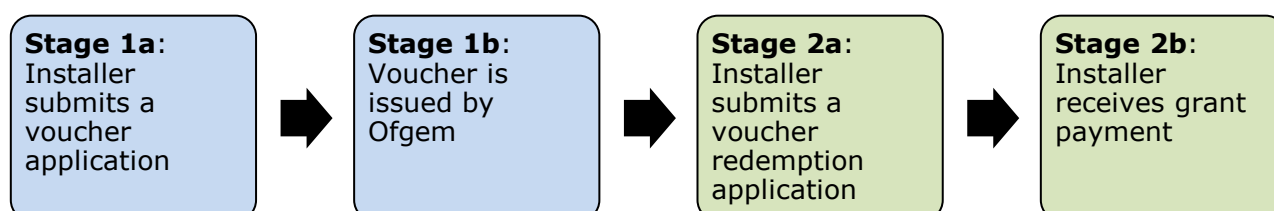
<sup>1</sup> Regulation 30(3) – [Boiler Upgrade Scheme \(England and Wales\) Regulations 2022](https://www.legislation.gov.uk/uksi/2022/565/contents/made): <<https://www.legislation.gov.uk/uksi/2022/565/contents/made>>

<sup>2</sup> [BUS Monthly Scheme Update](https://www.ofgem.gov.uk/publications/bus-monthly-scheme-update): <<https://www.ofgem.gov.uk/publications/bus-monthly-scheme-update>>

<sup>3</sup> Due to the requirements set in the scheme regulations, the scheme years and quarterly periods do not align. Each scheme year runs from 1 April to 31 March and the scheme quarters are as shown above.

## 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 application is successful, we issue the 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.<sup>4</sup>



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

Quarterly Period	Voucher applications received <sup>5</sup>	Vouchers issued <sup>6</sup>	Value of vouchers issued
May 2022 to Jul 2022	4,367	2,509	£12,595,000
Aug 2022 to Oct 2022	4,552	3,402	£17,113,000
Nov 2022 to Jan 2023	4,062	3,279	£16,508,000
Feb 2023 to Apr 2023	4,020	3,716	£18,699,000
<b>Total</b>	<b>17,001</b>	<b>12,906</b>	<b>£64,915,000</b>

<sup>4</sup> [Information on the BUS application process can be found in our Installer Guidance:](https://www.ofgem.gov.uk/publications/boiler-upgrade-scheme-guidance-installers)

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

<sup>5</sup> Due to the way voucher applications are processed the numbers shown for previous quarters may have changed from previous reports.

<sup>6</sup> These figures do not include vouchers that were issued but have since expired or have been revoked/withdrawn. As such the historical figures may have changed from previous reports.

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

Quarterly Period	Voucher redemption applications received <sup>7</sup>	Grants paid <sup>8</sup>	Value of grant payments
May 2022 to Jul 2022	1,191	908	£4,554,000
Aug 2022 to Oct 2022	3,437	3,187	£15,989,000
Nov 2022 to Jan 2023	3,524	3,548	£17,851,000
Feb 2023 to Apr 2023	3,111	3,204	£16,115,000
<b>Total</b>	<b>11,263</b>	<b>10,847</b>	<b>£54,509,000</b>

**Annual budget overview**

It should be noted that due to the requirements set in the scheme regulations, the scheme years and quarterly periods do not align. The first scheme year ended on 31 March 2023, whereas this quarterly report covers up to 30 April 2023.

Scheme budget is allocated based on the number of vouchers issued at stage 1. Between scheme launch on 23 May 2022 and 31 March 2023, £50,999,000 was allocated from the original £150 million Year 1 budget.<sup>9</sup>

From the £150 million budget for Year 2 (1 April 2023 – 31 March 2024), £13,916,000 has been allocated to date, leaving £136,084,000 still available.

<sup>7</sup> Due to the way voucher redemption applications are processed the numbers shown for previous quarters may have changed from previous reports.

<sup>8</sup> These figures do not include grants that were paid but have since been revoked/withdrawn. As such the figures may have changed from previous reports.

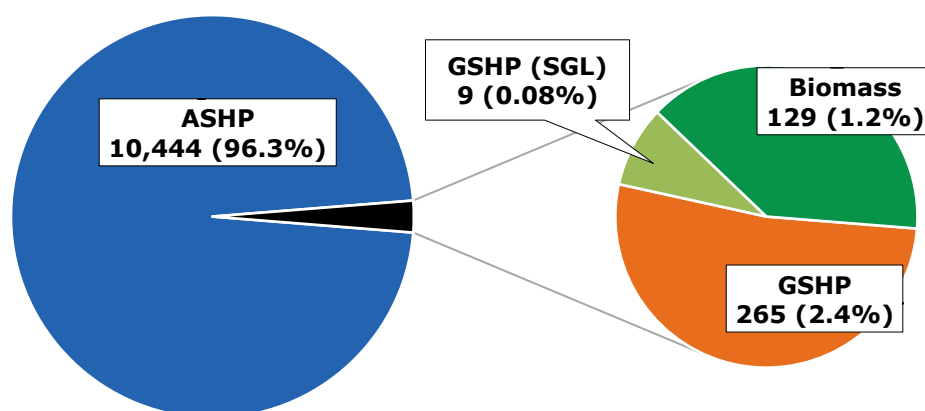
<sup>9</sup> N.B. Unspent budget is not carried over to the next scheme year.

## 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 10,847 grants paid to date 10,444 or 96.3% were for air source heat pumps (ASHP). There were 265 grants paid for ground source heat pumps (GSHP), 129 for biomass boilers and nine for shared ground loop (SGL) GSHPs.



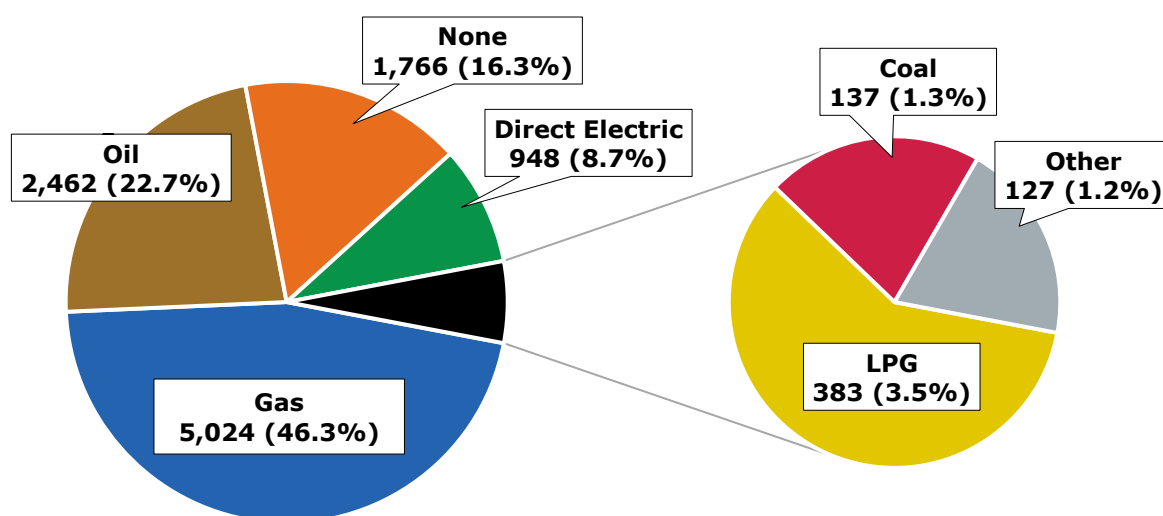
	ASHP	GSHP	Biomass	GSHP (SGL)
May 2022 to Jul 2022	885	12	9	2
Aug 2022 to Oct 2022	3,097	54	36	0
Nov 2022 to Jan 2023	3,387	107	50	4
Feb 2023 to Apr 2023	3,075	92	34	3
<b>Total</b>	<b>10,444</b>	<b>265</b>	<b>129</b>	<b>9</b>

**Figure 4: Regional distribution of grants paid by technology type - cumulative**

	ASHP	GSHP	Biomass	GSHP (SGL)	Total	Total (%)
South West	2,003	72	30	5	<b>2,110</b>	<b>19.5%</b>
South East	1,959	43	2	0	<b>2,004</b>	<b>18.5%</b>
East of England	1,426	25	4	0	<b>1,455</b>	<b>13.4%</b>
Yorkshire and The Humber	1,102	38	4	0	<b>1,144</b>	<b>10.5%</b>
East Midlands	1,094	20	5	2	<b>1,121</b>	<b>10.3%</b>
North West	787	18	13	0	<b>818</b>	<b>7.5%</b>
West Midlands	756	20	10	2	<b>788</b>	<b>7.3%</b>
Wales	614	18	45	0	<b>677</b>	<b>6.2%</b>
London	432	6	0	0	<b>438</b>	<b>4.0%</b>
North East	271	5	16	0	<b>292</b>	<b>2.7%</b>

**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 46.3% of the total. Oil was the second most common at 22.7%. Overall, replaced fossil fuelled systems account for 88.2% of grants paid. An additional 1,766 of the grants paid were for heating systems in eligible self-build<sup>10</sup> properties where no heating system was replaced.



	Gas	Oil	Direct Electric	LPG	Coal	Other	None
May 2022 to Jul 2022	485	241	55	42	12	9	64
Aug 2022 to Oct 2022	1,516	817	253	115	40	35	411
Nov 2022 to Jan 2023	1,596	795	324	130	40	41	622
Feb 2023 to Apr 2023	1,427	609	316	96	45	42	669
<b>Total</b>	<b>5,024</b>	<b>2,462</b>	<b>948</b>	<b>383</b>	<b>137</b>	<b>127</b>	<b>1,766</b>

<sup>10</sup> 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.

### Further information

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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 website<sup>11</sup>.

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](mailto: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**

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<sup>11</sup> [BUS section of the Ofgem website](https://www.ofgem.gov.uk/environmental-and-social-schemes/boiler-upgrade-scheme-bus): <<https://www.ofgem.gov.uk/environmental-and-social-schemes/boiler-upgrade-scheme-bus>>