

# Domestic Renewable Heat Incentive (DRHI)

[www.ofgem.gov.uk/drhi](http://www.ofgem.gov.uk/drhi)

AUG 2023

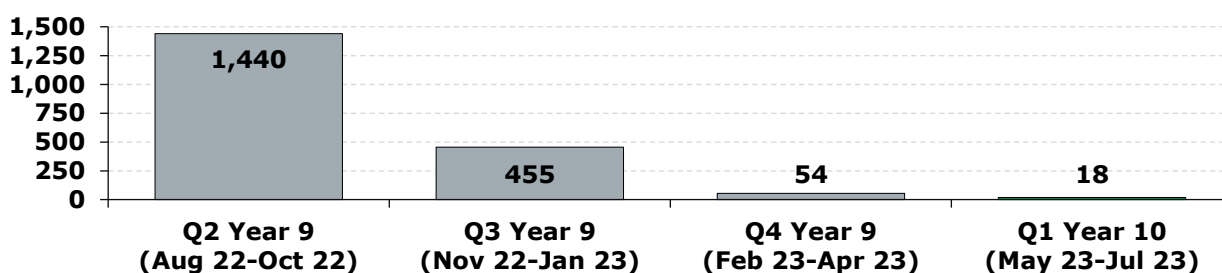
## Quarterly Report Issue 37

The Domestic Renewable Heat Incentive (DRHI) opened for applications on 9 April 2014 for customers across England, Scotland and Wales who install eligible renewable heating technologies in their homes. This report details scheme activity in the fifth quarter following scheme closure (Quarter 1 Year 10), covering the period May 2023 to July 2023.

### Number of accreditations<sup>1</sup>

**Figure 1: Accreditations per quarter between August 2022 and July 2023**

This chart shows accreditations granted between August 2022 and July 2023. There was a 67% reduction in accreditations granted during Quarter 1 Year 10 compared to the previous quarter. As expected, the number of accreditations granted per quarter is decreasing as we work through the outstanding applications following scheme closure.



**Figure 2: Number of accreditations made per month**

Aug 22	Sep 22	Oct 22	Nov 22	Dec 22	Jan 23	Feb 23	Mar 23	Apr 23	May 23	Jun 23	Jul 23
576	456	408	262	89	104	32	14	8	8	6	4

<sup>1</sup> Please note that we have changed the way we calculate the new accreditations in figures 1 and 2. This change has removed applications being reaccredited after transferring ownership so now only installations joining the scheme for the first time are shown.

**114,255****Total number of  
accreditations to the scheme<sup>2</sup>****Legacy and new accreditations**

Legacy accreditations are systems that were commissioned between 15 July 2009 when the RHI was first announced by Department for Energy and Climate Change (now Department for Energy Security and Net Zero), and 9 April 2014 when the Domestic RHI scheme launched. New systems are those that were commissioned on or after 9 April 2014. All Legacy installations have now reached the end of their seven-year support period.

**Figure 3: Quarterly legacy and new accreditation numbers**

Period	Legacy	New
Q2 (Year 9)	0	1,440
Q3 (Year 9)	0	455
Q4 (Year 9)	0	54
Q1 (Year 10)	0	18

**Figure 4: Cumulative accreditations by application type**

Period	Legacy	New	Total
Q2 (Year 9)	23,434	90,612	114,046
Q3 (Year 9)	23,434	90,684	114,118
Q4 (Year 9)	23,434	90,720	114,154
Q1 (Year 10)	23,434	90,821	114,255

**Payments made to date**

The total number of payments made to accredited systems since the scheme began, by technology type are shown below. Since scheme launch, accredited systems have generated approximately 8,302 GWh of renewable heat.

**Biomass****£353.4**

million

**Air Source Heat  
Pump (ASHP)****£322.6**

million

**Ground Source Heat  
Pump (GSHP)****£285.9**

million

**Solar Thermal****£18.6**

million

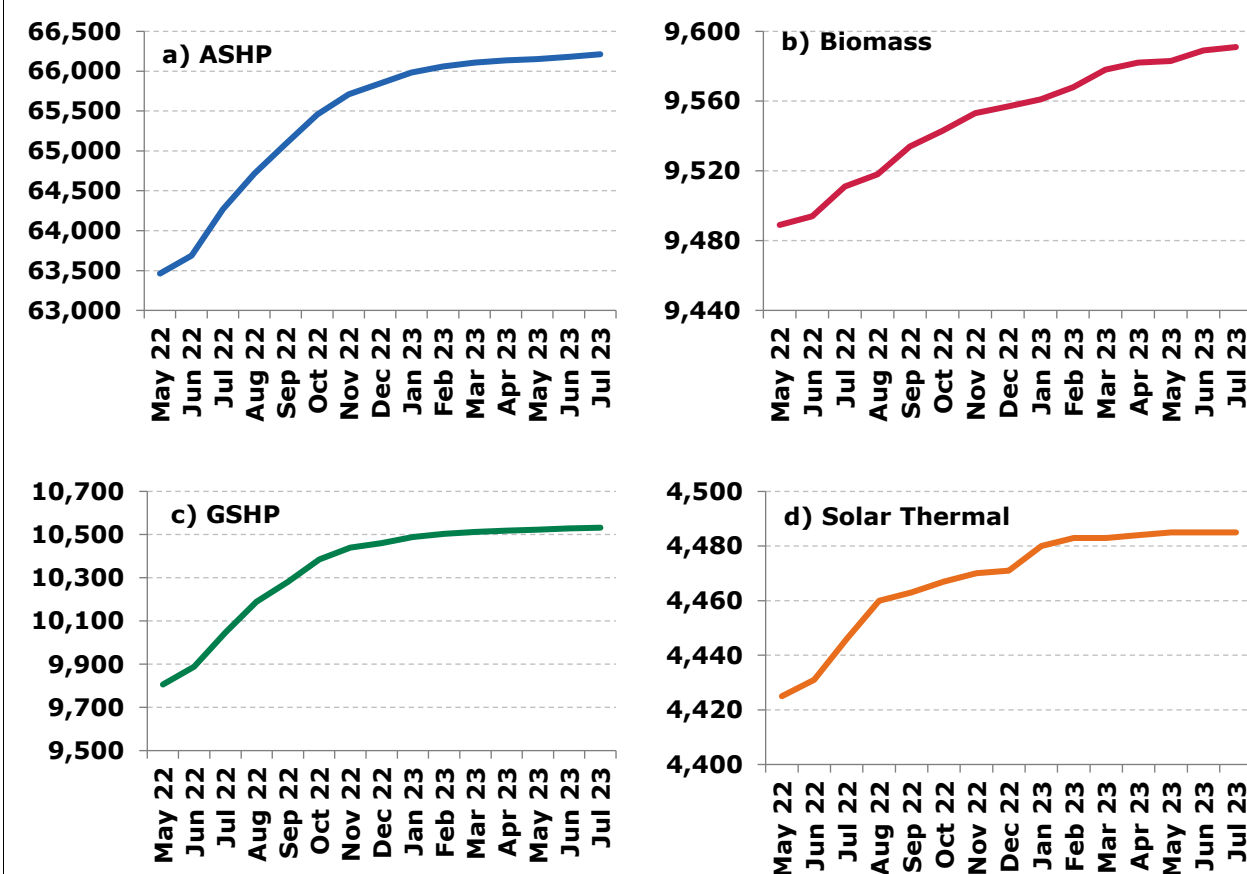
<sup>2</sup> Due to an error, the number of accreditations published here differs to the DRHI Annual Report published on 31 July 2023. At the time of writing, figures in the annual report are due to be corrected.

## Accreditations by technology for new applications

The graph below shows the cumulative number of accredited systems per technology type for new systems only (systems commissioned on or after 9 April 2014). Air Source Heat Pumps continue to be the most popular technology type installed under the DRHI scheme, accounting for 77.2% of total new accreditations this quarter.

**Figure 5 (a-d): Cumulative accreditations 'by technology type for 'New' systems**

The charts below show cumulative accreditation numbers across all technology types. As expected, the increase in accredited installations is slowing as the pool of outstanding applications following scheme closure reduces.



**Figure 6: Cumulative accreditations by technology type for 'New' systems**

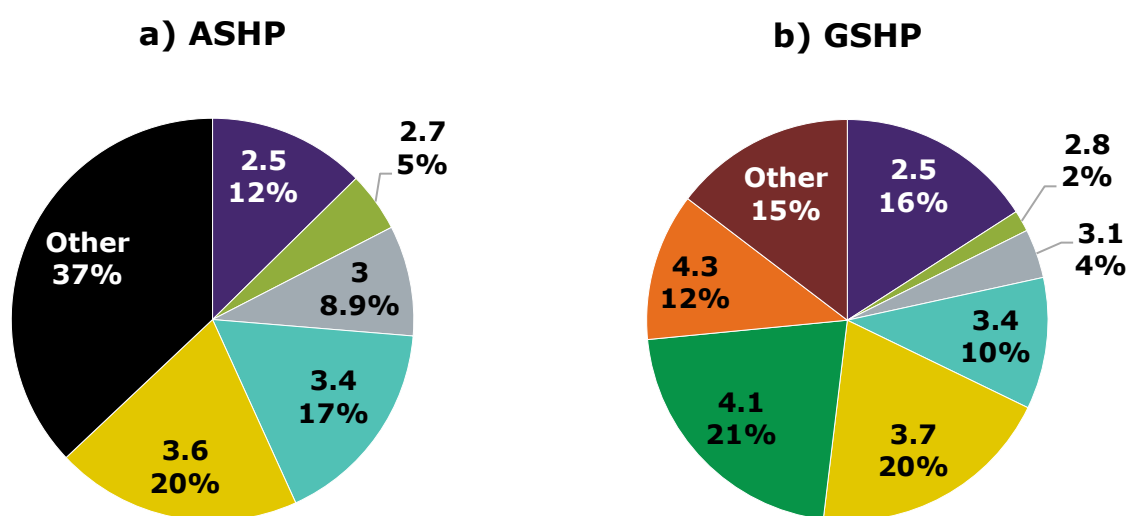
Period	ASHP	Biomass	GSHP	Solar Thermal
Q2 (Year 9)	66,074	9,574	10,510	4,484
Q3 (Year 9)	66,103	9,580	10,516	4,484
Q4 (Year 9)	66,135	9,582	10,519	4,484
Q1 (Year 10)	66,213	9,591	10,532	4,485

## Seasonal Performance Factors

The Seasonal Performance Factor (SPF) of a heat pump is a measure of how efficiently it is operating. The higher the SPF, the more energy efficient the system is. Only heat pumps with SPF of 2.5 or higher can be eligible for Domestic RHI. All legacy systems were automatically assigned an SPF of 2.5, unless the applicant provided SPF calculations completed by the installer.

**Figure 7 (a & b): Heat Pump SPFs**

The charts show ASHP registering higher SPF levels in the 3.4 to 3.6 range, form 37% of installations. The proportion of GSHP with higher SPF levels between 3.7 to 4.3 stood at 53%.



**Figure 8: ASHP SPFs**

SPF	2.5	2.7	3.0	3.4	3.6	Other
% of installations	12.8%	4.9%	8.9%	16.9%	19.7%	36.7%

**Figure 9: GSHP SPFs**

SPF	2.5	2.8	3.1	3.4	3.7	4.1	4.3	Other
% of installations	16.3%	1.7%	4.0%	10.7%	19.7%	21.5%	11.7%	14.3%

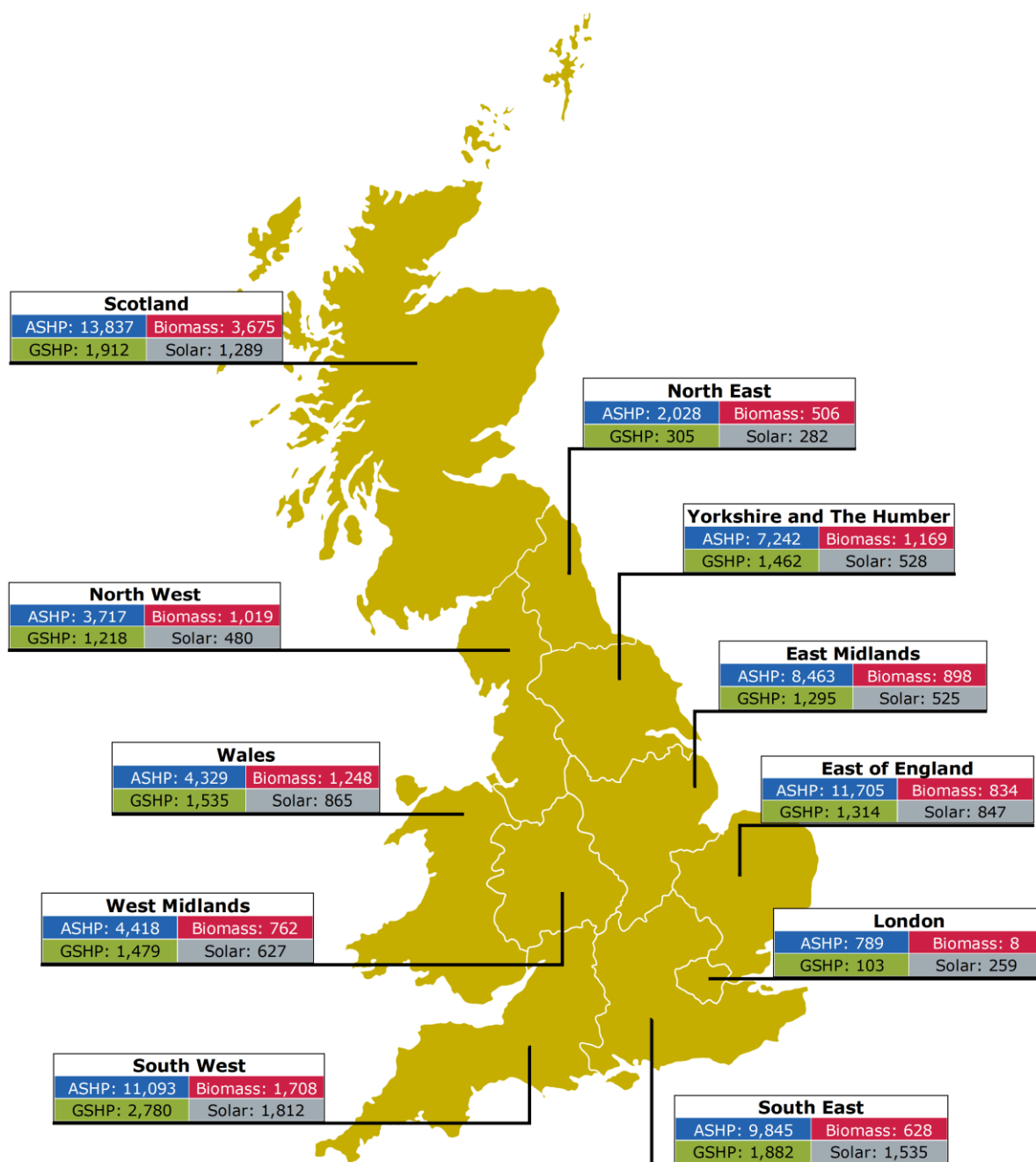
## Regional distribution of accreditations

**Figure 10: Total accreditations per region**

Location	ASHP	Biomass	GSHP	Solar Thermal	Grand Total
South West England	11,093	1,708	2,780	1,812	<b>17,393</b>
East England	11,705	834	1,314	847	<b>14,700</b>
South East England	9,845	628	1,882	1,535	<b>13,890</b>
East Midlands	8,463	898	1,295	525	<b>11,181</b>
Yorkshire and The Humber	7,242	1,169	1,462	528	<b>10,401</b>
Highlands & Islands	5,851	1,269	568	540	<b>8,228</b>
Wales	4,329	1,248	1,535	865	<b>7,977</b>
West Midlands	4,418	762	1,479	627	<b>7,286</b>
North West England	3,717	1,019	1,218	480	<b>6,434</b>
Southern Scotland	4,412	1,056	405	160	<b>6,033</b>
East Scotland	2,110	872	560	384	<b>3,926</b>
North East England	2,028	506	305	282	<b>3,121</b>
North East Scotland	868	341	306	175	<b>1,690</b>
London	789	8	103	259	<b>1,159</b>
West Central Scotland	596	137	73	30	<b>836</b>
<b>Grand Total</b>	<b>77,466</b>	<b>12,455</b>	<b>15,285</b>	<b>9,049</b>	<b>114,255</b>

**Figure 11: Regional distribution of accredited systems by technology type**

This map<sup>3</sup> of the UK shows the number of systems accredited to the scheme across each region. The South West has the highest number of accredited installations totalling 17,393. In contrast, London has the lowest number of accreditations at 1,159.



<sup>3</sup> We have combined the Scottish regions on this map to create consistency with the way we report regional information across the schemes we administer. A breakdown of regional information for Scotland is still provided in Figure 10.

## Registered Social Landlords

In addition to homeowners, Registered Social Landlords (RSLs) were also eligible to apply for the Domestic RHI. In the last twelve months, 127 accreditations have been made to RSLs, all of which were for ASHPs. All RSL applications have now been processed.

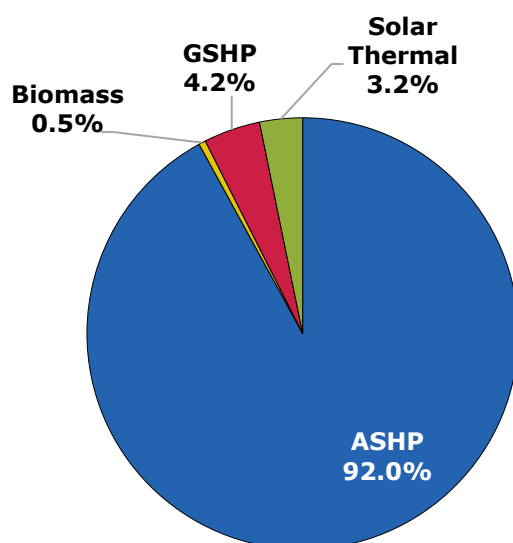
**Figure 12: Registered Social Landlord accreditations by technology in the last year**

Period	ASHP	Biomass	GSHP	Solar Thermal
Q2 (Year 9)	74	0	0	0
Q3 (Year 9)	53	0	0	0
Q4 (Year 9)	0	0	0	0
Q1 (Year 10)	0	0	0	0

In total 23,606 accreditations have been granted to RSLs for which we have made over **£73.1m** of payments to Registered Social Landlords under the DRHI scheme to date.

**Figure 13: Registered Social Landlord accreditations by technology since scheme launch**

*This chart shows ASHPs account for the majority of RSL accreditations at 92.0% (21,724) followed by GSHP 4.2% (1,003), Solar Thermal 3.2% (757) and Biomass 0.5% (122).*



## Our Administration

- Of the outstanding applications in the queue at scheme closure, **99.9%** have now been processed leaving 5 awaiting a decision.
- The remaining applications are complex cases for which we are engaging with applicants to gather information necessary to reach a decision.
- If you have any questions about the content of this report, please let us know by emailing: [domesticRHI@ofgem.gov.uk](mailto:domesticRHI@ofgem.gov.uk).