

# Boiler Upgrade Scheme (BUS)

**30 NOV 2023**

## Quarterly Report

### Issue 6 – August to October 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 sixth BUS quarterly report since the scheme launched on 23 May 2022 and covers the period from 1 August 2023 until 31 October 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 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. We also publish a more detailed annual report by 31 July each year.<sup>3</sup>

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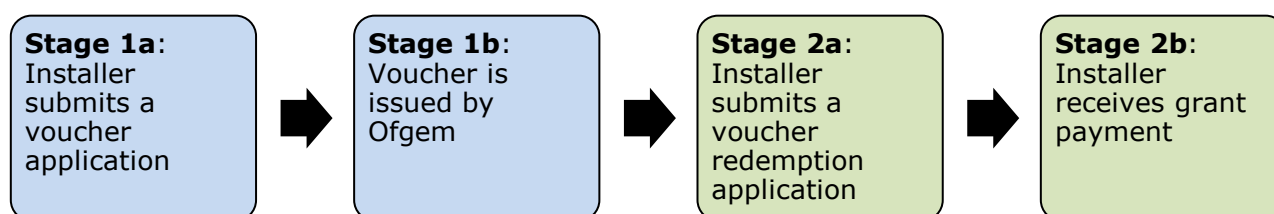
<sup>1</sup> Regulation 30(3) – [Boiler Upgrade Scheme \(England and Wales\) Regulations 2022](https://www.legislation.gov.uk/ukxi/2022/565/contents/made): <<https://www.legislation.gov.uk/ukxi/2022/565/contents/made>>

<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 if the pre-installation 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	2,500	£12,550,000
Aug 2022 to Oct 2022	4,552	3,396	£17,083,000
Nov 2022 to Jan 2023	4,062	3,225	£16,214,000
Feb 2023 to Apr 2023	4,020	3,067	£15,432,000
May 2023 to Jul 2023	4,437	2,887	£14,539,000
Aug 2023 to Oct 2023 <sup>7</sup>	6,005	2,568	£15,763,000
<b>Total</b>	<b>27,443</b>	<b>17,643</b>	<b>£91,581,000</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.

<sup>7</sup> The grant level for air source heat pumps (£5,000) and ground source heat pumps (£6,000) increased to £7,500. Between the announcement of the grant uplift in late September 2023 and the uplift on 23 October 2023 we saw a sharp reduction in the volume of applications received. Subsequently, between 23 October 2023 and the end of the reported quarterly period there was a significant increase in the application volumes. [Further information on the grant uplift:](https://www.gov.uk/government/publications/boiler-upgrade-scheme-changes-to-grant-levels) <<https://www.gov.uk/government/publications/boiler-upgrade-scheme-changes-to-grant-levels>>

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

Quarterly Period	Voucher redemption applications received <sup>8</sup>	Grants paid <sup>9</sup>	Value of grant payments
May 2022 to Jul 2022	1,189	908	£4,544,000
Aug 2022 to Oct 2022	3,439	3,184	£15,954,000
Nov 2022 to Jan 2023	3,523	3,546	£17,815,000
Feb 2023 to Apr 2023	3,108	3,204	£16,095,000
May 2023 to Jul 2023	2,920	2,921	£14,712,000
Aug 2023 to Oct 2023	2,508	2,332	£11,745,000
<b>Total</b>	<b>16,687</b>	<b>16,095</b>	<b>£80,865,000</b>

**Annual budget overview**

Scheme budget is allocated based on the number of vouchers issued at stage 1. Between scheme launch on 23 May 2022 and the end of Year 1 on 31 March 2023, £50,999,000 was allocated from the original £150 million Year 1 budget.<sup>10</sup>

From the £150 million budget for Year 2 (1 April 2023 – 31 March 2024), £40,582,000 has been allocated to date, leaving £109,418,000 still available.

<sup>8</sup> Due to the way voucher redemption applications are processed the numbers shown for previous quarters may have changed from previous reports.

<sup>9</sup> These figures include grants that have been paid out but have later been revoked or the payment value recouped during the audit and compliance process.

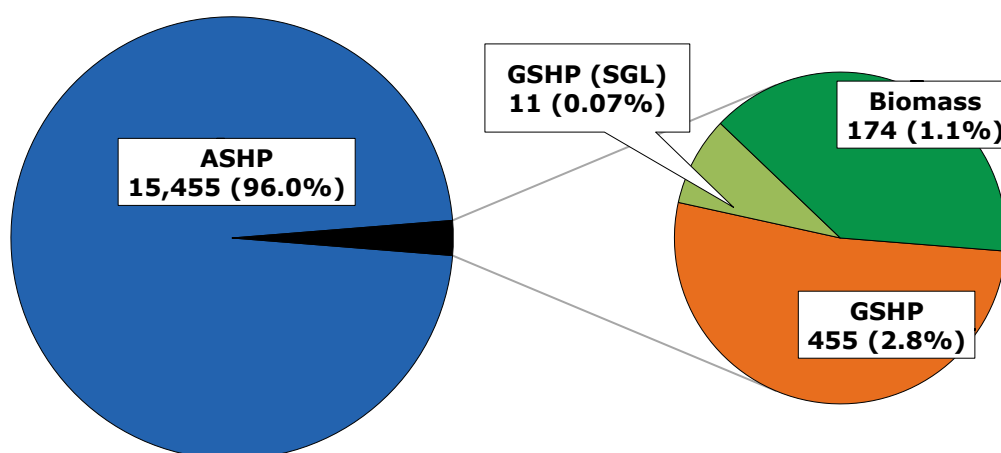
<sup>10</sup> N.B. Unspent budget is not carried over to the next scheme year.

## 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 16,095 grants paid to date 15,455 or 96.0% were for air source heat pumps (ASHP). There were 455 grants paid for ground source heat pumps (GSHP), 174 for biomass boilers and 11 for shared ground loop (SGL) GSHPs.



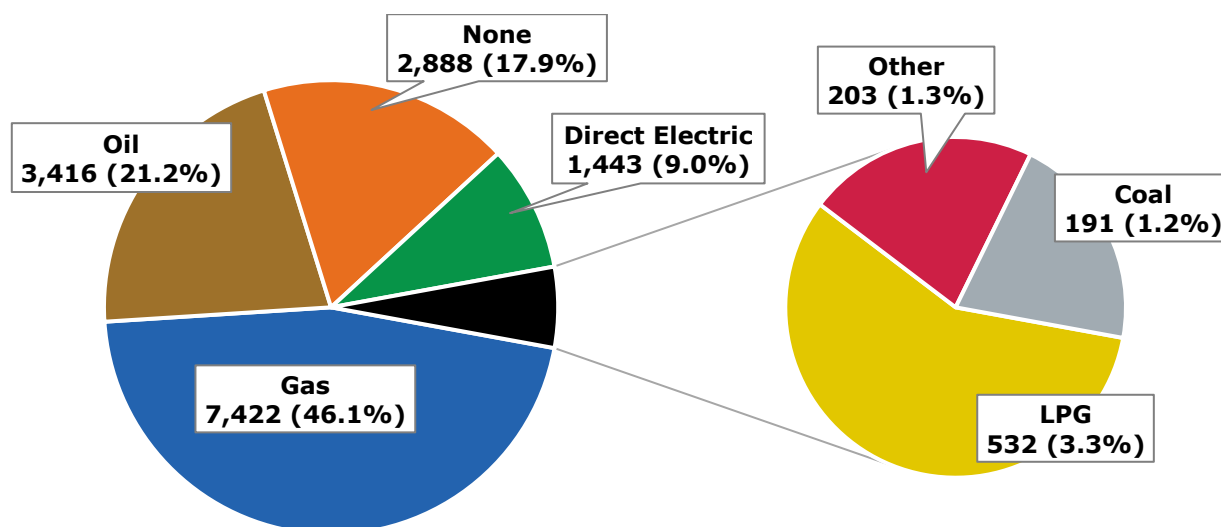
	ASHP	GSHP	Biomass	GSHP (SGL)
May 2022 to Jul 2022	885	12	9	2
Aug 2022 to Oct 2022	3,094	54	36	0
Nov 2022 to Jan 2023	3,385	107	50	4
Feb 2023 to Apr 2023	3,075	92	34	3
May 2023 to Jul 2023	2,789	105	25	2
Aug 2023 to Oct 2023	2,227	85	20	0
<b>Total</b>	<b>15,455</b>	<b>455</b>	<b>174</b>	<b>11</b>

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

	ASHP	GSHP	Biomass	GSHP (SGL)	Total	Total (%)
South West	2,990	127	46	5	3,168	19.7%
South East	2,959	74	3	0	3,036	18.9%
East of England	2,037	40	6	0	2,083	12.9%
East Midlands	1,611	32	6	2	1,651	10.3%
Yorkshire and The Humber	1,566	53	4	0	1,623	10.1%
West Midlands	1,171	42	12	4	1,229	7.6%
North West	1,169	37	17	0	1,223	7.6%
Wales	856	31	61	0	948	5.9%
London	678	9	0	0	687	4.3%
North East	418	10	19	0	447	2.8%

**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 46.1% of the total. Oil was the second most common at 21.2%. Overall, replaced fossil fuelled systems account for 71.8% of grants paid. An additional 2,916 of the grants paid were for heating systems in eligible self-build<sup>11</sup> properties.



	Gas	Oil	Direct Electric	LPG	Other	Coal	None
May 2022 to Jul 2022	482	241	55	42	9	12	67
Aug 2022 to Oct 2022	1,509	812	259	115	35	39	415
Nov 2022 to Jan 2023	1,585	791	328	130	39	40	633
Feb 2023 to Apr 2023	1,426	608	317	95	41	46	671
May 2023 to Jul 2023	1,372	529	255	93	48	26	598
Aug 2023 to Oct 2023	1,048	435	229	57	31	28	504
<b>Total</b>	<b>7,422</b>	<b>3,416</b>	<b>1,443</b>	<b>532</b>	<b>203</b>	<b>191</b>	<b>2,888</b>

<sup>11</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.

The number of grants paid where no heating system has been replaced ('None' category) is lower than the number of eligible self-builds. Although most of the support was received by newly constructed buildings or conversions of buildings without previous heating ('None'), a proportion of eligible self-builds were conversions where a non-domestic heating system was replaced.

### 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>12</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>12</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>>