

Boiler Upgrade Scheme (BUS)

29 FEB 2024

Quarterly Report

Issue 7 – November 2023 to January 2024

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 seventh BUS quarterly report since the scheme launched on 23 May 2022 and covers the period from 1 November 2023 until 31 January 2024.

Reporting Period	Publication deadline
February to April	31 May
May to July	31 August
August to October	30 November
November to January	28/29 February

In addition to this quarterly report, we 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. We also publish a more detailed annual report by 31 July each year.³

¹ 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>>

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

³ 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.⁴

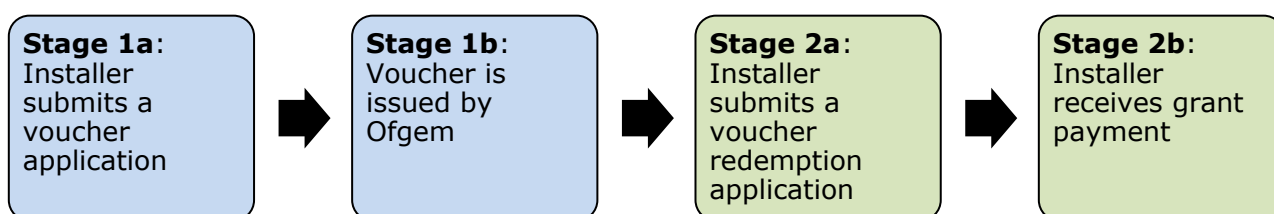


Figure 1: Voucher applications and vouchers issued (stage 1)

Quarterly Period	Voucher applications received ⁵	Vouchers issued ⁶	Value of vouchers issued
May 2022 to Jul 2022	4,367	2,499	£12,545,000
Aug 2022 to Oct 2022	4,552	3,388	£17,042,000
Nov 2022 to Jan 2023	4,062	3,213	£16,154,000
Feb 2023 to Apr 2023	4,020	3,074	£15,467,000
May 2023 to Jul 2023	4,437	2,878	£14,487,000
Aug 2023 to Oct 2023 ⁷	6,005	2,285	£14,114,500
Nov 2023 to Jan 2024	5,981	5,796	£43,248,500
Total	33,424	23,133	£133,058,000

⁴ [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>>

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

⁶ These figures do not include vouchers that were issued but have since expired or have been revoked/withdrawn so the historical figures may have changed from previous reports. Also note that we have corrected some data errors affecting the date of voucher issue on a number of historical applications, this issue has not impacted the number of vouchers issued.

⁷ 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, from 23 October onwards there was a significant increase in 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 ⁸	Grants paid ⁹	Value of grant payments
May 2022 to Jul 2022	1,189	927	£4,650,000
Aug 2022 to Oct 2022	3,439	3,219	£16,152,000
Nov 2022 to Jan 2023	3,523	3,535	£17,772,000
Feb 2023 to Apr 2023	3,108	3,155	£15,862,000
May 2023 to Jul 2023	2,920	2,903	£14,622,000
Aug 2023 to Oct 2023	2,508	2,341	£11,790,000
Nov 2023 to Jan 2024	4,610	4,417	£32,510,500
Total	21,295	20,497	£113,358,500

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.¹⁰

From the £150 million budget for Year 2 (1 April 2023 – 31 March 2024), £82,059,000 has been allocated up until the end of January 2024, leaving £67,941,000 still available.

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

⁹ 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. Also note that we have corrected some data errors affecting the date of grant payment on a number of historical applications, this has not impacted the number of grants paid.

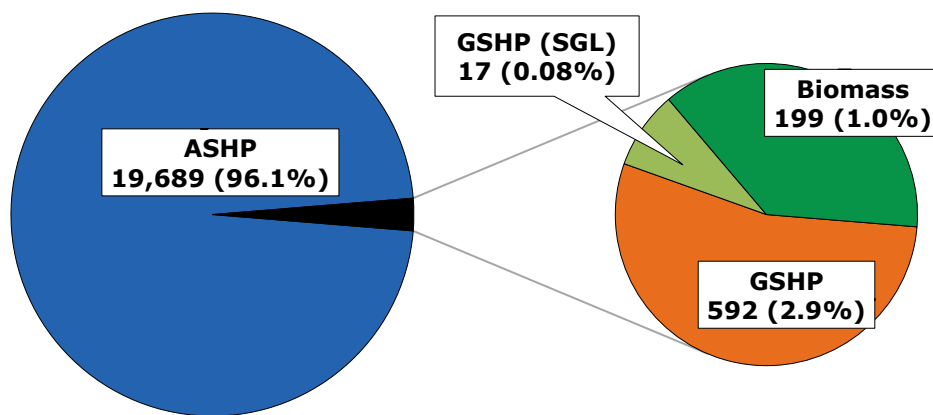
¹⁰ N.B. Unspent budget is not carried over to the next scheme year.

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 20,497 grants paid to date 19,689 or 96.1% were for air source heat pumps (ASHP). There were 592 grants paid for ground source heat pumps (GSHP), 199 for biomass boilers and 17 for shared ground loop (SGL) GSHPs.



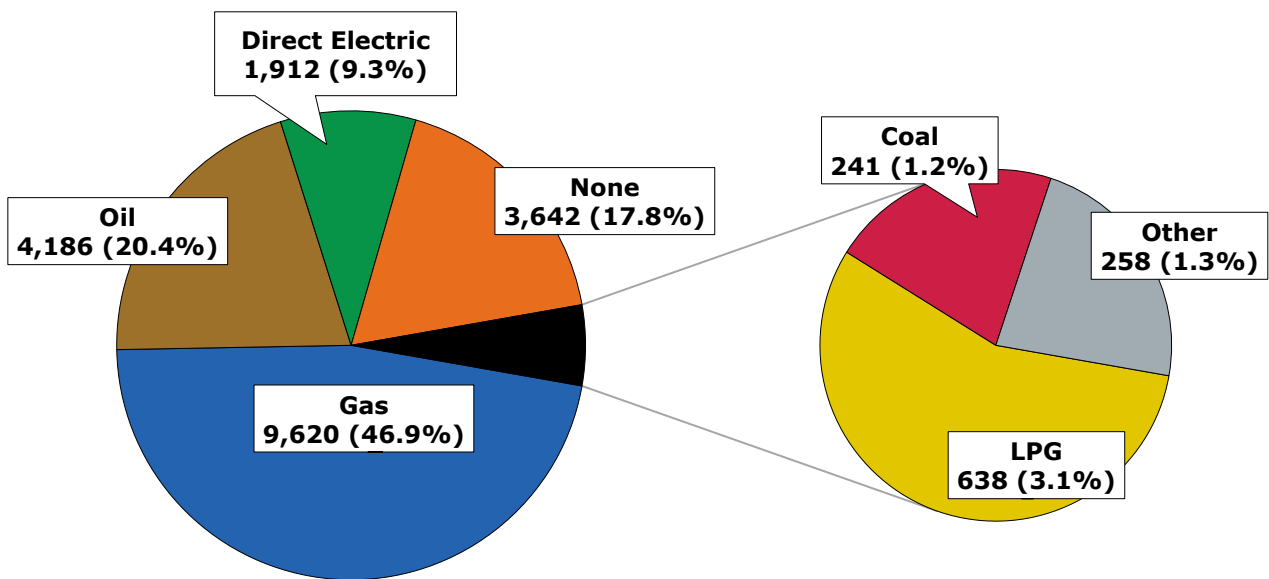
	ASHP	GSHP	Biomass	GSHP (SGL)
May 2022 to Jul 2022	903	13	9	2
Aug 2022 to Oct 2022	3,123	57	39	0
Nov 2022 to Jan 2023	3,380	103	48	4
Feb 2023 to Apr 2023	3,031	89	32	3
May 2023 to Jul 2023	2,771	105	25	2
Aug 2023 to Oct 2023	2,236	85	20	0
Nov 2023 to Jan 2024	4,245	140	26	6
Total	19,689	592	199	17

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

	ASHP	GSHP	Biomass	GSHP (SGL)	Total	Total (%)
South West	3,720	165	54	9	3,948	19.3%
South East	3,782	103	3	0	3,888	19.0%
East of England	2,618	53	8	0	2,679	13.1%
East Midlands	2,032	38	7	3	2,080	10.1%
Yorkshire and The Humber	1,981	69	5	0	2,055	10.0%
West Midlands	1,501	52	13	4	1,570	7.7%
North West	1,500	42	17	0	1,559	7.6%
Wales	1,073	44	68	1	1,186	5.8%
London	960	12	0	0	972	4.7%
North East	522	14	24	0	560	2.7%

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 46.9% of the total. Oil was the second most common at 20.4%. Overall, replaced fossil fuelled systems account for 71.6% of grants paid. An additional 3,679 of the grants paid were for heating systems in eligible self-build¹¹ properties.



	Gas	Oil	Direct Electric	LPG	Other	Coal	None
May 2022 to Jul 2022	498	242	55	42	10	12	68
Aug 2022 to Oct 2022	1,511	819	269	117	38	38	427
Nov 2022 to Jan 2023	1,579	786	332	128	40	40	630
Feb 2023 to Apr 2023	1,416	601	300	95	37	46	660
May 2023 to Jul 2023	1,357	529	255	92	45	25	600
Aug 2023 to Oct 2023	1,053	437	229	58	32	28	504
Nov 2023 to Jan 2024	2,206	772	472	106	56	52	753
Total	9,620	4,186	1,912	638	258	241	3,642

¹¹ 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

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.¹²

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**

¹² [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>>