Boiler Upgrade Scheme (BUS)

Annual Report

Scheme Year 3 (1 April 2024 – 31 March 2025)

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Foreword

As public awareness of heat pumps grows, there has been a 56% increase in UK sales reported in 2024[1]. The Boiler Upgrade Scheme (BUS) has been instrumental in supporting this growth in demand for the technology— and in doing so is now exceeding its original deployment target of 20,000 heat pumps a year. Since May 2022, the scheme has supported over 49,000 low carbon heating installations with more than 25,000 of these occurring in the 2024 to 2025 scheme year. This reflects the scheme's growing maturity and its critical role in accelerating the UK's transition to cleaner, more sustainable heating.

Launched in May 2022 by the Department for Energy Security and Net Zero (DESNZ), the BUS is designed to support the decarbonisation of homes and small non-domestic buildings in England and Wales by providing upfront grants to support the installation of heat pumps and, in limited circumstances, biomass boilers. It also seeks to support and develop the supply chain that is required to achieve future growth in low-carbon heating.

The BUS is one of a range of schemes Ofgem administers on behalf of the UK government and the devolved administrations. Set to exceed a value of £12 billion in the year 2024 to 2025, our schemes work to advance decarbonisation and support vulnerable consumers. The policy for the BUS is set by DESNZ who maintain overall responsibility for the scheme, while Ofgem has been appointed the scheme administrator. Key to our role is the processing of BUS voucher applications and working to ensure that only those eligible for the grant receive it.

The 2024 to 2025 reporting year marked a turning point. With demand outpacing the original budget of £150 million, the government responded by increasing funding twice, ultimately raising the year's budget to £205 million. This flexibility ensured continuity for installers and property owners alike, while reinforcing confidence in the technology's long-term value. The extension of the BUS to 2028 and the budget uplift to £295 million for 2025 to 2026, is a further signal of the government's commitment to decarbonising heat in homes and small businesses.

Our compliance and audit processes remain central to the scheme's integrity. This year, we conducted over 1,200 audits and closed 935 compliance investigations, identifying and addressing non-compliance where necessary. Our approach—combining statistical and targeted audits with proactive investigations—helps ensure that grants are awarded

[1] European Heat Pump Association Market Report 2025: <https://www.ehpa.org/wp-content/uploads/2025/07/EHPA-Market-Report-2025-executive-summary.pdf>

only where eligibility criteria are met. In 2024 to 2025 this resulted in us safeguarding, or identifying for recovery, over £2.6 million in public funds from misuse and suspected fraud.

Our administration of the scheme has remained strong yet flexible. We've introduced digital innovations to streamline applications, strengthened compliance and audit processes, and deepened engagement with stakeholders. These efforts have helped maintain a high level of trust in the scheme while ensuring that public funds are used effectively and responsibly.

As we look ahead, the BUS will continue to play a central role in delivering the UK's net zero ambitions. Following a public consultation, DESNZ are currently considering a range of potential amendments to the BUS regulations. I look forward to working closely with DESNZ, installers and scheme participants to implement any changes they choose to take forward.

I remain committed to ensuring the scheme is accessible, efficient, and impactful—and we welcome your feedback as we continually improve our delivery. If you want to get in touch, please contact us at SchemesReportingFeedback@ofgem.gov.uk.

Neil Lawrence
Executive Director, Delivery & Schemes

49,136

Vouchers redeemed

From scheme launch to the end of March 2025, 49,136 low-carbon heating systems have been supported. Of these 97% were air source heat pumps.

£328.2 m

Paid

The 49,136 vouchers redeemed mean a total of £328.2 million has been paid to support the installation of low-carbon heating systems.

36,714

Fossil fuelled heating systems replaced

74.7% (36,714) of all grants paid were for the replacement of fossil fuelled heating systems, 10.1% were for the replacement of other heating system types e.g. direct electric, and 15.3% were for low-carbon heating systems in eligible self-build properties.

1,591

Registered installers

At the end of March 2025 1,591 Microgeneration Certification Scheme (MCS) certified installation companies were registered to participate in the BUS scheme. The top 10 installers (by application volumes) were responsible for almost 31% of all grant applications received.

£2.6 m

Public funds protected or identified for recovery

Through our compliance action, taken following our audit and other administration activities, we protected £1,925,000 of public funds and identified a further £723,500 for recovery.

Note that percentages may not add up to 100% due to rounding.

Executive summary

The Boiler Upgrade Scheme (BUS) launched on 23 May 2022 to support the decarbonisation of heat in buildings. It provides upfront capital grants towards the cost of installing heat pumps and, in limited circumstances, biomass boilers in homes and small non-domestic buildings in England and Wales. Changing the way we heat our homes and businesses, by replacing fossil fuel and direct electric heating systems with lower carbon, more efficient alternatives, is essential to reaching net zero and the BUS has an important role to play in achieving this.

As scheme administrator, we are committed to ensuring that the scheme operates efficiently. This includes managing installer applications, issuing vouchers, and processing payments. Additionally, our audit and compliance programme plays a key role in upholding the scheme rules, helping to ensure that grants are only paid to those who meet the eligibility criteria.

As part of our statutory responsibilities[2], we have produced this annual report to provide an update on activity during Scheme Year 3 (SY3) from 1 April 2024 to 31 March 2025.

Scheme changes

During the year, our monitoring of scheme take-up made it clear that demand was likely to exceed the original £150 million budget. In response, the government authorised Ofgem to over allocate vouchers to maintain scheme continuity and subsequently increased the total BUS budget for financial year 2024 to 2025 twice, reaching £205 million by the end of the year. In November 2024, the government announced that the budget for 2025 to 2026 will rise further to £295 million.[3]

The previous government also consulted on a number of proposed scheme changes, which came into effect on 8 May 2024. These are detailed in our guidance and include:

- confirmation of the scheme's extension to 2028
- removal of the requirement to install loft or cavity wall insulation if recommended on the property's EPC

[2] This annual report is published as required by regulation 30(5) of the Boiler Upgrade Scheme (England and Wales) Regulations 2022 (the 'BUS regulations'). In so far as the data can be provided in aggregate form, this report contains the information specified by regulation 30(3)(c) of the BUS regulations.
[3] Press release - Help to save households money and deliver cleaner heat to homes: <https://www.gov.uk/government/news/help-to-save-households-money-and-deliver-cleaner-heat-to-homes>

- introduction of a 120-day limit after commissioning for submitting a redemption application
- expansion of support to biomass boilers which can provide a cooking function.

Voucher summary (page 15)

Applying for a BUS grant is a 2-stage process. Installers are required to submit an initial voucher application (stage 1) where we check the pre-installation eligibility criteria have been met. Property owners are required to provide consent to the application and verify the application details submitted by their installer. If the voucher application is successful, we issue the applicant with a 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.

During Scheme Year 3, we received a total of 38,412 stage 1 applications. After completing our eligibility checks on these and outstanding applications from Scheme Year 2, we issued 32,996 vouchers worth over £247 million. We rejected 2,295 applications that failed our eligibility checks, and 2,943 applications were withdrawn. A small number of the stage 1 applications received towards the end of Scheme Year 3 will be processed in Scheme Year 4.

We also received 25,712 stage 2 applications, and 25,331 grant payments worth £189.7 million were made. As a result of our further eligibility checks we rejected 10 of the stage 2 applications.

Analysis of grants paid (page 19)

97.0% of grants paid since the start of the scheme have been for air source heat pumps and 99.5% of installations were installed in domestic properties.

When looking at the heating systems being replaced, gas boilers made up the largest proportion at 52.6%. Oil boilers were the second most common technology being replaced making up 18.1% of the total. Altogether, replaced fossil fuelled heating systems account for 74.7% of grants paid. There were also an additional 15.2% of

installations where no heating system was being replaced – all of which were in eligible self-build[4] properties.

Profile of BUS installers (page 26)

By the end of Scheme Year 3 there were 1,591 active installer accounts registered on the BUS. Of these, 1,443 or 90.7% have submitted applications and 148 have yet to submit an application (as at the time the data was extracted).

It is worth noting that the top 10 installers, in terms of application numbers in Scheme Year 3, were responsible for 15,463 (40.3%) of applications. Conversely, there were 218 installers with a single application each.

Monitoring compliance (page 28)

Audit

We operate a robust audit programme to help ensure that applicants are following the scheme rules. By identifying non-compliances we work to ensure that grants are only paid to applicants eligible to receive them. This means that scheme funds are being spent effectively and are used to deliver on the objectives of the scheme, thereby providing value for money for the public.

We undertake both statistical and targeted audits. Statistical audits are randomly selected to provide a representative view of the scheme population. This provides us with a reliable measure of the level and types of non-compliance within the population and allows us to monitor whether the estimated level of non-compliance remains within tolerance levels agreed with government. Targeted audits focus on installations we have identified as having an increased risk of non-compliance.

We conducted 414 statistical audits during Scheme Year 3. For audits closed to date, we assessed that 94.8% of those audited were complying with the scheme rules. Note that as we instruct the applicant to take corrective action, some of those provisionally assessed as being non-compliant may subsequently be brought into compliance.

[4] 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.

The most common reasons for an installation being found non-compliant during an audit were:

- The heating system cannot meet the full space and water heating needs of the eligible property
- An ineligible technology has been installed
- The capacity of the plant is lower than the property's total heat demand.

The above non-compliances collectively accounted for almost 56% of all non-compliance identified through the statistical programme.

The statistical audit programme is used to determine the BUS 'error rate'. 'Error rate' is the estimated level of non-compliance with the scheme rules (expressed as a percentage of payments made) across the scheme population and represents the estimated impact of both fraud and error. The value of payments made in error during 2024 to 2025 under the BUS is estimated at £4.6 million (2.42% of total payments) within a 95% confidence interval[5] of £1.8 to £7.4 million. This estimated level of non-compliance is comfortably within the tolerance levels agreed with government.

Additionally, we selected 824 installations for targeted audit during Scheme Year 3. As these audits target known risk areas, we expect compliance rates in this group to be lower. Overall we assessed that 88.4% of those audited were complying with the scheme rules. It should be noted that the compliance rate can only be confirmed following the completion of a compliance investigation.

Compliance

When we suspect an applicant is non-compliant, for instance after completion of an audit or during the application process, we open a compliance investigation. If our investigation subsequently confirms a non-compliance, we will either work with the installer to bring the application into compliance, reject the ineligible application or revoke the voucher.

We closed 935 compliance investigations during Scheme Year 3, of which 344 (37%) were found to be non-compliant. The most common non-compliance reason affecting eligibility was 'Existing system was not fossil fuel or electric', accounting for 31.7% of non-compliances. This non-compliance is identified at the application stage and occurs

[5] A 95% confidence interval means that we are 95% confident that the actual value of payments made in error will fall between the upper and lower values of £1.8 million and £7.4 million.

where the installer has been unable to provide sufficient evidence that a retrofit BUS installation will be replacing, or has replaced, a fossil fuel or electric heat source.

In total, the compliance actions we took in Scheme Year 3 prevented £1,925,000 of public funds from being paid out incorrectly and a further £723,500 was identified for recovery.

Our administration (page 36)

Digital delivery

A key enabler of running the BUS scheme efficiently and securely is the continuous review and development of our digital services. Scheme Year 3 has seen continued development and progress for our digital service. Through a series of strategic enhancements and ongoing refinements, we have significantly improved the experience for installers while optimising internal processes.

Please note: a spreadsheet containing the data used in the production of this report is published alongside the report on our website.

1. About the scheme

This chapter summarises the context and legislative background to the Boiler Upgrade Scheme (BUS), including Ofgem's administrative duties. This chapter also summarises the changes to the scheme that occurred during Scheme Year 3 (SY3).

1.1 The Boiler Upgrade Scheme (BUS) supports the decarbonisation of heat in buildings. It provides upfront capital grants to support the installation of heat pumps and, in limited circumstances, biomass boilers in homes and small non-domestic buildings in England and Wales.

1.2 The BUS launched on 23 May 2022[6] and supports property owners to move away from their reliance on fossil fuel systems to cleaner and more efficient ways of heating their homes. In the long term, the deployment of low-carbon technologies will reduce the UK's dependency on fossil fuels, reduce exposure to global fuel price spikes and help the country work towards net zero.

1.3 On 21 September 2023 DESNZ issued a notice increasing the BUS grant level for heat pumps to £7,500 (up from £5,000 for air source heat pumps and from £6,000 for ground source heat pumps). The grant levels shown below applied to new applications from Monday 23 October 2023[7].

- Air source heat pumps (ASHP) (£7,500)
- Ground source heat pumps (GSHP) (£7,500)
- Biomass boilers (£5,000)

1.4 The BUS is underpinned by 'The Boiler Upgrade Scheme (England and Wales) Regulations 2022'[8] (as amended) (the BUS regulations). The Department of Energy Security & Net Zero (DESNZ) is responsible for the BUS policy and scheme regulations.

[6] Although the BUS launched on 23 May 2022, systems first commissioned from 1 April 2022 were eligible for support.
[7] Changes to grant levels: <https://www.gov.uk/government/publications/boiler-upgrade-scheme-changes-to-grant-levels>
[8] The Boiler Upgrade Scheme (England and Wales) Regulations 2022: <https://www.legislation.gov.uk/uksi/2022/565/contents/made>
The regulations were subsequently amended after the end of Scheme Year 2 in May 2024
The Boiler Upgrade Scheme (England and Wales) (Amendment) Regulations 2024: <https://www.legislation.gov.uk/uksi/2024/524/contents/made>

1.5 Due to high uptake, the scheme budget for financial year 2024 to 2025 was increased by DESNZ twice, increasing from £150 million to £205 million by the end of the scheme year. DESNZ also issued notices granting Ofgem the ability to over allocate vouchers during 2024 to 2025 up to a maximum value of £280 million.[9]

1.6 Ofgem administers the scheme on behalf of government and our responsibilities are set out in the BUS regulations. Our functions include but are not limited to:

- Publishing scheme guidance for installers[10] and property owners[11]
- Processing installer account creation requests
- Processing voucher and redemption applications
- Making payments to installers following processing of successful voucher redemptions
- Publishing reports on the BUS
- Monitoring and enforcing compliance with the BUS regulations.

1.7 Installers and the low-carbon heating products supported under the scheme must be Microgeneration Certification Scheme (MCS) certified[12]. MCS certification provides greater assurance of installer competence and confirms that products meet defined performance standards. It also promotes high-quality installation practices. In addition, all registered installers are required to be members of an approved consumer code, offering further protection for consumers[13].

1.8 This report is produced to meet our obligation to publish a report on scheme activity annually by 31 July.[14] This third annual report on the BUS covers the period from 1 April 2024 to 31 March 2025.

[9] Notice on BUS budget changes: <https://www.gov.uk/government/publications/boiler-upgrade-scheme-budget-increase-and-approval-to-over-allocate-vouchers-january-2025/approval-to-increase-the-budget-and-over-allocate-vouchers-for-the-boiler-upgrade-scheme>
[10] BUS: Guidance for Installers: <https://www.ofgem.gov.uk/publications/boiler-upgrade-scheme-guidance-installers>
[11] BUS: Guidance for Property Owners: <https://www.ofgem.gov.uk/publications/boiler-upgrade-scheme-guidance-property-owners>
[12] Information on MCS: <https://mcscertified.com/>
[13] Consumer codes are consumer organisations that set out the levels of customer service and consumer protection that MCS installers must provide.
[14] This annual report is published as required by regulation 30(5) of the Boiler Upgrade Scheme (England and Wales) Regulations 2022 (the 'BUS regulations'). In so far as the data can be provided in aggregate form, this report contains the information specified by regulation 30(3)(c) of the BUS regulations.

1.9 We also publish monthly[15] and quarterly[16] reports covering the BUS on our website and DESNZ publish monthly statistics on GOV.UK[17].

[15] BUS monthly scheme update: <https://www.ofgem.gov.uk/publications/bus-monthly-scheme-update>
[16] BUS publications: <https://www.ofgem.gov.uk/environmental-and-social-schemes/boiler-upgrade-scheme-bus/boiler-upgrade-scheme-bus-guidance-and-resources>
[17] Monthly DESNZ BUS statistics: <https://www.gov.uk/government/collections/boiler-upgrade-scheme-statistics>

2. Voucher summary

This chapter provides a summary of BUS voucher applications, the vouchers we issued, and the redemption applications received.

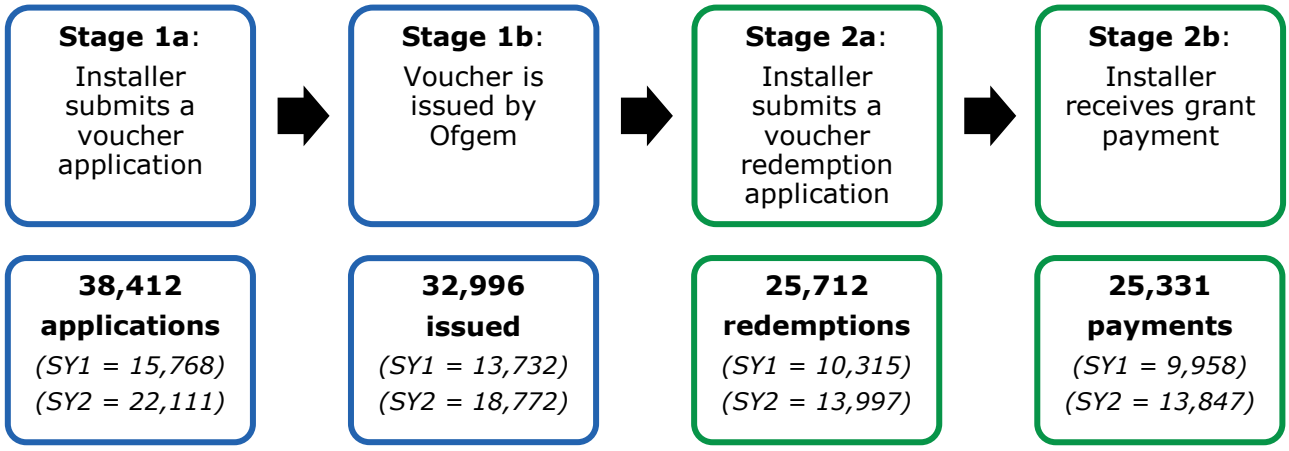
2.1 The BUS grant application is a 2-stage process which is illustrated in **Figure 2.1** alongside application volumes for Scheme Years 1, 2 and 3.

2.2 For voucher applications submitted in Scheme Year 3 (SY3), firstly installers were required to submit a voucher application (stage 1) where we checked that the pre-installation eligibility criteria were met. Property owners were required to provide consent to the application and verify the application details submitted by their installer. If the voucher application was successful, we issued the installer with a voucher.

2.3 Once a voucher has been issued to an installer, they must complete the installation and submit a redemption application within the voucher validity period set out on the voucher. The validity period is 3 months for air source heat pumps (ASHPs) and biomass boilers, or 6 months for ground source heat pumps (GSHPs). If a redemption application is not received within the relevant validity period, the voucher expires.

2.4 After the installation has been commissioned, the installer can submit a voucher redemption application (stage 2). Once we have established that the remaining eligibility requirements have been met, we pay the grant to the installer.[18]

Figure 2.1: Summary of grant application process and volumes



[18] Further detail on the BUS application process can be found in our BUS: Guidance for Installers: <https://www.ofgem.gov.uk/publications/boiler-upgrade-scheme-guidance-installers>

Voucher applications (stage 1)

2.5 During BUS SY3 a total of 38,412 applications were received with 98.0% of these being for ASHPs. It should be noted that this total can include multiple applications for the same property, for example, where a re-application is made following a voucher expiring.

2.6 A breakdown of applications received split by technology type is shown in **Figure 2.2**.

Figure 2.2: Applications received by technology type in Scheme Year 3

ASHP	GSHP	Biomass	GSHP (Shared ground loop)[19]
37,642 (98.0%)	605 (1.6%)	153 (0.4%)	12 (0.03%)

Note that percentages may not add up to 100% due to rounding.

2.7 Following our eligibility checks (including on outstanding applications from Scheme Year 2) we rejected 2,295 BUS applications at this stage in SY3, thereby protecting £17,172,500 of public funds. Applicants withdrew a further 2,943 applications. Applications were most commonly rejected due to a failure by the installer or property owner to provide further information when requested, or because the property was deemed to be ineligible. The most common issues affecting property eligibility are listed below:

- The installation was commissioned more than 120 days before the application was properly made
- Consent was not received from the property owner, or authorised other person with Lasting Power of Attorney
- The evidence supplied in support of the application for a self-build project did not satisfy the requirement that the property was built principally with the labour or resources of the first owner (including where the resource was a loan which the first owner was liable to repay)

[19] See glossary for description.

2.8 After completing our stage 1 checks we issued 32,996 vouchers worth £247,162,500.[20]

2.9 A total of 3,638 vouchers expired in SY3 before being redeemed. Where a voucher has expired a new BUS application with the same information can be made. Our analysis shows that many of these have reapplied with 1,862 (51.2%)[21] having already been approved and paid. Of those that expired in SY2, 76.2% have now reapplied and been paid.

2.10 The rates of voucher expiry for each technology type since the start of the scheme are as follows: ASHP (13.1%), GSHP (9.5%), shared ground loop GSHP (6.9%) and biomass (14.4%).

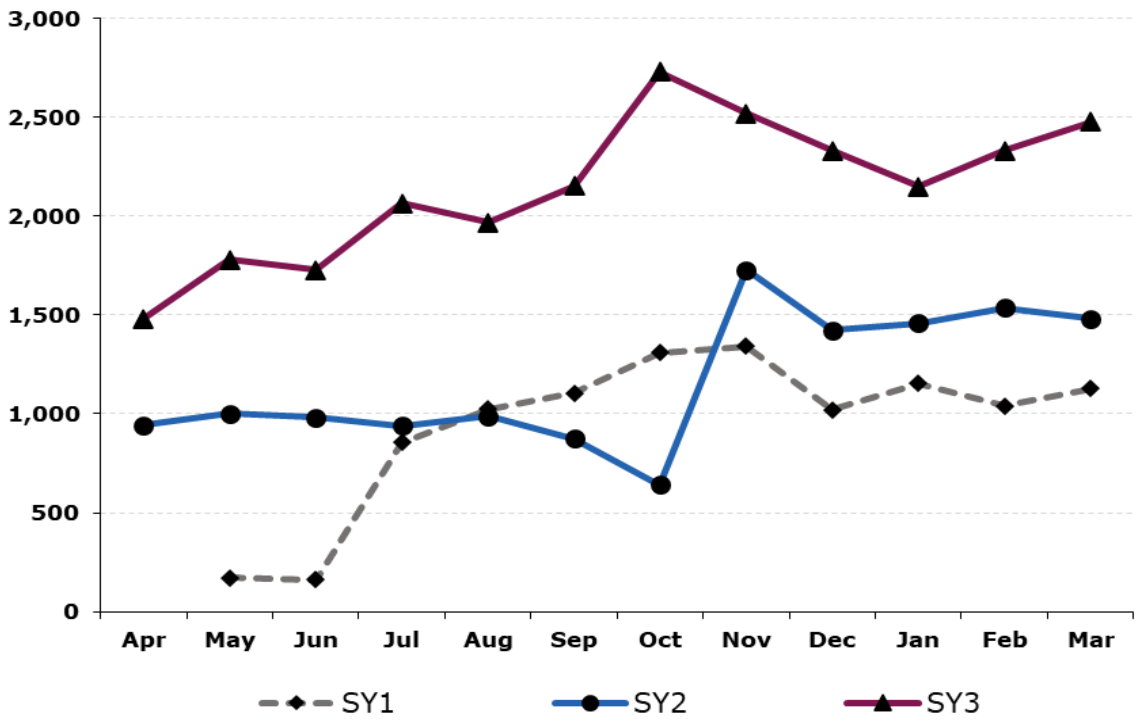
Redemption applications (stage 2)

2.11 A total of 25,712 redemption applications were received during BUS SY3 and following our stage 2 eligibility checks, we paid grants towards 25,331 installations. Our stage 2 eligibility checks also resulted in 10 redemption applications being rejected in SY3 - protecting a further £65,000 of public funds.

2.12 **Figure 2.3** compares the monthly redemption applications received on BUS in each scheme year.

[20] The figure for vouchers issued in SY3 includes applications received in SY2 where the voucher was issued in SY3. Also included are vouchers which have subsequently expired.
[21] Due to the way this data was captured and then extracted the actual number of re-applications may be higher. We expect this number to rise as more grant re-applications are subsequently approved for payment.

Figure 2.3: Comparison of monthly BUS redemption applications - SY1 to SY3



This chart shows the number of redemption applications received on the BUS each month over SY1, SY2 and SY3. The volumes over SY3 have been consistently higher than in equivalent months during previous years. On average 2,203 redemption applications were received each month over SY3 and reached a peak of 2,730 in October. This compares with a monthly average of 938 redemption applications in SY1 and 1,187 in SY2. The fall and subsequent increase in application volumes in SY2 is related to the grant uplift for heat pumps in October 2023. As well as driving new scheme activity, many applicants delayed applying, or reapplied, to take advantage of the increased grant payment.

3. Analysis of grants paid

This chapter provides information on the characteristics of the low-carbon heat installations supported under the scheme. This includes information on the technology types installed, location and the heating technologies being replaced.

3.1 During BUS Scheme Year 3 (SY3) we paid grants worth £189,737,500, supporting the installation of 25,331 low-carbon heating systems. This brings the total value of grants paid since the start of the scheme to £328,232,000, supporting 49,136 low-carbon heating systems.

3.2 To provide insight into the characteristics of installations being supported through the BUS, we have provided information on:

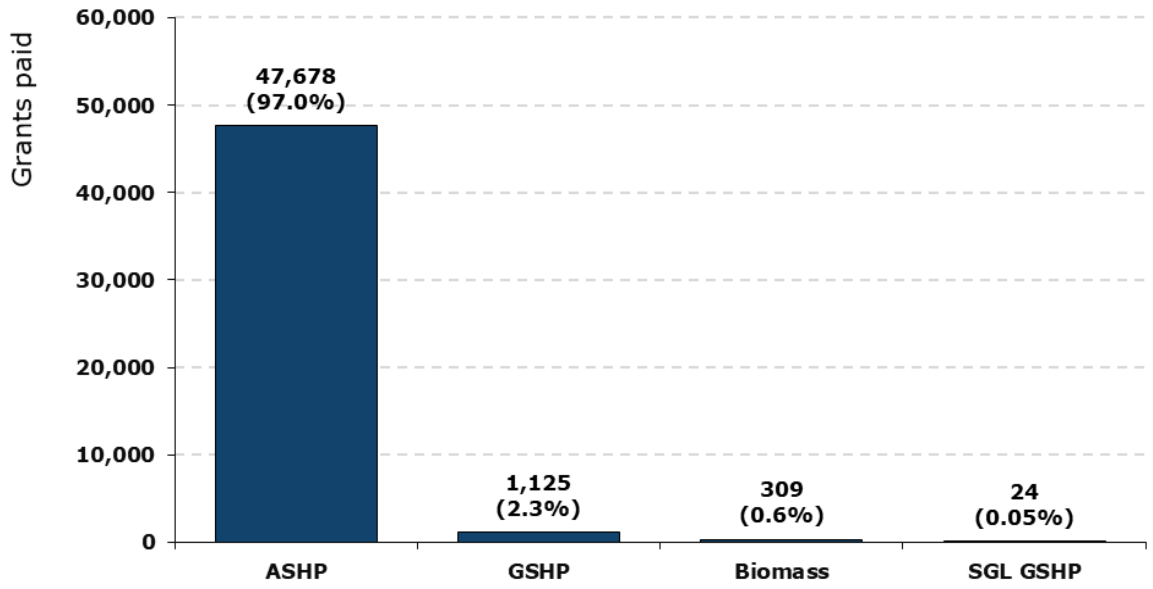
- technology types
- the location of installations
- the heating technologies being replaced
- the split between domestic and non-domestic, and
- quoted installation costs.

BUS technology types

3.3 Air source heat pumps (ASHPs) make up the vast majority of BUS installations. This is a similar deployment pattern to that seen on the previous Domestic Renewable Heat Incentive (DRHI) scheme[22]. **Figure 3.1** shows the proportion of each technology type installed since the start of the BUS scheme.

[22] Information on the DRHI scheme: <https://www.ofgem.gov.uk/environmental-and-social-schemes/domestic-renewable-heat-incentive-domestic-rhi>

Figure 3.1: Grants paid by technology type on the BUS since scheme launch



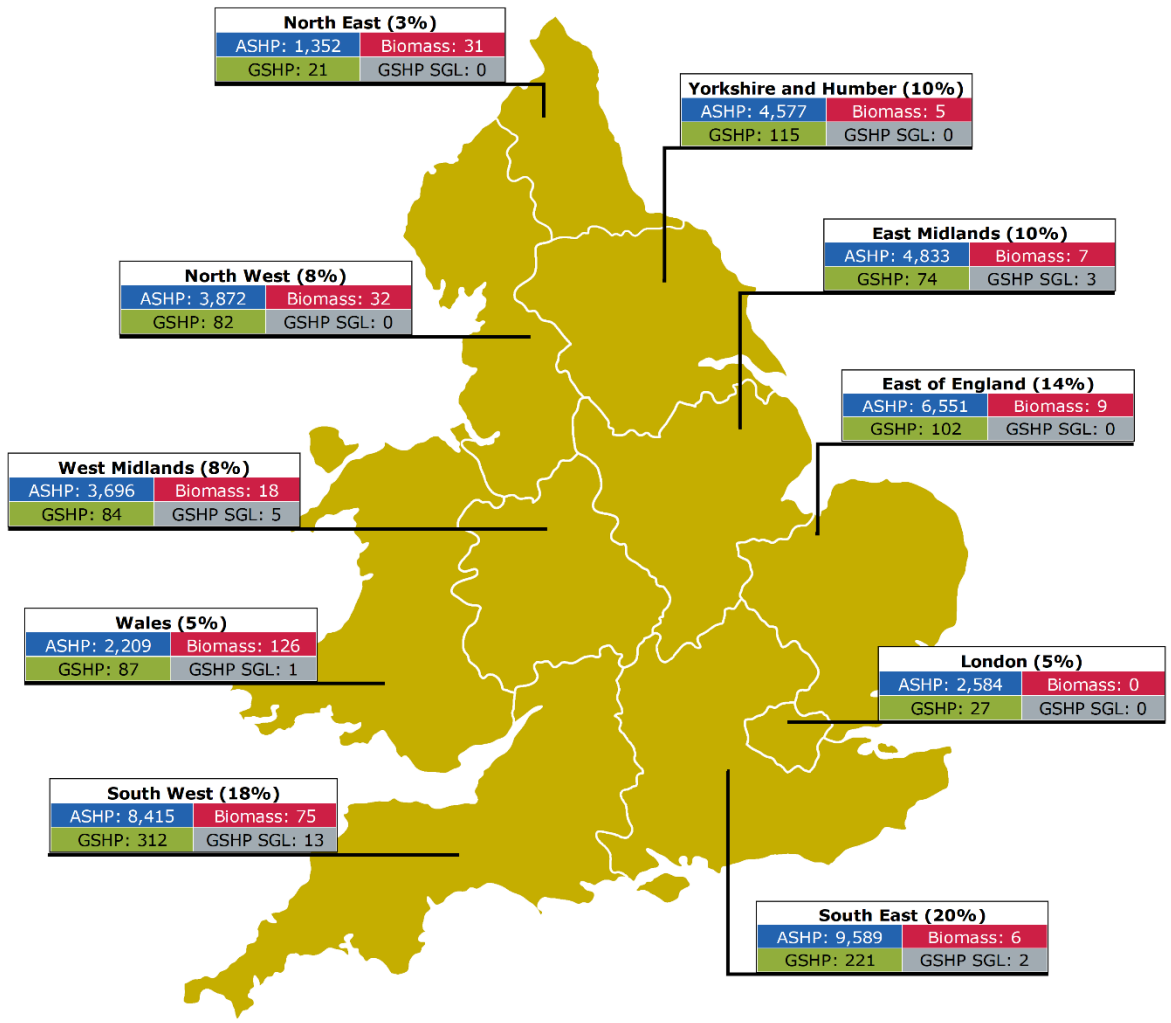
This chart shows a breakdown of the 49,136 grants paid by technology type. ASHPs make up 97.0%, ground source heat pumps (GSHPs) 2.3%, biomass 0.6%, and shared ground loop ground source heat pumps (SGL GSHPs) 0.05%.

Note that percentages may not add up to 100% due to rounding.

Regional distribution of BUS installations

3.4 **Figure 3.2** below shows the regional distribution of BUS installations across England and Wales, split by technology type, since scheme launch.

Figure 3.2: Regional distribution of grants paid by technology type



This map shows that South East England has the highest number of BUS installations, with 20.0% of the total. This is closely followed by South West England with 17.9% and then East of England with 13.6%. At the other end of the spectrum the North East of England accounts for the lowest proportion with 2.9% of installations, followed by Wales with 4.9% and London with 5.3%.

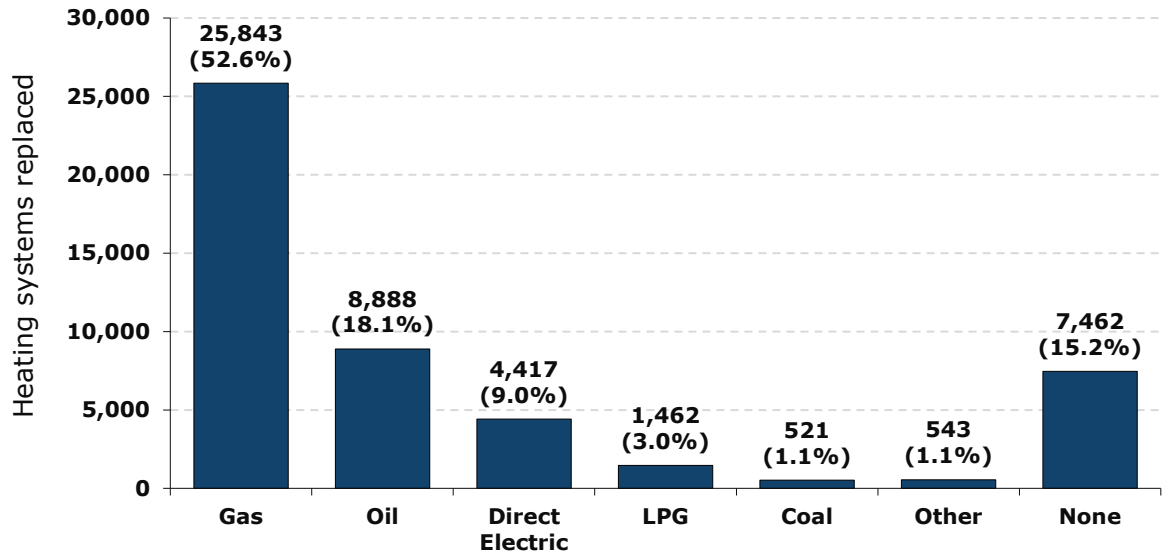
Note that percentages may not add up to 100% due to rounding.

Replaced heating systems

3.5 A key policy aim of the BUS is to decarbonise homes in England and Wales by replacing fossil fuel and direct electric heating systems with lower carbon alternatives. **Figure 3.3** provides details of the heating systems replaced by BUS installations, as declared by installers on the BUS application form.

3.6 The BUS also supports the installation of low-carbon heating in eligible self-build properties[23]. In total, 7,524 eligible self-builds have received support since the start of the scheme, with 3,278 of these being within Scheme Year 3. Most were in newly constructed buildings or conversions of buildings without previous heating. However, a small proportion were conversions where a non-domestic heating system was replaced. Consequently, the number where no heating system has been replaced is lower than the number of eligible self-builds.

Figure 3.3: Heating systems replaced since scheme launch



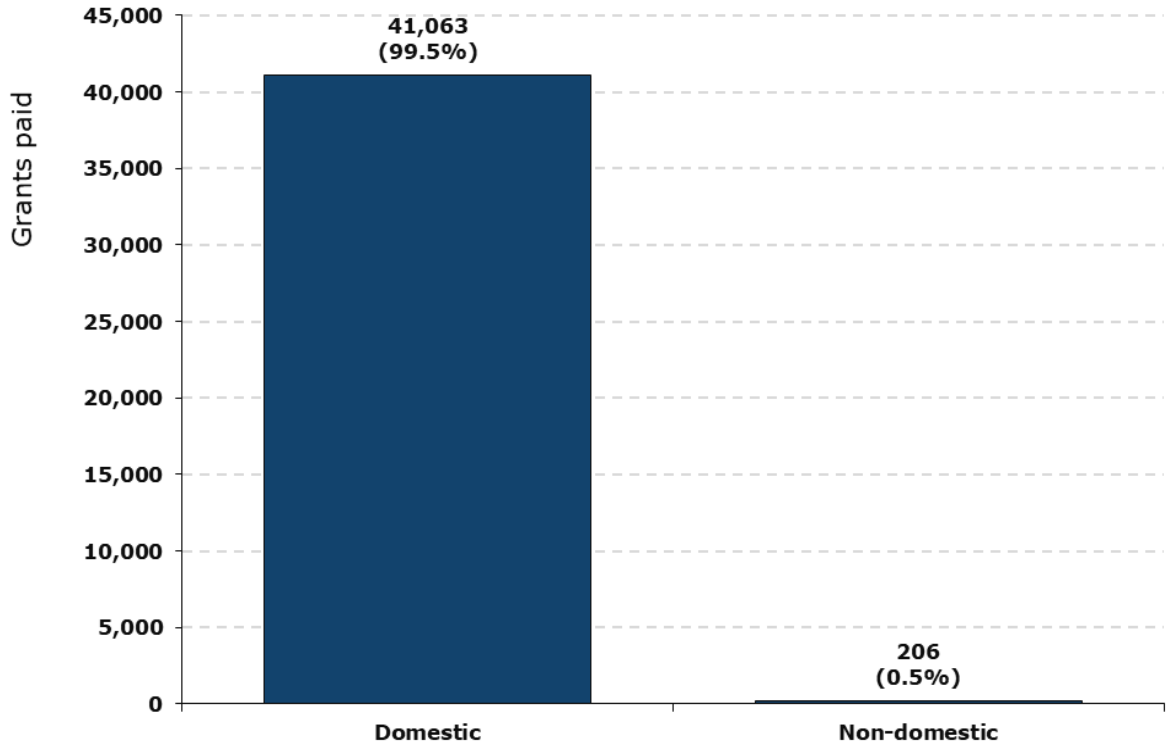
This chart shows the number and type of heating systems that have been replaced by BUS installations; as declared by installers on the BUS application form. Gas systems made up 52.6% of the total and oil was the second most common at 18.1%. Overall, replaced fossil fuelled systems account for 74.7% of grants paid. 15.2% of the grants paid were for properties where there was no previous heating system.

[23] 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 has never been owned by a business or organisation.

Domestic and non-domestic

3.7 The BUS supports the installation of low-carbon heating systems up to a maximum capacity of 45 kWth. In practice this means that the scheme is targeted at domestic and small scale non-domestic buildings. **Figure 3.4** provides a breakdown of the declared building type for grants paid since scheme launch.

Figure 3.4: Proportion of grants paid for domestic vs non-domestic installations



This chart shows the breakdown of grants paid for domestic vs non-domestic installations. Domestic installations accounted for 41,063 or 99.5% of all installations where the applicant declared this information. This compares to 206 or 0.5% for non-domestic. This information was not provided by the remaining 7,867 applicants.

Installation costs

3.8 BUS applicants are required to submit information on the price quoted[24] for installation of the new heating system. The property owner must confirm this information at customer declaration stage. The average total quote (which includes the value of the BUS grant) is listed in **Figure 3.5**, broken down by technology type.

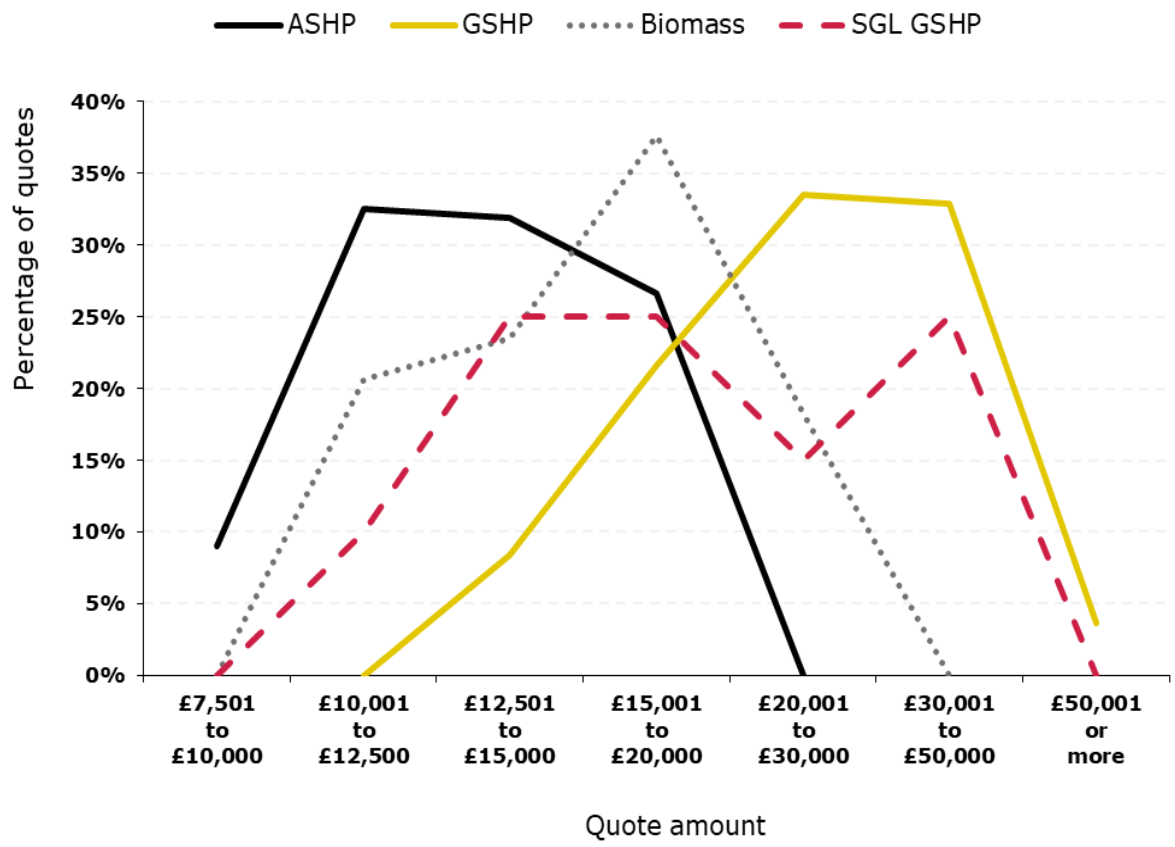
Figure 3.5: Average total quote amount for BUS grants paid (grant value included)

ASHP	GSHP	Biomass	SGL GSHP
£13,433	£27,924	£16,223	£22,503

3.9 **Figure 3.6** shows the distribution of installation quotes by amount quoted for each technology type.

[24] The total quote amount reported by installers includes the system cost, labour and VAT (if applicable). It should be noted that we do not validate the information provided. As such to account for outliers we have excluded the highest and lowest 10% of values from the data in this section.

Figure 3.6: Distribution of installation quotes by technology type (grant value included)



This chart shows the distribution of installation quotes as reported by installers before the grant value has been deducted. ASHP quotes were most commonly in the £10,001 to £12,500 range. For Biomass it was £15,001 to £20,000 and for GSHPs £20,001 to £30,000. The sample size for SGL GSHPs is much smaller so it is more difficult to draw conclusions, however most installations fall in the £12,501 to £20,000 range.

4. Profile of BUS installers

This chapter provides information on the installers who have created an account under the scheme.

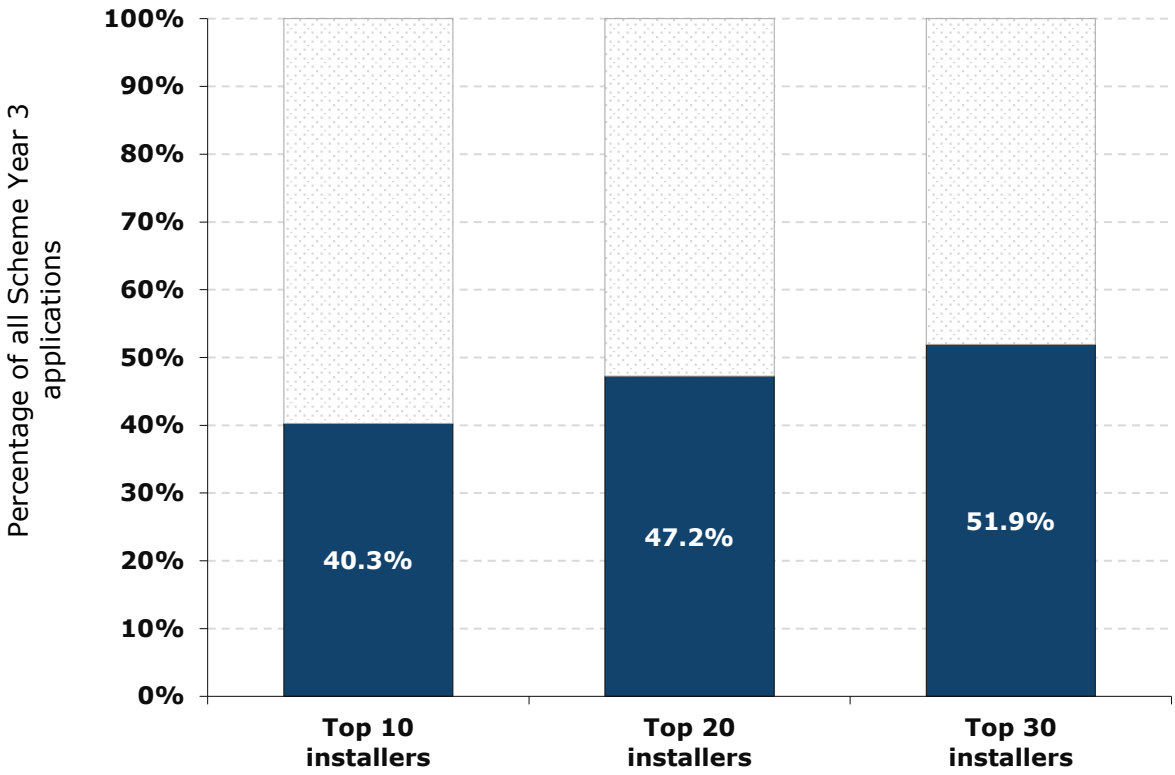
4.1 Installers were able to create an installer account from 11 April 2022, in advance of the scheme opening for applications on 23 May 2022. As of 31 March 2025 there were 1,591 installers registered under the scheme. This was an increase of 23.7% on the 1,286 registered at the end of SY2, which suggests development of supply chains in line with the scheme's policy aims.

4.2 By the end of March 2025, 1,443 (90.7%) had submitted applications, and of the 148 that had yet to apply, 31 are installers that created their accounts towards the end of the Scheme Year (between January and March 2025).

4.3 It is worth noting that since the start of the scheme, the top 30 installers, in terms of application volumes, were responsible for 32,860 (43.1%) of applications. Conversely, there were 206 installers (12.9%) with a single application each.[25] As shown in **Figure 4.1**, in SY3 the top 10 installers were responsible for 40.3% of all applications, the top 20 47.2%, and the top 30 51.9%.

[25] Note that the stated number of installers with a single application includes installer accounts that have been suspended.

Figure 4.1: Top 30 installers by proportion of applications submitted in SY3



This chart shows the proportion of all applications submitted in Scheme Year 3 by the top 10, top 20 and top 30 installers. The top 10 installers were responsible for 40.3%, the top 20, 47.2% and the top 30, 51.9% of all applications.

5. Monitoring compliance

This chapter summarises our work monitoring compliance with the BUS rules. Included are details of our statistical and targeted audit programmes and our compliance activity.

5.1 Ofgem takes any non-compliance with scheme rules extremely seriously. We operate robust audit and compliance programmes to help ensure that grants are only made to those eligible to receive them, thereby protecting the public purse. Ofgem has the legal authority to conduct routine checks on grant applications at any point in the process, including after payment has been made.

5.2 Audit checks are one way to do this whilst also:

- giving us an understanding of trends in non-compliance in the scheme
- allowing us to identify and address the root causes of non-compliance, for example by strengthening our operational controls
- allowing us to target our stakeholder engagement, and further monitoring and compliance activity
- helping us identify and protect against errors, scheme abuse and fraud.

5.3 When we suspect an applicant has not complied with the scheme rules, for instance after we complete an audit or during our application assessment, we may open a compliance investigation. During an investigation, we have the power to withhold payment for a single, or multiple vouchers, pending the outcome. If a non-compliance affecting eligibility has occurred, we will (if possible) work with the installer to bring the application into compliance. Otherwise we will reject the ineligible application or revoke the voucher.

5.4 Examples of non-compliance may include, but are not limited to:

- The property owner has not consented to the installation or consent has been falsified
- The heating system does not meet the full space and water heating demands of the property
- The heating system has not been appropriately installed and is inoperable and/or the Microgeneration Certification Scheme (MCS) certificate was issued before the installation was complete

- There is no heating system present for which an MCS certificate has been issued
- The information provided to Ofgem appears to be incorrect, false or misleading
- A fossil fuel heating system is still in place
- There is no evidence that the property owner has benefitted from the value of the grant
- The installation has previously received public funding
- Instances where installers were submitting a voucher on behalf of another installer, with whom they don't have a sub-contractor agreement that complies with MCS standards.

Scheme abuse

5.5 We take a risk-based approach to scheme abuse and fraud and have a dedicated Counter Fraud function that works to detect, prevent, and deter such activity. Where we identify suspected scheme abuse and/or fraud, we'll refer the individuals in question to the relevant authorities which include Action Fraud[26], the police and/or trading standards.

5.6 As a scheme where 99.5% of installations are in domestic properties, consumers could be negatively impacted by scheme abuse or fraudulent activity. Therefore, in addition to working to ensure the appropriate use of public funds, we also champion consumer protection. We work closely with DESNZ, MCS and consumer bodies to monitor installer behaviour, including where concerns are raised over their financial stability. If installers cease to trade, we take proactive action to protect consumers who are part way through their installation and may be left without heating.

[26] Action Fraud: <https://www.actionfraud.police.uk/>

5.7 We would like to remind installers of the following:

- Installers should ensure the system is fully installed and completed prior to commissioning and the raising of an MCS certificate. In this scheme year Ofgem have revoked 42 vouchers for non-compliance in this area.
- Installers should only apply for vouchers when they or a subcontractor they've formally agreed to work with (in line with MCS standards) have completed the installation, and not on behalf of anyone else. In this scheme year, Ofgem have revoked 9 vouchers or prevented the redemption of others, where vouchers have been wrongly redeemed in this way. This is a key area of investigation and Ofgem will be taking firm action against installers who knowingly breach this regulation including revoking vouchers or removing installers from the scheme.

5.8 If an installer, or an individual, believes that either situation may have occurred, they can contact counterfraud@ofgem.gov.uk.

5.9 Ofgem also has a dedicated whistleblower email address — whistle@ofgem.gov.uk — where we welcome information about any potential wrongdoing or malpractice on the scheme.

Summary of audit activity

5.10 Our audit strategy and plans have been developed in line with best practice from the National Audit Office. They are reviewed annually and updated to account for emerging risks, changes to the scheme and new trends in non-compliance.

5.11 We undertake both statistical and targeted audit programmes. Statistical audits are site audits, chosen fortnightly following voucher redemption, and are randomly selected to provide a representative view of the scheme population. This provides us with assurance that the audit results reflect the level and types of non-compliance across the population, and whether the levels of non-compliance remain within tolerance levels agreed with government.

5.12 Targeted audits are identified via internal and external referrals, and data analytics, which we use to identify applications that have an increased risk of non-compliance. Targeted audits are selected weekly and can be either desk-based audits or site audits, with the audit method selected based on the specific risks identified. We also use various methods of intelligence led information to inform the targeted audit programme.

5.13 **Figure 5.1** provides an overview of our audit programme, including the initial compliance ratings for audits that have been closed. The statistics cover the period from 2024 to 2025. However, at the time of writing, some investigations are still ongoing. The data presented is accurate up to and including 31 March 2025. It is worth noting that fewer audits have been closed at this stage compared to 2023–2024, primarily due to the increased complexity of the findings.

Figure 5.1: Statistical and targeted audits – Scheme Year 3

Audit type	Total audits	Open audits	Closed audits	Compliant audits	Non-compliant audits	Compliance rate (%)
Statistical (site)	414	201	213	202	11	94.84%
Targeted (site)	607	256	351	300	51	85.47%
Targeted (desk)	209	51	158	149	9	94.30%
Targeted (transfers)[27]	8	5	3	3	0	100%
Totals	**1,238**	**513**	**725**	**654**	**71**	**90.2%**

5.14 We selected 414 installations that received grant payments in 2024 to 2025 for statistical audit, with an initial compliance rate for those closed of 94.84%. The statistical audit programme is used to determine the BUS 'error rate'[28].

5.15 We monitor trends in non-compliance and the level of error, scheme abuse and fraud in our schemes through our audit programmes. The value of error stated represents the estimated impact of both fraud and error. The value of payments made in error during 2024 to 2025 under the BUS is estimated at £4.6 million (2.42% of total payments) within a 95% confidence interval of £1.8 to £7.4

[27] These audits started as targeted desk audits but were changed to a site audit as the property owners required additional support.
[28] 'Error rate' is the estimated level of non-compliance with the scheme rules (expressed as a percentage of payments made) across the scheme population.

million[29]. This estimated level of non-compliance is comfortably within the tolerance levels agreed with government.

5.16 An actual error rate is provided once all audits assigned in that scheme year have closed and the error rate is restated. For Scheme Year 2 (2023 to 2024) the restated error rate is £1.9 million (2.14% of total payments) within a 95% confidence interval of £0.7m to £3.1m.

5.17 Details of the non-compliances identified through our statistical audit programme are shown in **Figure 5.2** below. There were 16 non-compliances identified across the 11 non-compliant audits; the most common 3 reasons accounted for 56.3% of the total.

Figure 5.2: Statistical audit non-compliances – Scheme Year 3

Non-compliance	Number of non-compliances	Percentage of non-compliances	Inferred incidence in the scheme population
Plant cannot meet eligible property space and water heating needs	5	31.3%	2.3%
Ineligible technology installed	2	12.5%	0.9%
The capacity of the plant is lower than the property's total heat demand	2	12.5%	0.9%
Other non-compliances (single instances of each non-compliance)	7	43.8%	3.3%

5.18 In addition to our statistical audits, we conducted 824 targeted audits on installations identified as having a potential increased risk of non-compliance. Of these, 512 were closed by the end of March 2025, with 452 found to be compliant. The initial compliance rate in this group was 88.3%, which as expected is lower than the statistical group.

5.19 It should be noted that the compliance rate shown in **Figure 5.1** includes all potential non-compliances identified through audit. Where an initial audit

[29] A 95% confidence interval means that we are 95% confident that the actual value of payments made in error will fall between the upper and lower values of £1.8 million and £7.4 million.

indicates a weak rating, a compliance investigation is conducted to confirm if a non-compliance has occurred (see **Figure 5.3**). Therefore, the final compliance rate can only be confirmed following completion of the compliance investigation.

5.20 Through our audit and counter fraud work we revoked vouchers with a value of £480,000 in Scheme Year 3 which we are pursuing through our debt recovery processes.

BUS compliance

5.21 We closed 935 compliance investigations during Scheme Year 3 from which 344 (36.8%) applications were found to be non-compliant. The compliance actions we took as a result in £2,168,500 of public funds either being protected or identified for recovery. Further details can be found in **Figure 5.3** below.

Figure 5.3: Summary of compliance cases – Scheme Year 3[30]

Referral source	Cases closed	Non-compliant cases	Non-compliant (%)	Funds protected	Funds identified for recovery
Audit	56	19	33.9%	£45,000	£68,500
Operational	484	202	41.7%	£1,342,500	£90,000
MCS	332	92	27.7%	£477,500	£20,000
External referral	63	33	52.4%	£60,000	£65,000
Total	**935**	**346**	**37.0%**	**£1,925,000**	**£243,500**

5.22 To provide further insight on the nature of the non-compliances being identified, we have included information on the 5 most common in **Figure 5.4**. In total, the 5 most common non-compliances identified accounted for 78.8% of all non-compliances.

[30] Figure 5.3 includes only those cases revoked through our compliance processes and so does not include vouchers revoked or funds recovered through other channels such as audit or counter fraud work.

Figure 5.4: Five most common non-compliances – Scheme Year 3

Non-compliance	Number of non-compliances	Percentage of non-compliances
Existing system was not a fossil fuel and/or electric heating system – Regulation 5 (1)(c)(ii)	109	31.7%
Installer does not meet the definition of an installer (Ceased to trade) - Regulation 2	67	19.5%
Property has had a previous grant from public funds - 5 (1)(c)(iii)	51	14.8%
Installer does not meet the definition of an installer (MCS Decertified) - Regulation 2	26	7.6%
Grant not used solely to fund installation of plant - Regulation 14 (2)(d)	18	5.2%
Total	**271**	**78.8%**

5.23 Background information on the 5 most common non-compliances is provided below:

- **Existing system was not fossil fuel or electric:** BUS is intended to support the decarbonisation of heating systems in buildings. To qualify for BUS funding, a property must be replacing an existing heating system that operates on either fossil fuels or electricity. All applications involving properties where a heat pump or biomass boiler has previously been installed will be subject to compliance investigation. This is to ensure full compliance with the applicable BUS eligibility criteria.
- **Installer has ceased trading**: Ofgem actively monitors installer status via Companies House and MCS. Where an installer is identified as having ceased trading, an investigation will be undertaken to verify whether their BUS vouchers were eligible at the point of redemption. Installers are reminded that it is their responsibility to notify Ofgem of any changes in circumstances, including cessation of trading.
- **Property has received previous public funding:** Properties that have previously received public funding for the installation of a heat pump or biomass boiler are not eligible for additional support under BUS. Ofgem conducts cross-referencing with other government schemes to identify

instances of prior funding. Where such funding is confirmed, any associated voucher application will be deemed ineligible and subject to further investigation. It is the responsibility of the installer to verify the funding history of previous renewable heating systems of the property and to notify Ofgem of any relevant findings.

- **Installer is no longer MCS Certified**: Installers must be MCS certified to participate in the BUS scheme. MCS certification ensures that both the installed heating system and the installer meet the required standards of quality and performance. Ofgem regularly checks with MCS to ensure all installers on BUS continue to remain MCS accredited. Any installer who loses MCS accreditation will no longer be able to submit or redeem vouchers and any ongoing voucher applications will be investigated. Please note, it is an installer's obligation to inform Ofgem of any change in circumstance, including losing MCS accreditation.
- **Grant not used solely to fund installation of plant/voucher did not benefit property owner**: The purpose of the grant is to reduce the financial burden on property owners, making the switch to low-carbon heating more affordable and encouraging wider adoption. The rules require that the financial support provided is spent directly on technologies that meet these objectives and are eligible within the scheme, and the benefit is received by the property owner. By investigating instances where this is not the case, we are ensuring we maximise the impact of each grant, and that the grant contributes toward the scheme's decarbonisation objectives.

5.24 To maintain and further reduce the levels of non-compliance on the scheme, we continue to analyse the root causes of the non-compliances identified. We use this information to look for ways to strengthen our procedures and apply preventative measures to reduce the likelihood of non-compliances happening. We share our non-compliance findings with DESNZ, MCS (who carry out additional checks on the quality of the BUS funded installations) and relevant consumer codes[31] as appropriate, to ensure that all parties can respond accordingly.

[31] Consumer codes are consumer organisations that set out the levels of customer service and consumer protection that MCS installers must provide.

6. Our administration

This chapter provides additional detail on our administration of the BUS during Scheme Year 3.

6.1 As administrators of the BUS, Ofgem perform a number of functions, including:

- Publishing scheme guidance for installers and property owners
- Processing installer account creation requests
- Processing voucher and redemption applications
- Making payments to installers following a successful voucher redemption
- Monitoring and enforcing compliance with the BUS regulations
- Publishing reports on the operations and progress of BUS.

6.2 This chapter provides information on certain aspects of our administration not covered elsewhere in this report.

Voucher processing

6.3 A key part of our administration is to assess the eligibility of applications and reach a decision in a timely and efficient manner. The assessment includes a review of both the applicant and the property where the technology will be installed, including validating whether a fossil fuel or electric heating system is being replaced, or if the installation is in an eligible self-build property.

6.4 Once a voucher application has been received, the property owner will be asked to consent to the installer making the application on their behalf. Their consent is one part of the information we require before we can deem an application has been 'properly made'[32]. Within Scheme Year 3, we issued over 99% of ASHP property owner consent requests within 10 working days of the grant application being first received.

6.5 Across Scheme Year 3, we processed and paid 96% of applications for voucher redemptions within 10 working days of the redemption application being made.

[32] A voucher application is only considered 'properly made' when we have received all the information required to assess the eligibility of a voucher application, including property owner consent.

This demonstrates our efficient processing of applications and the high quality of documents provided by BUS installers in line with the guidance we provide.

6.6 In March 2024, the previous government published its consultation response, which included plans to remove the requirement for properties to have no outstanding loft or cavity wall insulation recommendations on their EPC. It also proposed that applications would no longer be eligible if commissioning took place more than 120 days before the application was properly made. These changes came into force on 8 May 2024.

6.7 Our administrative processes were adapted to operate on a dual basis, dependent upon the properly made date of an application. Applications with a properly made date ***before*** the 8 May 2024 were reviewed in accordance with previous regulations and those with a properly made date ***on or after*** the 8 May 2024 were subject to the new 2024 regulations.

6.8 In anticipation of the change in eligibility criteria, application volumes in May 2024 (2,987) saw a 26% increase on the previous month, with a notable increase across week 1, ahead of the coming into force date. Subsequently, 2,418 vouchers were issued in May 2024, an increase of 35% on the previous month.

Digital delivery

6.9 A key enabler of running the BUS scheme efficiently and securely is the continuous improvement of our digital services. Scheme Year 3 has seen continued investment in our digital service. Through a series of strategic features we have significantly improved the experience for installers while optimising internal processes.

6.10 **Self-Service for installers** - In Scheme Year 3, digital account amendments were made available for installers, replacing a previous manual process that relied on PDF form submissions. This new feature enables installers to update key business account details—such as company name, address, and authorised representative information—directly through the platform. The transition to a self-service model has streamlined operations, enhanced user experience, and reduced the administrative burden for Ofgem.

6.11 **Redemptions - property owner notifications** - To enhance communication and accountability, we implemented an automated email feature which notifies property owners upon submission of a redemption application. This ensures

property owners are kept informed on progress of the application and provides an opportunity to engage with Ofgem in the event of any challenges with their installation. This email provides helpful guidance on the expected status of their installation at the point of redemption application, directing the property owner to escalation points for support as required. In addition to improving external communication, this initiative also enhances internal controls through early engagement with property owners and installers, helping to ensure eligibility criteria are met in advance of payment wherever possible.

6.12 **Redemptions – process improvements -** To improve efficiency and user experience, we improved the way we process voucher redemptions under the BUS. This enhancement was designed to support growing scheme demand and streamline our operations. The result is a smoother, more reliable service that benefits everyone involved — from installers and property owners to us as scheme administrators, while also helping to reinforce trust in the scheme's delivery.

User research and feedback

6.13 During the year we conducted usability and user testing sessions with external stakeholders to identify and understand pain points when using our digital service. Additionally, we used feedback to refine and validate our system designs and content. This has provided valuable insight which has helped us to improve our digital service and ensure it remains responsive to the evolving needs of our users.

6.14 Our commitment to user-centric improvements is reflected in our consistently high customer satisfaction rating, currently at 92% from both property owners and installers. These ratings are a testament to our dedication to provide an efficient and reliable digital service that meets the needs of our users and supports our operational goals.

Stakeholder engagement

6.15 Our stakeholder engagement activities have been vital for the effective and robust operation of the BUS. This has included ensuring that scheme applicants and potential applicants are aware of:

- the scheme rules
- our administrative approach

- the published guidance
- changes to the digital service, and
- any other scheme updates.

6.16 To help achieve this, we have kept in close contact with our colleagues at DESNZ to ensure consistency of messaging surrounding the BUS.

6.17 As the appointed administrator, our objective is to engage with installers to ensure they have a clear understanding of the scheme design and are well-informed about the application process. It should be noted that public awareness and promotion of the scheme and the benefits of low-carbon heating systems, including to property owners, sits outside of Ofgem's remit as an independent administrator: this is the responsibility of DESNZ as the policy owner.

6.18 However, recognising the public need for information about the scheme, and that Ofgem would be seen as a key source of this information, we have produced targeted content on our website, as well as managing a dedicated customer services function for enquiries via email or phone.

6.19 We conduct a wide range of activities with organisations and individuals representing scheme installers and property owners to ensure they receive the right level of support from us. We meet them in a diverse range of settings, from board-level meetings and roundtables to conferences and other events.

6.20 All of this allows for regular, detailed dialogue to take place between Ofgem and our external stakeholders. It ensures that, as the scheme administrator, we maintain a strong understanding of the broader operational context, supported by expert input from a diverse range of perspectives. This engagement has helped inform how we design our administration of the scheme and improve the user experience.

Forums

6.21 We hold regular forums with trade associations, relevant industry stakeholders and other interested parties. The forums allow stakeholders to share their feedback, which gives us valuable information and allows us to continually improve our service. We also use the forums to share key messages, updates, and feedback, including highlighting common issues that could affect application approval or eligibility.

6.22 The forums started in June 2022 at which point they were held monthly to help support the launch of the scheme. As the scheme has become established, we moved to a quarterly format in October 2023.

Warm and Fuzzy campaign

6.23 In March 2025, DESNZ launched the 'Warm and Fuzzy' heat pump marketing campaign to increase the understanding of the benefits of heat pumps, as well as raise awareness of the support available through BUS to encourage uptake for the scheme in future years. Ofgem welcomes this initiative as part of our shared commitment to supporting the transition to low-carbon heating systems and helping consumers access BUS.

6.24 The campaign featured ads across TV, video-on-demand, radio, online video, digital display and social media channels. Consumers were directed to the campaign website to find out more about heat pump benefits, how they work, the financial help available and more.

Document publications

6.25 As administrator of the BUS, we publish guidance for both installers[33] and property owners[34] in addition to the information we publish on our website[35].

6.26 These guidance documents are regularly updated to reflect scheme developments and improved using feedback we receive from stakeholders. At the time of writing the most recent update was published on 9 April 2025. A full list of the changes made in each new edition is published alongside the guidance on our webpage.

[33] BUS guidance for installers: <https://www.ofgem.gov.uk/publications/boiler-upgrade-scheme-guidance-installers>
[34] BUS guidance for property owners: <https://www.ofgem.gov.uk/publications/boiler-upgrade-scheme-guidance-property-owners>
[35] BUS information on the Ofgem website: <https://www.ofgem.gov.uk/environmental-and-social-schemes/boiler-upgrade-scheme-bus>

6.27 If you have any suggestions for additions or clarifications to future versions of the guidance, please get in touch with us directly at: future.heatpolicy@ofgem.gov.uk.

7. Looking forward

This chapter provides information on changes due to take place on the scheme, alongside other information affecting the broader policy landscape.

7.1 The government has announced a £295 million budget for the Boiler Upgrade Scheme for financial year 2025 to 2026, almost doubling the yearly funding[36]. Budgets for further scheme years will be announced by the government in due course.

7.2 Heat pumps, along with heat networks, will be the primary low-carbon technology for decarbonising home heating over the next decade, and BUS is expected to continue to play an important role in helping to achieve that.

7.3 With the scheme fully underway we anticipate another busy year ahead. To support this, we are continuing our programme of improvements to systems and processes.

7.4 The Department for Energy Security & Net Zero conducted a consultation in April 2025[37] regarding proposed changes to the scheme. A formal decision on these proposals is expected to be published later this year. Detailed changes will be outlined in our guidance.

[36] Funding press release: <https://www.gov.uk/government/news/help-to-save-households-money-and-deliver-cleaner-heat-to-homes>
[37] BUS and certification requirements for clean heat schemes: <https://www.gov.uk/government/consultations/boiler-upgrade-scheme-and-certification-requirements-for-clean-heat-schemes>

Appendix 1 – Associated links

- Applications for the BUS are made online on the gov.uk website:

  Apply for the BUS
  <https://www.gov.uk/apply-boiler-upgrade-scheme>

- Guidance documents on the BUS for installers can be viewed on the Ofgem website:

  Ofgem's BUS guidance for installers:
  <https://www.ofgem.gov.uk/publications/boiler-upgrade-scheme-guidance-installers>

- Guidance documents on the BUS for property owners can be viewed on the Ofgem website:

  Ofgem's BUS guidance for property owners:
  <https://www.ofgem.gov.uk/publications/boiler-upgrade-scheme-guidance-property-owners>

- More information on the BUS can be found on the Ofgem website:

  Information about the BUS scheme:
  <https://www.ofgem.gov.uk/environmental-and-social-schemes/boiler-upgrade-scheme-bus>

- The Boiler Upgrade Scheme (BUS) Regulations can be viewed on the legislation.gov.uk website:

  Boiler Upgrade Scheme (England and Wales) Regulations:
  <https://www.legislation.gov.uk/primary+secondary?title=The%20Boiler%20Upgrade%20Scheme>

- The consultation documents detailing the BUS policy can be found here (Future support for low carbon heat):

  Consultation: Future support for low carbon heat:
  <https://www.gov.uk/government/consultations/future-support-for-low-carbon-heat>

- Government plans to strengthen Britain's long-term energy security and independence including extension of the BUS scheme to 2028 set out in 'Powering up Britain':

  Powering up Britain:
  <https://www.gov.uk/government/publications/powering-up-britain>

- The Department for Energy Security and Net Zero consultation and government response "Proposed amendments to the Boiler Upgrade Scheme Regulations":

  Proposed amendments to the Boiler Upgrade Scheme Regulations - GOV.UK:
  <https://www.gov.uk/government/consultations/proposed-amendments-to-the-boiler-upgrade-scheme-regulations>

- The Department for Energy Security and Net Zero consultation "Boiler Upgrade Scheme and certification requirements for clean heat schemes":

  Boiler Upgrade Scheme and certification requirements for clean heat schemes
  <https://www.gov.uk/government/consultations/boiler-upgrade-scheme-and-certification-requirements-for-clean-heat-schemes>

Appendix 2 – Scheme glossary[38]

A

Air source heat pump (ASHP) – A low carbon heating technology that transfers heat from the ambient air outside a property to a liquid heating system. This provides hot water via a water cylinder and heating via radiators.

B

Biomass boiler – A boiler designed to burn solid biomass (other than fossil fuel or peat) to deliver heat via a liquid heating system.

Boiler Upgrade Scheme (BUS) voucher – A BUS voucher is issued after a voucher application is properly made, has been assessed and we are satisfied that all the relevant eligibility requirements have been met. Vouchers can be redeemed within the validity period for the relevant grant amount once an installation is commissioned, and all evidence required for redemption is provided to us.

C

Custom-build – Custom build refers to properties created by a builder who is contracted by an individual. This type of building is considered to be a "self-build". For further information, please refer to "self-build" below.

D

The Department for Energy Security & Net Zero (DESNZ) – Formerly known as the Department for Business, Energy and Industrial Strategy (BEIS), DESNZ are responsible for BUS policy in Great Britain, the scheme regulations, scheme budget and any promotion of the scheme.

G

Ground source heat pump (GSHP) - A low carbon heating technology that absorbs heat from the ground around a property using a ground loop, to provide hot water via a water cylinder and heating via radiators.

[38] Many of the terms included in this glossary are defined in the Regulations and those definitions should be consulted for their legal meaning for the purposes of the Regulations.

M

Microgeneration Certification Scheme (MCS) – The MCS is a certification scheme for microgeneration installation companies, products and installations. It defines and maintains consistent standards, providing confidence to consumers who wish to invest in small-scale technologies that produce electricity or heat from low carbon sources.

S

Self-build – Eligible self-builds are new build properties which were built using either the resources or labour of an individual. This includes buildings where an individual contracts a builder to create a 'custom-built' property or where a private individual builds it as a DIY 'self-build' project. Both types of property are treated as self-builds. Eligible self-builds cannot have been owned wholly or partly by a person who is not an individual and must not be part of an "excluded property development". The date the building was first occupied or used must be on or after the first commissioning date of the heat pump and the building cannot have an installed heating system before the date on which the heat pump is first commissioned.

Shared ground loop GSHP – A GSHP system where the ground loop is shared by two or more properties.