



Boiler Upgrade Scheme (BUS)

Overview

The Boiler Upgrade Scheme is a financial grant backed by the government to support the costs of installing low carbon heating systems, such as heat pumps and qualifying biomass systems for off-gas grid properties. The scheme supports air source heat pumps (ASHP), ground source heat pumps (GSHP) and biomass in qualifying areas.

All installations must be certified under the [Microgeneration Certification Scheme](#) and meet relevant required standards for each technology, including limits on harmful emissions for biomass systems.

The scheme is expected to run from Spring 2022 to 2028 or until the budget has been fully allocated. Any low carbon heating systems that has been MCS Commissioned on or after 1st April 2022 are eligible for funding under the scheme.

MCS Certified installers acting on behalf of property owners can apply for:

- £5000 off the cost and installation of an air source heat pump
- £5000 off the cost and installation of a biomass boiler
- £6000 off the cost and installation of a ground source heat pump, including water source heat pumps and shared ground array.

From the 23rd October 2023 the funding value will increase to £7,500 for Ground, Water and Air source heat pumps.

The scheme will cover single domestic dwellings and will be open to owner-occupiers, private landlords, and self-builders. It will not be open to new build properties other than [self-build](#).

Eligibility at a glance:

It's open to homeowners, as well as owners of small business for retrofit properties, in **England and Wales only**.

To apply, you'll need to:

- Own your property (this can be a home or a small business property).
- Have a property with an installation capacity up to 45kWth (this covers most homes).
- Have a valid [Energy Performance Certificate](#) (EPC) less than 10 years old. An EPC must **not** have any outstanding recommendations for loft or cavity wall insulation (unless you have an [insulation exemption](#)).
- self-builds must have been built mainly using the labour or resources of the first owner, and must have not been owned by a business or organisation.
- Must meet Full space and water heating demand, so cannot be used as a hybrid solution.



How can I access the scheme?

The Boiler Upgrade Scheme is installer-led. This means that an MCS Certified installer will apply for a voucher and redeem the grant on your behalf. MCS Certified installers in your area can be found at www.mcscertified.com/find-an-installer.

If using our MCS Umbrella Scheme, Kensa will submit the voucher application of £6000 for Ground Source Heat Pumps on behalf of the homeowner and sub-contracted installer. Once the installation has been completed and Kensa have been able to carry out the MCS Commissioning, Kensa will apply to redeem the voucher.

What if you're claiming other grants or funding?

If you have received funding for any efficiency upgrades, such as insulation, windows or doors, you can still apply for the Boiler Upgrade Scheme.

However, properties that have already received government funding or support for a heat pump or biomass boiler such as the Green Homes Grant or Renewable Heat Incentive, are not eligible for the Boiler Upgrade Scheme.

How long does the voucher last?

To ensure that the vouchers are used in a timely manner and that any unused vouchers can be re-cycled, Ofgem have set a validity period for all applicants as follows:

- 6 months for ground source heat pumps, including water source and shared ground arrays
- 3 months for air source heat pumps
- 3 months for biomass

Voucher periods will not be extended, so it's best to ensure that all works can be completed within the validity period associated with the technology type.

If a voucher does expire, Installers are able to re-apply for a voucher whilst the scheme remains open to applications.

Can I change my installer once a voucher has been issued?

Boiler Upgrade Scheme vouchers are issued to the MCS Installer for the specified technology. Only one voucher will be issued per property and only the named installer is able to redeem that voucher.

If you wish to change your MCS Installer, you can do so by contacting Ofgem to request for the current voucher to be cancelled, in order to allow for the new MCS Installer to submit a voucher application.



Reasons for ineligibility?

New build properties will not be eligible unless you are building your own home as a self-build.

For self –build projects, you will not be eligible for the grant if any of the evidence required are under a company name and not that of an individual.

Social housing properties are not eligible for the scheme, however, small and private landlords are able to apply per property for replacing existing fossil fuel systems . They may also be eligible under the self-build criteria as long as all evidence requirements are met.

The properties EPC is showing recommendations for cavity wall and/or loft insulation. An installer will still be able to apply for the voucher if you have these recommendations on your current EPC, but will be unable to redeem the voucher until they are able to produce a new EPC proving that the insulation improvements have been carried out. If the property is exempt from cavity or loft insulation improvements, the installer can continue to apply and redeem with the same EPC as long as an exemption form and evidence is submitted. More information regarding this can be found at <https://www.ofgem.gov.uk/publications/boiler-upgrade-scheme-guidance-property-owners>

If you are replacing an existing low –carbon heating system. Only properties that have existing fossil fuel systems (such as oil, gas, LPG or direct electric) which are being fully replaced with a heat pump or biomass boiler will be eligible for the grant support.

If the seasonal coefficient performance (SCOP) of the preposed low-carbon heating system falls below 2.8

Properties with a heat requirement higher than 45KW, or properties on a shared ground loop system where the total available capacity is in excess of 45KW.

What is required from Property Owners?

For retro-fit projects, property owners are required to provide the MCS Installer with the properties EPC which is less than 10 years old. If the property is exempt, a letter or surveyor report evidencing the reasons why the upgrade to insulation measures cannot be met, along with Ofgems exemptions template form will need to be submitted at the point of voucher application.

For self-build projects, the property owners are required to provide the installer with two pieces of evidence (one from A and one from B) which are in the name of an individual and not a company. Examples of evidence can be found below.

Example evidence A to demonstrate ownership of the property:

- Official copy of register of title for England and Wales
- Any legal document to prove who owns the property such as solicitors letter which should confirm the name of the owner, the address / description of the land, and the date which the property ownership was transferred to you.



Example evidence B to demonstrate the first owner funded the build of the property:

- Invoices for substantial structural works (e.g. foundations, timber frame, large order of bricks).
- A letter from HMRC confirming the first owner received DIY house builders VAT refund.
- Documentation confirming you received a new build loan.
- Documentation confirming you received a new build mortgage.

Once an MCS Installer has submitted a Boiler Upgrade Scheme voucher application, Ofgem will contact the property owner directly to obtain confirmation and provide consent for the following:

- Validation of Property Owners identification.
- You meet the relevant eligibility criteria for the scheme.
- The confirmation that the cost of the heat pump and MCS installer quotation provided in the application is true and correct.
- Provide consent to the voucher being issued to the MCS Installer for their property

Ofgem will request for the above to be provided within 14 days. If consent is not received within this time frame, Ofgem will reject the application.

Property Owners will also need to agree to provide access to Ofgem for auditing purposes for up to 6 years from date of application.

For more information regarding the Boiler Upgrade Scheme visit

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

Or

<https://www.gov.uk/guidance/check-if-you-may-be-eligible-for-the-boiler-upgrade-scheme-from-april-2022>