

## Boiler Upgrade Scheme (BUS)

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# Quarterly Report – Issue 10

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This is the Boiler Upgrade Scheme (BUS) quarterly report, updating key scheme statistics to include the period from 1 August 2024 to 31 October 2024.

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## Introduction

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 (as amended)<sup>1</sup>. This is the tenth BUS quarterly report since the scheme launched on 23 May 2022 and covers the period from 1 August 2024 until 31 October 2024.

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 publish a more detailed breakdown of the budget position for the financial year 2024/25 in a fortnightly overview.<sup>3</sup> The Department for Energy Security and Net Zero also publish monthly statistics on GOV.UK.<sup>4</sup> We also publish a more detailed annual report by 31 July each year.<sup>5</sup>

## Contacts

For more information [visit the Ofgem website](#)<sup>6</sup>. You will find details about how the scheme works, including guidance for property owners and installers.

If you can't find the information you need on our website, our customer service team will be happy to help on **0330 053 2289** or email [bus.enquiry@ofgem.gov.uk](mailto:bus.enquiry@ofgem.gov.uk).

## Press enquiries

For press enquiries please contact Ofgem's press office at [press@ofgem.gov.uk](mailto:press@ofgem.gov.uk)

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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>>

The regulations were amended in May 2024 - [The Boiler Upgrade Scheme \(England and Wales\) \(Amendment\) Regulations 2024](#): <<https://www.legislation.gov.uk/ukxi/2024/524/contents/made>>

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

<sup>3</sup> [BUS fortnightly budget overview](#) <https://www.ofgem.gov.uk/publications/boiler-upgrade-scheme-fortnightly-budget-overview>

<sup>4</sup> [Monthly DESNZ BUS statistics](#): <<https://www.gov.uk/government/collections/boiler-upgrade-scheme-statistics>>

<sup>5</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, whereas the quarters are: 1 February to 30 April, 1 May to 31 July, 1 August to 31 October, and 1 November to 31 January.

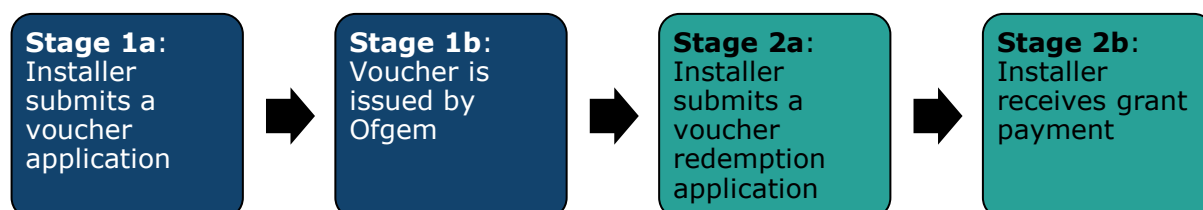
<sup>6</sup> [Boiler Upgrade Scheme \(BUS\) Ofgem](#) <<https://www.ofgem.gov.uk/environmental-and-social-schemes/boiler-upgrade-scheme-bus>>

## BUS voucher summary

This section provides information and statistics on the BUS voucher application and redemption processes. This also includes an overview of the scheme's budget allocation relative to the annual budget.

### How does the BUS grant application work?

The BUS grant application is a two-stage process as illustrated in the flow chart below. Firstly, installers are required to submit a voucher application (stage 1a) where we check if the pre-installation eligibility criteria are met. If the application is successful, we issue the voucher (stage 1b). Following commissioning of an installation the installer can submit a voucher redemption application (stage 2a). Once we have established that the remaining eligibility requirements have been met, the grant payment is made (stage 2b). For further information on the BUS application process please refer to our BUS guidance for installers<sup>7</sup>.



A summary of applications at stage 1 of the process can be found in **Figure 1**, and a summary of applications at stage 2 can be found in **Figure 2**. The overall budget allocation is derived based on the committed spend through vouchers issued at stage 1, in addition to provisional allocations of budget for applications still in progress.

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<sup>7</sup> [BUS Guidance for Installers](https://www.ofgem.gov.uk/publications/boiler-upgrade-scheme-guidance-installers) <<https://www.ofgem.gov.uk/publications/boiler-upgrade-scheme-guidance-installers>>

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

Quarterly Period	Voucher applications received <sup>8</sup>	Vouchers issued <sup>9</sup>	Value of vouchers issued
May 2022 to Jul 2022	4,367	2,497	£12,535,000
Aug 2022 to Oct 2022	4,552	3,385	£17,027,000
Nov 2022 to Jan 2023	4,062	3,213	£16,153,000
Feb 2023 to Apr 2023	4,020	3,065	£15,422,000
May 2023 to Jul 2023	4,437	2,869	£14,442,000
Aug 2023 to Oct 2023	6,005	2,272	£14,163,000
Nov 2023 to Jan 2024	5,981	5,173	£38,728,500
Feb 2024 to Apr 2024	6,835	4,558	£34,135,000
May 2024 to Jul 2024	8,723	6,267	£46,920,000
Aug 2024 to Oct 2024	9,970	6,227	£46,655,000
<b>Total</b>	<b>58,952</b>	<b>39,526</b>	<b>£256,180,500</b>

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

<sup>9</sup> These figures do not include vouchers that were issued but have since expired or have been revoked/withdrawn so the figures may have changed from previous reports. As vouchers for air source heat pumps (ASHP) and biomass boilers are valid for three months, unredeemed vouchers from the previous quarter are now expiring. The number of vouchers issued and the associated value have fallen from what was previously reported. This correlates to around 10% of ASHP and biomass boiler vouchers expiring, in line with previous quarters.

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

Quarterly Period	Voucher redemption applications received <sup>10</sup>	Grants paid <sup>11</sup>	Value of grant payments
May 2022 to Jul 2022	1,189	905	£4,539,000
Aug 2022 to Oct 2022	3,439	3,180	£15,953,000
Nov 2022 to Jan 2023	3,520	3,543	£17,825,000
Feb 2023 to Apr 2023	3,111	3,194	£16,064,000
May 2023 to Jul 2023	2,920	2,893	£14,572,000
Aug 2023 to Oct 2023	2,506	2,331	£11,740,000
Nov 2023 to Jan 2024	4,610	4,406	£32,673,000
Feb 2024 to Apr 2024	4,499	4,630	£34,667,000
May 2024 to Jul 2024	5,572	5,245	£39,260,000
Aug 2024 to Oct 2024	6,849	7,090	£53,110,000
<b>Total</b>	<b>38,257</b>	<b>37,417</b>	<b>£240,403,000</b>

<sup>10</sup> Due to the way voucher redemption applications are processed the numbers shown for previous quarters may have changed from previous reports.

<sup>11</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.

## Annual budget overview<sup>12</sup>

Scheme budget allocation is derived based on the committed spend through vouchers issued at stage 1, in addition to provisional allocations for applications still in progress.

Between scheme launch on 23 May 2022 and the end of Year 1 on 31 March 2023, £50,059,000 was allocated from the original £150 million Year 1 budget.<sup>13</sup>

From the £150 million budget for Year 2 (1 April 2023 to 31 March 2024), £88,671,500 was allocated up until the end of the scheme year.

On 21 November 2024, the Department for Energy Security and Net Zero announced a further £30 million of funding will be made available for the 2024/2025 financial year<sup>14</sup>, increasing the total BUS Year 3 (1 April 2024 to 31 March 2025) budget to £180 million.

In addition, The Secretary of State for Energy Security and Net Zero has also given permission for Ofgem to over-allocate vouchers to a total of £250 million, to provide certainty that vouchers will continue to be available.

As of 31 October 2024, £142,912,500 has been allocated from the Year 3 budget, leaving £107,087,500 still available, including the £70,000,000 over-allocation amount.

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<sup>12</sup> Scheme years run from 1 April – 31 March and are not aligned with reporting quarters (1 February to 30 April, 1 May to 31 July, 1 August to 31 October, and 1 November to 31 January).

<sup>13</sup> N.B. Unspent budget is not carried over to the next scheme year.

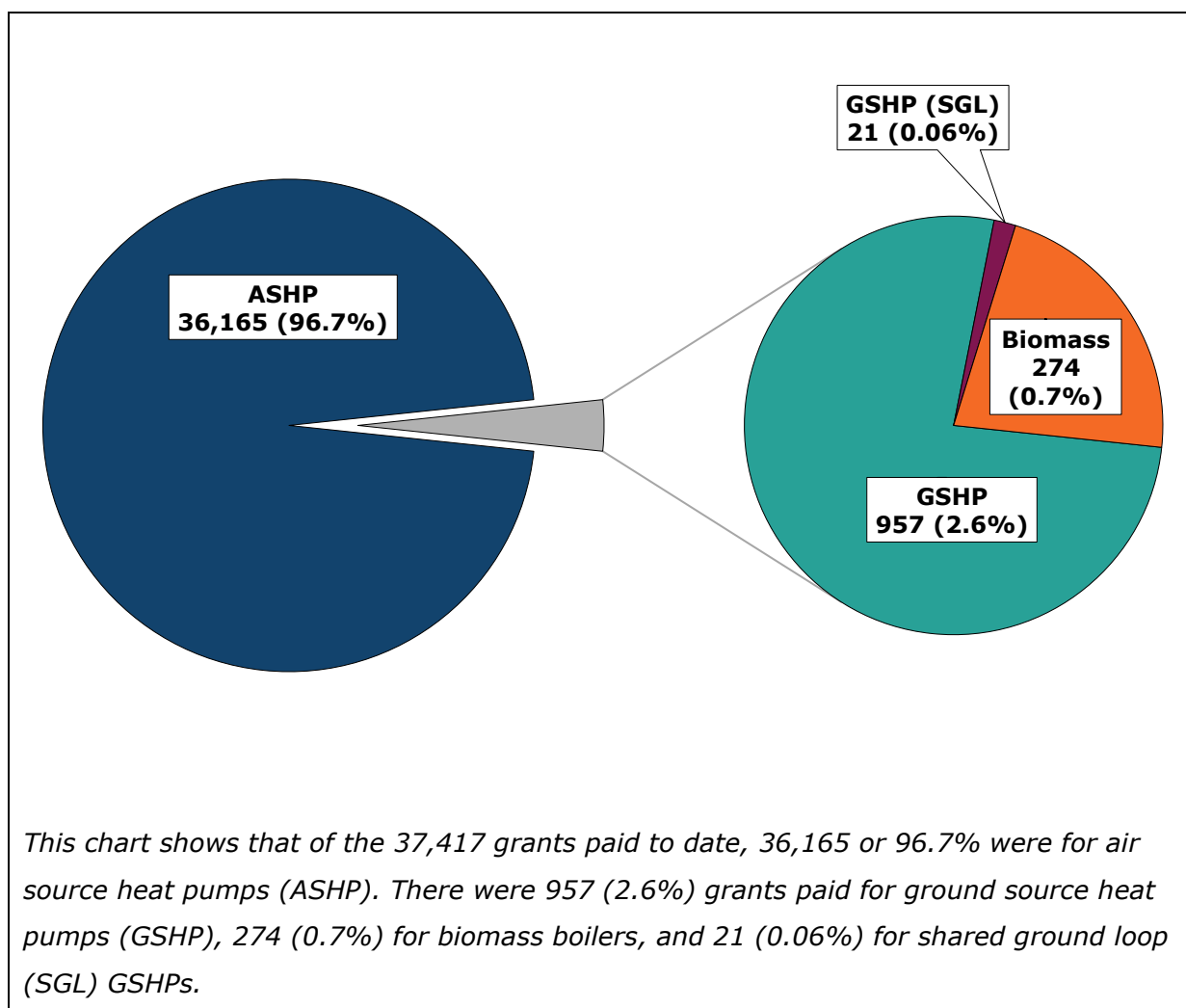
<sup>14</sup> [Help to save households money and deliver cleaner heat to homes - GOV.UK](https://www.gov.uk/government/news/help-to-save-households-money-and-deliver-cleaner-heat-to-homes):

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## Grants paid

This section provides information on installations for which grants have been paid (at the completion of stage 2) throughout the scheme's lifetime. This includes a breakdown of grants paid by technology type, by region, and in terms of what heating system was replaced.

**Figure 3: Grants paid by technology type**



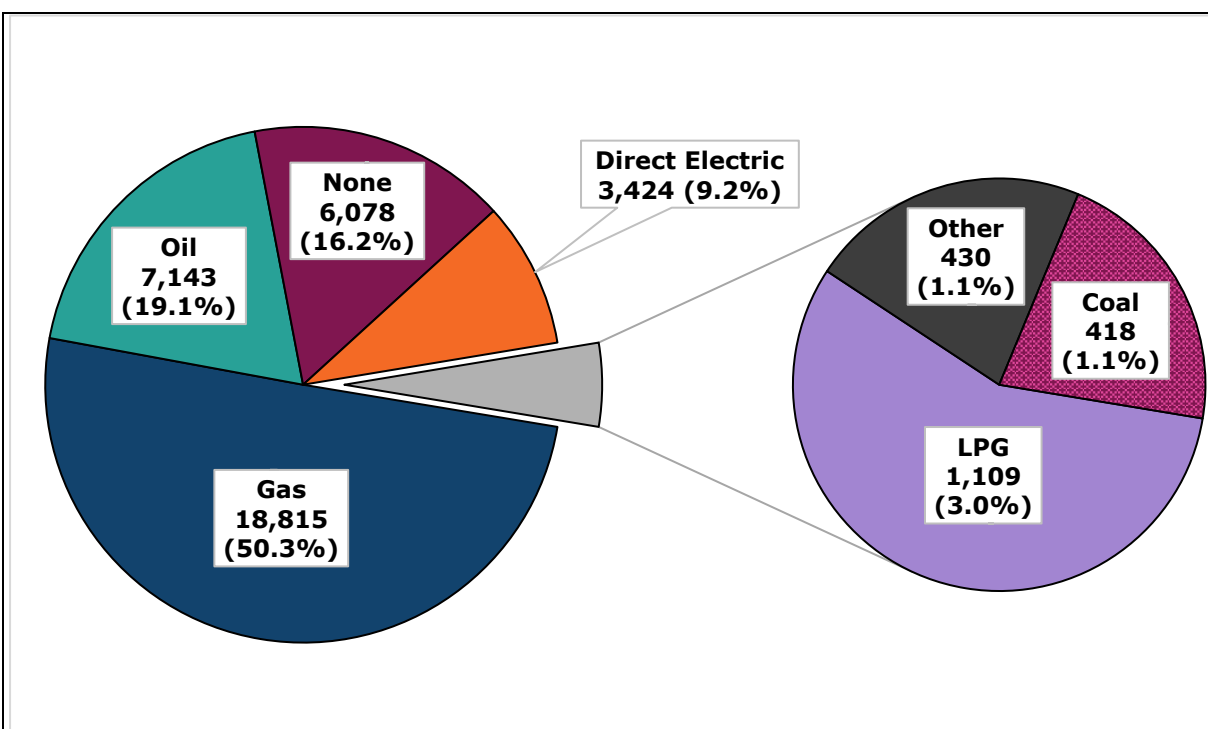


**Figure 4: Grants paid by technology type**

Quarterly Period	ASHP	GSHP	Biomass	GSHP-SGL
May 2022 to Jul 2022	882	12	9	2
Aug 2022 to Oct 2022	3,092	53	35	0
Nov 2022 to Jan 2023	3,383	106	50	4
Feb 2023 to Apr 2023	3,067	91	33	3
May 2023 to Jul 2023	2,761	105	25	2
Aug 2023 to Oct 2023	2,226	85	20	0
Nov 2023 to Jan 2024	4,235	139	26	6
Feb 2024 to Apr 2024	4,499	109	20	2
May 2024 to Jul 2024	5,081	132	31	1
Aug 2024 to Oct 2024	6,939	125	25	1
<b>Total</b>	<b>36,165</b>	<b>957</b>	<b>274</b>	<b>21</b>

**Figure 5: Regional distribution of grants paid by technology type**

Region	ASHP	GSHP	Biomass	GSHP-SGL	Total	Total %
South East	7,236	190	5	2	<b>7,433</b>	<b>19.9%</b>
South West	6,525	260	68	10	<b>6,863</b>	<b>18.3%</b>
East of England	4,964	89	9	0	<b>5,062</b>	<b>13.5%</b>
East Midlands	3,666	65	6	3	<b>3,740</b>	<b>10.0%</b>
Yorkshire and The Humber	3,497	96	5	0	<b>3,598</b>	<b>9.6%</b>
North West	2,842	71	27	0	<b>2,940</b>	<b>7.9%</b>
West Midlands	2,761	74	17	5	<b>2,857</b>	<b>7.6%</b>
Wales	1,748	73	108	1	<b>1,930</b>	<b>5.2%</b>
London	1,929	21	0	0	<b>1,950</b>	<b>5.2%</b>
North East	997	18	29	0	<b>1,044</b>	<b>2.8%</b>

**Figure 6: 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 50.3% of the total. Oil was the second most common at 19.1%. Overall, replaced fossil fuelled systems account for 73.5% of grants paid. An additional 6,106 of the grants paid were for heating systems in eligible self-build<sup>15</sup> properties, accounting for 16.3% of total installations.*

<sup>15</sup> New build properties are not eligible for the scheme except for certain 'self-builds'. An eligible self-build must have been built mainly using the labour or resources of the first owner, and the new building must never have been owned by a business or organisation.

Most self-builds are classed as not replacing an existing heating system ('None' category), as the grants are usually paid towards installations in newly constructed buildings or conversions of buildings without previous heating. However, a small proportion of self-builds were conversions where a non-domestic heating system was replaced. Therefore, the number of grants paid where no heating system has been replaced is lower than the number of eligible self-builds.

**Figure 6: Original heating systems replaced**

Quarterly Period	Gas	Oil	None	Direct Electric	LPG	Other	Coal
May 2022 to Jul 2022	482	238	68	54	42	9	12
Aug 2022 to Oct 2022	1,510	814	417	252	115	34	38
Nov 2022 to Jan 2023	1,589	788	634	322	129	41	40
Feb 2023 to Apr 2023	1,421	609	667	314	96	42	45
May 2023 to Jul 2023	1,349	529	597	255	93	45	25
Aug 2023 to Oct 2023	1,047	437	501	229	58	31	28
Nov 2023 to Jan 2024	2,200	770	751	471	106	56	52
Feb 2024 to Apr 2024	2,272	843	807	479	145	42	42
May 2024 to Jul 2024	2,860	942	750	442	132	55	64
Aug 2024 to Oct 2024	4,085	1,173	886	606	193	75	72
<b>Total</b>	<b>18,815</b>	<b>7,143</b>	<b>6,078</b>	<b>3,424</b>	<b>1,109</b>	<b>430</b>	<b>418</b>