

Summary of Guidance Updates

Proposed Administration of Mid-scheme Changes to ECO4 and GBIS

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This document summarises the proposed updates that we plan to make to the guidance publications listed in the contents table below. We are seeking views on the clarity of these updates, and on that basis we are seeking feedback on the following questions:

1. The overall tone of the guidance - is the proposed guidance easy to read and understand? Are there any sections which could be better explained?
2. Is the proposed guidance clear and easy to use?
3. Are there any sections of the proposed guidance which are ambiguous?

Please note that this summary document is published on a draft basis, and, unless indicated otherwise, should not be followed until full guidance documents are published following the consultation period. Several of the proposed changes to Ofgem's administration of the current Energy Company Obligation scheme (ECO4) and the Great British Insulation Scheme (GBIS), and the resulting updates to our guidance, will not come into effect until legislative amendments have been made by government. Please also be aware that proposed updates to guidance in this document pertain to specific policy areas, and may not include updates made to the same guidance sections in other policy areas as set out within other sections of this document. We will consolidate these updates in the publication of full guidance documents.

We are planning to publish updated versions of our guidance later this year, and as such we welcome your suggestions for changes or improvements to these proposed updates by 12 May 2025. Please send your response to ECO@ofgem.gov.uk using the response template published separately.

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ECO4 Delivery Guidance

ECO4 counting towards GBIS obligation

New sentence after paragraph **2.14**:

Suppliers may reassign ECO4 ABS to their GBIS obligation. See [section outlined in ECO4 counting towards GBIS obligation] in the GBIS Administration guidance for further details.

Loft and cavity wall insulation in the same GBIS project

No update to guidance proposed.

Smart thermostats

No update to guidance proposed.

References to PAS 2023

All references to PAS2030:2019 and PAS2035:2019 will be updated to PAS2030:2023 and PAS2035:2023 respectively. A note will be made that during the transition period up to 30 March 2025, either the old or new standard may be used. From 30 March 2025, the old standards are no longer applicable and only the new standards can be used.

TrustMark Certificates of Lodgement

4.18. Compliance with PAS will be evidenced through TrustMark registration and their Quality Assurance Framework. Any measure covered by PAS, and any project containing such measures (including MCS), should be lodged with Trustmark and awarded a relevant certificate of lodgement as a requirement to become a qualifying action. Measures with a certificate of lodgement which fail to meet TrustMark requirements (communicated to Ofgem through the issuance of a non-compliance report) are not eligible and may be rejected.

5.250. TrustMark is responsible for ensuring compliance with PAS and MCS standards and that appropriate guarantees are in place. Measures installed according to PAS or MCS must be installed by, or under the responsibility of, a person who is registered with TrustMark for the purposes of that measure. A certificate of lodgement (CoL) is issued by TrustMark for these measures. Measures with a certificate of lodgement which fail to meet TrustMark requirements (communicated to Ofgem through the issuance of a non-compliance report) are not eligible and may be rejected.

TrustMark's remit covers DHC measures that involve the installation of a ground source heat pump at a domestic premises, which draws heat from a shared ground loop supplying multiple premises, but not any other DHC measures.

Building Fabric Repair

4.79. A Chartered Surveyor must have visited and inspected the property in person for the purposes of completing the survey, which should be for the purposes of assessing the condition of the insulation and related building fabric. A recommendation based on remote evidence such as photos or video is not sufficient. Instead, they must carry out stringent inspections, such as through use of a borescope to provide the level of certainty required. The process will also invalidate any existing guarantees present.

Rural Area Definition

Rural and Off-Gas Premises

3.67. ECO measures can be delivered in rural and off-gas premises. Projects delivered in rural off-gas properties in Wales and Scotland will receive an uplift of 35%.¹ In England, an uplift for measures delivered to off-gas premises will not apply as these homes are expected to receive support under the Home Upgrade Grant (HUG).

3.68. A 'rural area' refers to an area classified as rural in the '2021 Rural Urban Classification' document for properties in England and Wales,² and in the 'Scottish Government Urban Rural Classification 2022' document for properties in Scotland.³

3.69. See 5.108 for further information on off-gas premises.

¹ See Uplifts section from 6.135

² See [2021 Rural Urban Classification - Office for National Statistics](#)

³ See [Scottish Government Urban Rural Classification 2022 - gov.scot](#)

How to Determine Rural Premises

3.70. Only these two data sets can be used to determine whether a property is rural. Suppliers may use the ONS Postcode Directory⁴ to ensure measures are installed in eligible rural areas – ONS confirm that this product uses the correct datasets for ECO. Suppliers can look up a postcode and read off the value in the pop-up under 'Rural Urban Indicator' or download the correct datasets, find the relevant postcode, and read off the corresponding value in the 'RU21IND' column – see below for which codes indicate a rural location.⁵

3.71. In **Wales**, the Rural Urban Indicator Codes D1, D2, E1, E2, F1 and F2 qualify as rural areas. These represent the following rural areas:

- D1 – Town and Fringe
- D2 – Town and Fringe in a Sparse Setting
- E1 – Village
- E2 – Village in a Sparse Setting
- F1 – Hamlets and Isolated Dwellings
- F2 – Hamlets and Isolated Dwellings in a Sparse Setting

3.72. In Scotland, the classifications 6, 7 and 8 indicate as rural areas. This is based on the 8-fold classification as per Scottish Government Urban Rural Classification 2022⁶ and which are reflected in the ONS Postcode Directory and the Rural-Urban Classification for Output Areas Locator Tool. These areas represent the following rural areas:

- 6 – Accessible Rural Areas
- 7 – Remote Rural Areas
- 8 – Very Remote Rural Areas

Shared Ground Loops as IMs

No update to guidance proposed.

⁴ See [ONS Postcode Directory look-up - Office for National Statistics](#)

⁵ [TBC – not yet published]

⁶ In the 6-fold classification the equivalent rural areas are classified as 5 and 6. See table 2.1 [Scottish Government Urban Rural Classification 2022 - gov.scot](#)

Smart Meter Requirements

Smart meter requirements

5.247. To encourage the installation of smart meter installations, a voluntary pledge has been introduced to ECO4 and GBIS. It is a requirement to offer this pledge to consumers who do not current have a smart meter installed in their home.

5.248. The retrofit assessor will discuss the benefits of having a smart meter installed, and then ask if the consumer would like to opt in to sign a voluntary pledge. If they agree, the retrofit coordinator will lodge this with TrustMark using a tick box on the lodgement during the project creation. This will allow government to undertake future research into the success of this policy.

5.249. The responsibility for organising a smart meter installation will lie with the consumer, though the pledge should provide information on how to arrange an installation. We expect pledges to be created in line with government guidelines.⁷

5.250. The process of getting a smart meter installation continues as usual following the voluntary pledge.

5.251. There can be no penalties enforced if a consumer does not follow through with the installation following the pledge, or if a consumer chooses not to sign the pledge. The voluntary pledge has no impact on a consumer's eligibility for the scheme.

Solar PV batteries

5.220. Solar PV batteries can be installed during an ECO4 retrofit. This will not be added as a new measure type on the scheme and will not contribute to any ECO scoring. The installation of PV batteries does not have to be notified to Ofgem.

Off-gas hierarchy IOEs

5.120. A measure is 'not possible' to install in each level of the off-gas heating hierarchy if one of the following applies:

⁷ Exact web address to follow

d) The measure is not amongst the measures recommended in the most recent improvement options evaluation report produced, ahead of the retrofit design package being completed and the ECO project commencing.

e) where no improvement options evaluation report in relation to the premises has been produced at the start of the project and instead, one or more EPC recommendation reports have been issued for the premises; and the measure is not amongst the measures recommended in the most recent EPC recommendation report.

DRAFT

GBIS Delivery Guidance

ECO4 counting towards GBIS obligation

New sentence after paragraph **2.11**:

Suppliers may reassign ECO4 ABS to their GBIS obligation. See [section outlined in ECO4 counting towards GBIS obligation] in the GBIS Administration guidance for further details.

Loft and cavity wall insulation in the same GBIS project

1.6. The Great British Insulation Scheme continues ECO4's focus on improving the least energy efficient homes.

4.18. All measures in a retrofit, both insulation and heating, must be completed within 3 months of the DOCI of the first insulation measure to be installed in that retrofit.

New section added after paragraph **5.50**:

Multiple insulation measures

5.51. Two separate insulation measures may be eligible in the same GBIS retrofit where both measures are:

- Installed in the same retrofit
- Promoted by the same supplier
- A measure type from the below list:
 - Cavity wall
 - Loft
 - Solid floor
 - Underfloor
 - Pitched roof
- Installed on or after 14 November 2024 and before the overall scheme deadline of 31 March 2026
- Installed within 3 months from the first insulation measure

Date of first insulation measure	Date of second insulation measure	Eligibility
13/11/2024	14/11/2024	Not eligible
14/11/2024	Between 14/11/2024 and 14/02/2025	Eligible
14/11/2024	Any time after 14/02/2025	Not eligible
31/03/2026	31/03/2026	Eligible
31/03/2026	Any time after 31/03/2026	Not eligible

5.52. Where multiple insulation measures are installed and do not meet these criteria, only the first insulation measure will be eligible. They will be flagged by our duplicates process. Secondary heating may be installed in addition to multiple insulation measures as normal (see Smart thermostats cross-reference).

5.53. Insulation installed under these circumstances should be notified as normal.

5.54. All heating controls installed under the Great British Insulation Scheme are called secondary measures. Secondary measures are only eligible for installations where any one of the eligible insulation measures has first been installed in the same property under the Scheme, referred to as the primary insulation measure. Multiple secondary measures (of unique measure types) may be installed at one property supported by a single primary insulation measure.

5.55. Secondary measures will not be considered qualifying actions unless the primary insulation measure is also a qualifying action. If the primary insulation measure is rejected, all secondary measures in the property could be rejected. Where the primary measure is rejected but there is a second eligible insulation measure in the same retrofit, the secondary measures would still be eligible. See our Supplier Administration guidance for more detail (see Loft and cavity wall insulation in the same GBIS project cross-reference).

5.56. As with heating controls, there will not be a late notification or extension process for the second insulation measure beyond the 3 month deadline from the date of completed installation of the first insulation measure.

Smart thermostats

Secondary Measures

5.51. This section details the secondary measures that can be installed in households in the low-income eligibility group under the Scheme. Secondary measures are heating control measures and can only be installed if an insulation measure is first installed to the home.

5.52. The installation of time and temperature zone control (TTZC) and compensation measures is not eligible under the Great British Insulation Scheme.

TRVs, Boiler Programmer and Room Thermostats, and smart thermostats

5.53. There are three secondary measure types:

- a) Thermostatic radiator valves (TRVs)
- b) Boiler programmer & room thermostat (P&RT)
- c) Smart thermostats

5.54. A home may receive TRVs in conjunction with either P&RT or smart thermostat⁸ measures, or any of the measures individually, where required.

5.55. Where a pre-installation RdSAP assessment records a smart thermostat and a full set of functioning TRVs, secondary heating measures cannot be claimed. This applies even where the heating controls are broken. This is because RdSAP does not associate a cost saving with the replacement of existing heating measures.

5.56. Smart thermostats must meet the criteria set out in the Boiler Plus Standard. That is, they must incorporate automation and optimisation.

5.57. Automation means a control function which automatically adjusts time and temperature settings based on occupancy detection and / or stored data from user adjustments over time.

5.58. Optimisation means a control starts the boiler operation at the optimum time to achieve the setpoint temperature at the start of the occupancy period.

5.59. To be considered a smart thermostat for the purposes of GBIS, products installed must also offer some form of wider connectivity, such that consumers can remotely control their home temperature via a tablet, smartphone, or desktop for greater control

⁸ Footnote 69. Smart thermostats provide P&RT functionalities, meaning where P&RT measures are not present in a home, the installation of a smart thermostat installation can be notified as a P&RT measure in addition to as a smart thermostat.

over the central heating system. Whilst there is no single definition of smart technology, the score for this measure is based on field trials of smart thermostats which have this feature.

5.60. If a property without an existing programmer & room thermostat receives a smart thermostat, the scores for installing both a smart thermostat and a programmer & thermostat can be claimed. This is the case to simplify the number of measures.

5.61. As smart thermostats are not modelled in RdSAP 2012, they are treated for scoring purposes as a standard alternative methodology. A deemed SAP rating improvement has been derived for smart thermostats and is included within the published PPS matrix.

Measure Installed	Pre-installation Heating Controls	Score to be Claimed
Completion of incomplete heating controls (properties which don't have a smart thermostat)	No programmer and/or room thermostat	Programmer & room thermostat score
Completion of TRVs	Incomplete or none	TRV score
Smart thermostat	No programmer and/or room thermostat	Smart thermostat score Programmer & room thermostat score
Smart thermostat	Programmer & room thermostat	Smart thermostat score

References to PAS 2023

All references to PAS2030:2019 and PAS2035:2019 will be updated to PAS2030:2023 and PAS2035:2023 respectively. A note will be made that during the transition period up to 30 March 2025, either the old or new standard may be used. From 30 March 2025 the old standards are no longer applicable and only the new standards can be used.

TrustMark Certificates of Lodgement

4.9. Compliance with PAS will be evidenced through TrustMark registration and their Quality Assurance Framework. The measure covered by PAS should be lodged with

Trustmark and awarded a relevant certificate of lodgement as a requirement to become a qualifying action. Measures with a certificate of lodgement which fail to meet TrustMark requirements (communicated to Ofgem through the issuance of a non-compliance report) are not eligible and may be rejected.

5.67. TrustMark is responsible for ensuring compliance with PAS and that appropriate guarantees are in place. Measures installed according to PAS must be installed by, or under the responsibility of, a person who is registered with TrustMark for the purposes of that measure. A certificate of lodgement (CoL) is issued by TrustMark for these measures. Measures with a certificate of lodgement which fail to meet TrustMark requirements (communicated to Ofgem through the issuance of a non-compliance report) are not eligible and may be rejected.

Building Fabric Repair

4.32. A suitably qualified individual must have visited and inspected the property in person for the purposes of completing the survey, which should be for the purposes of assessing the condition of the insulation and related building fabric. A recommendation based on remote evidence such as photos or video is not sufficient. Instead, they must carry out stringent inspections, such as through use of a borescope to provide the level of certainty required. The process will also invalidate any existing guarantees present.

Rural Area Definition

Rural and Off-Gas Premises

3.76. ECO measures can be delivered in rural and off-gas premises. Projects delivered in rural off-gas properties in Wales and Scotland will receive an uplift of 35%.⁹ In England, an uplift for measures delivered to off-gas premises will not apply as these homes are expected to receive support under the Home Upgrade Grant (HUG).

3.77. A 'rural area' refers to an area classified as rural in the '2021 Rural Urban Classification' document for properties in England and Wales,¹⁰ and in the 'Scottish Government Urban Rural Classification 2022' document for properties in Scotland.¹¹

⁹ See Uplifts section from 6.135

¹⁰ See [2021 Rural Urban Classification - Office for National Statistics](#)

¹¹ See [Scottish Government Urban Rural Classification 2022 - gov.scot](#)

3.78. See 5.108 for further information on off-gas premises.

How to Determine Rural Premises

3.79. It is a requirement that only the two aforementioned data sets are used to determine whether a property is rural. Suppliers may use the ONS Postcode Directory¹² to ensure measures are installed in eligible rural areas - ONS have confirmed that this product uses the correct datasets for ECO. Suppliers can look up a postcode and read off the value in the pop-up under 'Rural Urban Indicator' or download the correct datasets, find the relevant postcode, and read off the corresponding value in the 'RU21IND' column – see below for which codes indicate a rural location.¹³

3.80. In **Wales**, the Rural Urban Indicator Codes D1, D2, E1, E2, F1 and F2 qualify as rural areas. These represent the following rural areas:

- D1 – Town and Fringe
- D2 – Town and Fringe in a Sparse Setting
- E1 – Village
- E2 – Village in a Sparse Setting
- F1 – Hamlets and Isolated Dwellings
- F2 – Hamlets and Isolated Dwellings in a Sparse Setting

3.81. In Scotland, the classifications 6, 7 and 8 indicate as rural areas. This is based on the 8-fold classification as per Scottish Government Urban Rural Classification 2022¹⁴ and which are reflected in the ONS Postcode Directory and the Rural-Urban Classification for Output Areas Locator Tool. These areas represent the following rural areas:

- 6 – Accessible Rural Areas
- 7 – Remote Rural Areas
- 8 – Very Remote Rural Areas

¹² See [ONS Postcode Directory look-up - Office for National Statistics](#)

¹³ Further information can be found in the [Rural-Urban Classification User Guide \(2021\) | Open Geography Portal](#)

¹⁴ In the 6-fold classification the equivalent rural areas are classified as 5 and 6. See table 2.1 [Scottish Government Urban Rural Classification 2022 - gov.scot](#)

Shared Ground Loops as IMs

No update to guidance proposed.

Smart Meter Requirements

Smart meter requirements

5.65. To encourage the installation of smart meter installations a voluntary pledge has been introduced onto the ECO4 and GBIS schemes. It is a requirement to offer this pledge to consumers who don't current have a smart meter installed in their home.

5.66. The retrofit assessor will discuss the benefits of having a smart meter installed, and then ask if the consumer would like to opt in to sign a voluntary pledge. If they agree, the retrofit coordinator will lodge this with TrustMark using a tick box on the lodgement during the project creation. This will allow for future research to be undertaken into the success of this policy.

5.67. The responsibility for organising a smart meter installation will lie with the consumer, though the pledge should provide information on how to arrange an installation. We expect pledges to be created in line with government guidelines.¹⁵

5.68. The process of getting a smart meter installation continues as usual following the voluntary pledge.

5.69. There can be no penalties enforced if a consumer does not follow through with the installation following the pledge, or if a consumer does not want to sign the pledge. The voluntary pledge has no impact on a consumer's eligibility to the scheme.

Solar PV batteries

No update to guidance proposed.

Off-gas hierarchy IOEs

No update to guidance proposed.

¹⁵ Exact web address to follow

ECO4 Supplier Administration Guidance

ECO4 counting towards GBIS obligation

New proposed section on ECO4 delivery counting towards GBIS:

Counting ECO4 delivery towards GBIS and the ECO4 conversion factor

This section explains the changes introduced by the 2025 ECO Order amendment which introduced:

- A mechanism enabling suppliers to reassign ECO4 delivery (subject to a conversion factor) to be counted instead towards their GBIS obligations,
- a conversion factor for ECO4 ABS that counts towards GBIS to reflect the cheaper cost of delivering ECO4.

Annual bill savings (ABS) an obligated supplier achieves under ECO4 rules may be nominated and reassigned towards a supplier's GBIS obligations. Any ECO4 delivery that is reassigned will count towards the GBIS low-income minimum requirement.

The reassignment of ECO4 delivery will be capped. Suppliers must deliver at least 25% of their GBIS obligation through delivery of GBIS measures and may deliver up to 75% of their GBIS obligation through delivery of ECO4 projects.

ECO4 delivery reassigned to GBIS will be subject to a conversion factor of 1.251 (i.e. each ABS delivered through ECO4 will be worth 1.251 ABS in GBIS). GBIS delivery over and above 25% of a supplier's GBIS obligation, will be subject to a conversion factor of 1.716 (each ABS achieved over 25% of a supplier's GBIS obligation will be treated as being worth 1.716 ABS towards the GBIS obligation).

Government has also removed GBIS annual targets. This means that any ECO4 ABS to be reassigned to GBIS need not have been delivered within a particular GBIS phase.

Reassigning ECO4 delivery to GBIS

Reassigned ABS will not be associated with particular measures or projects that have been delivered. Therefore, suppliers will not need to select projects to be reassigned, nor will we need to select projects or measures as part of this process.

There will be two windows in which suppliers will be requested to indicate the amount of ECO4 ABS they intend to reassign to their GBIS obligation, followed by a deadline by which they must confirm the amount of ABS.

The first window will be in early summer (May/June) 2025 as part of a wider request for information (RFI) from suppliers. We will ask suppliers how much (if any) ECO4 ABS they *intend* to reassign to their GBIS obligation through a template with set questions. This will enable us to anticipate suppliers' fulfilment of their ECO4 and GBIS obligations. During a second window in November 2025, we will request an update from suppliers on how much ABS they intend to reassign, considering any increase or decrease in delivery rates. We may also ask for additional evidence, such as delivery contracts that are in place.

Suppliers will be required to formally request to Ofgem by 31 July 2026 the value (if any) of ABS from ECO4 delivery that they want to be reassigned to GBIS; a template will be provided ahead of the deadline.

Applying conversion factor to ECO4 delivery 'assigned' to GBIS

Suppliers are required to track their delivery of ECO4 projects and apply the relevant conversion factor to monitor their progress towards achieving their obligations. However, when providing us with the final value of ABS they request to reassign, suppliers should provide the raw value before the conversion factor is applied. We will then apply the 1.251 conversion factor to reassigned ABS.

Impact on ECO4 and GBIS sub obligations

The low-income minimum requirement for GBIS obligated suppliers remains in place and must be met by all suppliers. Any ECO4 delivery reassigned to GBIS, will count towards the GBIS low-income minimum requirement. A supplier may achieve their GBIS low-income minimum requirement through delivery of appropriately targeted GBIS measures,¹⁶ through reassigned ECO4 ABS and/or a combination of GBIS and ECO4 delivery.

ECO4 sub-obligations remain in place and must be met by all suppliers. The reassignment of ABS from ECO4 to GBIS will not impact on a suppliers' achieved progress towards their ECO4 sub-obligations. Achievement against ECO4 sub-obligations will not be adjusted to reflect any ABS to be counted towards a GBIS obligation.

¹⁶ See paragraph 3.125 onwards within the GBIS Delivery Guidance for details of the low-income group which mirrors the Help to Heat Group within ECO4.

Compliance action and any rejections relating to reassigned ECO4 delivery

ECO4 delivery must have been achieved under ECO4 rules in order to be reassigned to GBIS. All ECO4 projects will remain subject to ECO4 existing project rules, even if ABS is reassigned to GBIS. Should a project be rejected after ABS has been reassigned, the ABS associated with it will be deducted from a supplier's achievement against their ECO4 obligation.

As with any other ECO4 delivery, all records must be retained in case of audit or compliance queries for any delivery reassigned towards GBIS.

Should compliance action be needed in relation to ECO4 delivery that has been reassigned to count towards GBIS, this will be undertaken following ECO4 scheme rules. Should a project that has been reassigned be rejected the value of this ABS will be deducted from the supplier's achievement against their ECO4 obligation.

Proposed update to chapter 8:

Transfers of measures and projects

8.1. This chapter explains how suppliers can transfer measures and projects to other suppliers. For information relating to ECO4 delivery counting towards a GBIS obligation see chapter [TBC].

Proposed updates to chapter 9:

Final determination of HHCRO at the end of phase 4

9.12. Under the ECO4 Order, we must determine whether a supplier has achieved its total home heating cost reduction obligation, including its SWMR and Private Tenure EFG sub-obligations.

9.13. Suppliers wanting to reassign ABS from ECO4 to GBIS will need to have confirmed this to Ofgem before 31 July 2026 (see paragraph [TBC], chapter [TBC]).

9.14. Suppliers will be notified of our final determination no later than 30 September 2026.

9.15. Where we determine that a supplier has not met its obligations, we have powers to impose a penalty on that supplier. Please refer to our enforcement policy for further information.

Loft and cavity wall insulation in the same GBIS project

No update to guidance proposed.

Smart thermostats

No update to guidance proposed.

References to PAS 2023

All references to PAS2030:2019 and PAS2035:2019 will be updated to PAS2030:2023 and PAS2035:2023 respectively. A note will be made that during the transition period up to 30 March 2025, either the old or new standard may be used. From 30 March 2025 the old standards are no longer applicable and only the new standards can be used.

TrustMark Certificates of Lodgement

7.46. TrustMark will issue a Certificate of Lodgement once the project Retrofit Co-ordinator has signed off the project and submits a lodgement. Measures with a certificate of lodgement which fail to meet TrustMark requirements (communicated to Ofgem through the issuance of a non-compliance report) are not eligible and may be rejected.

7.47. It is important to note that although measures must be notified after installation, each measure cannot be approved as a qualifying action until the Certificate of Lodgement for the measure has been issued for the relevant project. Similarly, completed projects must also be notified with the appropriate certificate of lodgement. This applies to all measures that are lodged with TrustMark.

Table 1: Row 3 – reference to certificate of lodgement which may require adaptation.

ECO REQUIREMENT	DOCUMENT TO BE MADE AVAILABLE ON REQUEST	DATA TO BE MADE AVAILABLE OF REQUEST
3 Installation in accordance with certification schemes governed through Trustmark	<p>Where a measure is required to be installed in accordance with:</p> <ul style="list-style-type: none"> • PAS 2030, • MCS <p>suppliers must provide the details required to verify the measure has been successfully lodged with Trustmark and met any standards they require installed.</p>	Details of Trustmark lodgement

Rural Area Definition

No update to guidance proposed.

Shared Ground Loops as IMs

No update to guidance proposed.

Smart Meter Requirements

No update to guidance proposed.

Solar PV batteries

No update to guidance proposed.

Off-gas hierarchy IOEs

No update to guidance proposed.

GBIS Supplier Administration Guidance

ECO4 counting towards GBIS obligation

New proposed section on ECO4 delivery counting towards GBIS:

Counting ECO4 delivery towards GBIS and the GBIS conversion factor

This section explains the changes introduced by the 2025 ECO Order amendment which introduced:

- A mechanism enabling suppliers to reassign ECO4 delivery (subject to a conversion factor) to be counted instead towards their GBIS obligations,
- a conversion factor boosting the value of GBIS ABS achieved over 25% of a supplier's total GBIS obligation.

Annual bill savings (ABS) an obligated supplier achieves under ECO4 rules may be nominated and reassigned towards a supplier's GBIS obligations. Any ECO4 delivery that is reassigned will count towards the GBIS low-income minimum requirement.

The reassignment of ECO4 delivery will be capped. Suppliers must deliver at least 25% of their GBIS obligation through delivery of GBIS measures and may deliver up to 75% of their GBIS obligation through delivery of ECO4 projects.

ECO4 delivery reassigned to GBIS will be subject to a conversion factor of 1.251 (i.e. each ABS delivered through ECO4 will be worth 1.251 ABS in GBIS). GBIS delivery which is over 25% of a supplier's GBIS obligation will be subject to a conversion factor of 1.716 (each ABS achieved over 25% of a supplier's GBIS obligation will be treated as being worth 1.716 ABS towards the GBIS obligation).

Government has also removed GBIS annual targets. This means that any ECO4 ABS to be reassigned to GBIS need not have been delivered within a particular GBIS phase.

Reassigning ECO4 delivery to GBIS

Reassigned ABS will not be associated with particular measures or projects that have been delivered. Therefore, suppliers will not need to select projects to be reassigned, nor will we need to select projects or measures as part of this process.

There will be two windows in which suppliers will be requested to indicate the amount of ECO4 ABS they intend to reassign to their GBIS obligation, followed by a deadline by which they must confirm the amount of ABS.

The first window will be in early summer (May/June) 2025 as part of a wider request for information (RFI) from suppliers. We will ask suppliers how much (if any) ECO4 ABS they *intend* to reassign to their GBIS obligation through a template with set questions. This will enable us to anticipate suppliers' fulfilment of their ECO4 and GBIS obligations. During a second window in November 2025 we will request an update from suppliers on how much ABS they intend to reassign, considering any increase or decrease in delivery rates. We may also ask for additional evidence, such as delivery contracts that are in place.

Suppliers will be required to formally request to Ofgem by 31 July 2026 the value (if any) of ABS from ECO4 delivery that they want to be reassigned to GBIS; a template will be provided ahead of the deadline.

Impact on ECO4 and GBIS sub obligations

The low-income minimum requirement for GBIS obligated suppliers remains in place and must be met by all suppliers. Any ECO4 delivery reassigned to GBIS, will count towards the GBIS low-income minimum requirement. A supplier may achieve their GBIS low-income minimum requirement through delivery of appropriately targeted GBIS measures,¹⁷ through reassigned ECO4 ABS and/or a combination of GBIS and ECO4 delivery.

ECO4 sub-obligations remain in place and must be met by all suppliers. The reassignment of ABS from ECO4 to GBIS will not impact on a suppliers' achieved progress towards their ECO4 sub-obligations.

Applying conversion factor to GBIS delivery over 25%

Suppliers are required to track their delivery of GBIS measures and apply the relevant conversion factor to monitor their progress towards achieving their obligations. We will apply the 1.716 conversion factor to GBIS delivery (through GBIS measures) when assessing whether GBIS obligations have been met.

¹⁷ See paragraph 3.125 onwards within the GBIS Delivery Guidance for details of the low-income group which mirrors the Help to Heat Group within ECO4.

Compliance action and any rejections relating to reassigned ECO4 delivery

ECO4 delivery must have been achieved under ECO4 rules in order to be reassigned to GBIS. All ECO4 projects will remain subject to ECO4 existing project rules, even if ABS is reassigned to GBIS. Should a project be rejected after ABS has been reassigned, the ABS associated with it will be deducted from a supplier's achievement against their ECO4 obligation.

As with any other ECO4 delivery, all records must be retained in case of audit or compliance queries for any delivery reassigned towards GBIS.

Proposed updates to Chapter 4:

Obligations for each phase

4.2. The Great British Insulation Scheme obliges larger energy suppliers to deliver bill savings for consumers in Great Britain. The overarching obligation-based approach matches the ECO4 Scheme, resulting in the same suppliers being obligated for both Schemes in the corresponding annual phases. The Scheme will run for three years from spring 2023 – March 2026. The overall obligation for the Great British Insulation Scheme is £55,998,000 in notional annual bill savings, which must be achieved by 31 March 2026. This is divided between the three years of the Scheme as follows:

- a) March or April 2023 – March 2024: £7,280,000
- b) April 2024 – March 2025: £24,359,000
- c) April 2025 – March 2026: £24,359,000

4.3. Changes introduced following the government response to the mid-scheme consultation [reflected in the 2025 ECO Order amendment] removed annual phase targets which were previously an obligation within the Great British Insulation scheme.

4.6. Ofgem will use the notification of measures and any provisionally approved measures (all measures are provisionally approved until scheme end, as they can move out of the approved status because of compliance investigations e.g. Duplicates, Counter Fraud) to monitor suppliers against their remaining mandatory targets. Ofgem will engage with suppliers to mitigate risks and issues where they have difficulties meeting their obligations and if appropriate take compliance action.

Proposed updates to Chapter 5:

Carry Over and Carry Under

5.1. Under ECO4, where a supplier achieved savings that exceeded its ECO3 obligations, the supplier could apply to credit these excess measures towards its ECO4 obligations, providing certain criteria were met. Prior to the mid-scheme review Order amendments, a carry over in the Great British Insulation Scheme operated differently as no analogous scheme preceded it.

In the Great British Insulation Scheme, carry over referred to annual bill savings delivered by a given supplier beyond the minimum required of them for a specific annual target. Carry-under referred to under-delivery against a phase target carried forward to the following period.

Following the removal of annual targets as part of the mid-scheme Order amendments, carry over and carry-under are no longer relevant to the Great British Insulation Scheme.

Caps

5.6. There are three caps in the Great British Insulation Scheme :

- Local Authority (LA) and Supplier Flex cap
- the Innovation Measure (IM) cap
- and a ECO4 ABS reassignment cap (see section TBC).

Proposed updates to Chapter 8:

8. Transfers of measures

8.1. This chapter explains how suppliers can transfer measures to other suppliers or to its own obligated licence. For information relating to ECO4 delivery being reassigned to a Great British Insulation Scheme obligation see chapter [TBC].

8.2. Suppliers can apply to transfer qualifying measures (i.e. completed and approved measures) to another obligated supplier or its own obligated licence in the Great British Insulation Scheme if a measure or a measure and linked measure are transferred together. Ofgem approves the transfer request, and the transfer otherwise meets the conditions set out in ECO4A Order. Great British Insulation Scheme measures will consist of a single measure, or two or more measures where one or more heating controls are installed.

8.3. The deadline for Great British Insulation Scheme measure transfer applications will align with ECO4. At any time on or before 30 June 2026 a supplier may apply to transfer measures to another Great British Insulation Scheme-obligated licence within the same supplier group, called an intra-supplier transfer. A transfer between two different suppliers is called an inter-supplier transfer. Intra-supplier and inter-supplier transfers have different requirements for approval.

8.4. The facility to transfer measures allows obligated suppliers the choice to deliver qualifying measures themselves, contract directly for their delivery or procure them from other suppliers.

8.5. We have no part in any commercial agreement that is entered into as part of a transfer.

8.6. Great British Insulation Scheme measures cannot be transferred to the ECO4 scheme.

8.7. Following the 2025 legislative amendment ECO4 ABS achieved by a supplier may be reassigned towards their Great British Insulation Scheme obligation (see section [TBC]). Suppliers cannot transfer ECO4 ABS to be counted towards the Great British Insulation Scheme obligation of another supplier. However, measures transferred between suppliers within ECO4 contribute to the total amount of ECO4 ABS a supplier has available to reassign to GBIS.

Proposed updates to Chapter 9:

9. End of the overall obligations period

Achieving your obligation

9.1. The installation of a Great British Insulation Scheme measure cannot count towards a supplier's Great British Insulation Scheme obligation unless the installation is completed before 1 April 2026 (i.e. the end of the overall obligation period) and after 30 March 2023. Suppliers must notify us of all measures completed in March 2026 by the end of April 2026. Any measures which are subject to a notification extension must be notified by the end of June 2026. ABS reassigned from ECO4 under the mechanism set out in chapter TBC will also count towards a supplier's Great British Insulation obligation. A conversion factor will also apply to ABS transferred from the ECO4 scheme (see Chapter [TBC, paragraph TBC]).

9.2. Following the end of the overall obligation period, we will determine whether a supplier has met its Great British Insulation Scheme obligations and notify both the

supplier and the Secretary of State of our determination, known as our 'final determination'. We will notify all suppliers of our final determination before 1 December 2026.

Ahead of our final determination

9.3. Under the ECO4A Order (as amended on [TBC]), we must determine whether a supplier has achieved its total obligation, including its Low-income minimum requirement sub-obligation. After the transfer, trading, final notification deadlines, ECO4 ABS reassignment deadlines, and before our final determination, we will carry out a number of compliance checks and processes.

These checks will include assessing compliance with the Low-income minimum requirement. As described in Chapter 4, there is a requirement within the Great British Insulation Scheme that at least 20% of the total obligation should be delivered to the low-income group. This allows for the further 80% to be delivered to the general eligibility group, or a mix of both groups. ECO4 ABS that has been reassigned may contribute towards the low-income minimum requirement target.

Final determination at the end of Phase C

9.4. Under the ECO4A Order, there will be a requirement for suppliers to achieve their overall obligation as well as mandatory sub-obligations.

9.5. Suppliers will be notified of our final determination before 1 December 2026.

9.6. Where we determine that a supplier has not met its obligations, we have powers to impose a penalty on that supplier. Please refer to our enforcement policy for further information. Our final report to the Secretary of State

9.7. We must submit a report to the Secretary of State, before 1 December 2026, showing whether suppliers achieved the overall obligation

9.8. The final report will contain our final determination of whether suppliers have achieved their obligations.

Proposed updates to references to annual targets throughout

All references (throughout all guidance documents) to annual targets will be reviewed and where required amended to reflect government's planned policy change to remove annual targets.

Loft and cavity wall insulation in the same GBIS project

1.7. The Great British Insulation Scheme continues ECO4's focus on improving the least energy efficient homes.

7.6. Where a measure does not meet the relevant eligibility criteria we will refuse to approve, or will revoke approval of, that measure. Revocation of one measure may lead to revocation of others in cases where a measure's eligibility is dependent on another's. For example, if measure B was a secondary heating measure and measure A was a primary insulation measure supporting it, then if measure A had its approval revoked measure B would also have approval revoked. However, where the primary measure is rejected but there is a second eligible insulation measure in the same retrofit, the secondary measures would still be eligible. Similarly, in-fill measures may lose approval status if one of the supporting primary measures is revoked. Otherwise, measures are independent from one another for eligibility purposes.

7.7. Where there is a valid second insulation measure in the same retrofit, the supplier must submit a notification change request and replace the "associated insulation MRN for heating measures" with the MRN of that insulation measure.

8.1. This chapter explains how suppliers can transfer measures to other suppliers or to its own obligated licence. Suppliers can apply to transfer qualifying measures (i.e. completed and approved measures) to another obligated supplier or its own obligated licence in the Great British Insulation Scheme if a measure or a measure and linked measure are transferred together. Ofgem approves the transfer request, and the transfer otherwise meets the conditions set out in ECO4A Order. Great British Insulation Scheme measures will consist of a single measure, or two or more measures where an eligible second insulation measure or heating controls are installed.

8.7. A transfer request cannot contain partial retrofits, only whole retrofits. If a property receives linked Great British Insulation Scheme measures, e.g. in-fill measures, secondary heating, or multiple insulation these must be transferred together.

Smart thermostats

No update to guidance proposed.

References to PAS 2023

All references to PAS2030:2019 and PAS2035:2019 will be updated to PAS2030:2023 and PAS2035:2023 respectively. A note will be made that during the transition period up to 30 March 2025, either the old or new standard may be used. From 30 March 2025 the old standards are no longer applicable and only the new standards can be used.

TrustMark Certificates of Lodgement

7.31. TrustMark will issue a Certificate of Lodgement once the project Retrofit Co-ordinator has signed off the project and submits a lodgement. Measures with a certificate of lodgement which fail to meet TrustMark requirements (communicated to Ofgem through the issuance of a non-compliance report) are not eligible and may be rejected.

7.32. It is important to note that although measures must be notified after installation, each measure cannot be approved as a qualifying action until the Certificate of Lodgement for the measure has been issued.

Table 2: Row 3 – reference to certificate of lodgement which may require adaptation.

GBIS REQUIREMENT	DOCUMENT TO BE MADE AVAILABLE ON REQUEST	DATA TO BE MADE AVAILABLE OF REQUEST
3 Installation in accordance with certification schemes governed through Trustmark	All scheme measures are required to be installed in accordance with PAS 2035. Suppliers must provide the details required to verify the measure has been successfully lodged with Trustmark and met any standards they require installed.	Details of Trustmark lodgement

Rural Area Definition

No update to guidance proposed.

Shared Ground Loops as IMs

No update to guidance proposed.

Smart Meter Requirements

No update to guidance proposed.

Solar PV batteries

No update to guidance proposed.

Off-gas hierarchy IOEs

No update to guidance proposed.

ECO4 and GBIS Flex Local Authority Guidance

ECO4 counting towards GBIS obligation

No update to guidance proposed.

Loft and cavity wall insulation in the same GBIS project

No update to guidance proposed.

Smart thermostats

No update to guidance proposed.

References to PAS 2023

All references to PAS2030:2019 and PAS2035:2019 will be updated to PAS2030:2023 and PAS2035:2023 respectively. A note will be made that during the transition period up to 30 March 2025, either the old or new standard may be used. From 30 March 2025 the old standards are no longer applicable and only the new standards can be used.

TrustMark Certificates of Lodgement

No update to guidance proposed.

Rural Area Definition

No update to guidance proposed.

Shared Ground Loops as IMs

No update to guidance proposed.

Smart Meter Requirements

No update to guidance proposed.

Solar PV batteries

No update to guidance proposed.

Off-gas hierarchy IOEs

No update to guidance proposed.

New Measures and Products (NMAP) Guidance

ECO4 counting towards GBIS obligation

No update to guidance proposed.

Loft and cavity wall insulation in the same GBIS project

No update to guidance proposed.

Smart thermostats

No update to guidance proposed.

References to PAS 2023

All references to PAS2030:2019 and PAS2035:2019 will be updated to PAS2030:2023 and PAS2035:2023 respectively. A note will be made that during the transition period up to 30 March 2025, either the old or new standard may be used. From 30 March 2025 the old standards are no longer applicable and only the new standards can be used.

TrustMark Certificates of Lodgement

No update to guidance proposed.

Rural Area Definition

No update to guidance proposed.

Shared Ground Loops as IMs

Guidance will be updated to make clear that for the purposes of innovation measure applications, DHC does not include a connection to a district heating system that uses a shared ground loop. As such, SGL GSHP measures will be eligible to apply for an innovation measure uplift. Paragraph 4.12 clause six will be amended to state that for a product to be eligible under the IM route it must not be a district heating connection (DHC) measure. For the purposes of this requirement, DHC does not include a connection to a district heating system that uses a shared ground loop.

Smart Meter Requirements

No update to guidance proposed.

Solar PV batteries

No update to guidance proposed.

Off-gas hierarchy IOEs

No update to guidance proposed.

ECO4 Data Dictionary

ECO4 counting towards GBIS obligation

No update to guidance proposed.

Loft and cavity wall insulation in the same GBIS project

No update to guidance proposed.

Smart thermostats

No update to guidance proposed.

References to PAS 2023

No update to guidance proposed.

TrustMark Certificates of Lodgement

No update to guidance proposed.

Rural Area Definition

No update to guidance proposed.

Shared Ground Loops as IMs

No update to guidance proposed.

Smart Meter Requirements

No update to guidance proposed.

Solar PV batteries

No update to guidance proposed.

Off-gas hierarchy IOEs

No update to guidance proposed.

GBIS Data Dictionary

ECO4 counting towards GBIS obligation

No update to guidance proposed.

Loft and cavity wall insulation in the same GBIS project

No update to guidance proposed.

Smart thermostats

Fields 25 and 33 of the GBIS Data Dictionary state they are “Required when: ‘Measure Type’ = ‘P&RT’ OR ‘TRV’”. This will be updated to include smart thermostats as valid heating controls.

References to PAS 2023

No update to guidance proposed.

TrustMark Certificates of Lodgement

No update to guidance proposed.

Rural Area Definition

No update to guidance proposed.

Shared Ground Loops as IMs

No update to guidance proposed.

Smart Meter Requirements

No update to guidance proposed.

Solar PV batteries

No update to guidance proposed.

Off-gas hierarchy IOEs

No update to guidance proposed.

Forms

ECO4 counting towards GBIS obligation

No update to guidance proposed.

Loft and cavity wall insulation in the same GBIS project

No update to guidance proposed.

Smart thermostats

No update to guidance proposed.

References to PAS 2023

All references to PAS2030:2019 and PAS2035:2019 will be updated to PAS2030:2023 and PAS2035:2023 respectively.

TrustMark Certificates of Lodgement

No update to guidance proposed.

Rural Area Definition

Proposed change to the ECO4 & Great British Insulation Scheme Pre-Installation Project/Measure Survey:

Footnote 9 will be updated to reflect most recent datasets, and a link to the Scottish dataset will be added as it's currently not included.

Shared Ground Loops as IMs

Proposed change to ECO4 Innovation Measure application form:

4. Eligibility requirements

Answer the following questions using the checkboxes provided.

See paragraph 4.61 for further information on this question.

1. Capable of resulting in a reduction in the cost of heating domestic premises
☐ YES ☐ NO
2. Generation of heat, wholly or partly fuelled from biofuel, coal, oil or liquefied petroleum gas
☐ YES ☐ NO
3. Generation of heat, wholly or mainly fuelled from a non-renewable source
☐ YES ☐ NO
4. Repair of existing measure
☐ YES ☐ NO
5. District heating connection measure
☐ YES ☐ NO

Addition of **question 6:** Shared ground loop measure, with a YES/NO answer, will be added.

Smart Meter Requirements

No update to guidance proposed.

Solar PV batteries

No update to guidance proposed.

Off-gas hierarchy IOEs

Updates to the supplier/installer declarations to state the IOE report has been reviewed and followed where possible.

Proposed updates to ECO4 Pre-Installation Heating Checklist:

- ☐ One or more improvement options evaluation reports in relation to the premises are held on the TrustMark Data Warehouse, and the measure is not amongst the measures recommended in the most recent improvement options evaluation report.
- ☐ No improvement options evaluation report in relation to the premises is held on the TrustMark Data Warehouse; one or more EPC recommendation reports have been issued for the premises; and the measure is not amongst the measures recommended in the most recent EPC recommendation report.

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