

INFORMATION SHEET No. 35 DATE OF ISSUE April 2022

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Boiler Upgrade Scheme (BUS) 04/22-04/28

"The Boiler Upgrade Scheme (BUS) was launched on Monday 23rd May 2022 to aid the decarbonisation of buildings. It will provide upfront capital grants to support the installation of heat pumps, and in some circumstances biomass boilers, in homes and some non-domestic buildings. The scheme applies to properties in England and Wales." (OFGEM)

NB Installers should apply for voucher on behalf of customer.

1. The scheme consists of:

• Up front grants for the installation of fossil free heating systems to replace gas, oil and direct electricity heating systems

• £7,500 for air source and ground source heat pumps and £6,000 for Biomass. Both up to 45kW output.

• Voucher once issued lasts 3 months for ASHP & 6 Months for biomass

• Need valid EPC and any outstanding recommendations on it eg loft / cavity wall insulation must be done before applying. Certain exemptions ie listed buildings. To date a minimum EPC rating does not seem to be required.*

• Having received acknowledgement that you qualify, the installer will be required to lead the voucher application on behalf of the consumer.

• Installer and the equipment must be MCS (Microgeneration Certification Scheme) registered

• The heat pump must have a seasonal coefficient of performance of at least 2.8

• Biomass boiler will require an emissions certificate. It replaces the heat generating components of the original heating system installed in that property (where applicable), other than any—

- (i) supplementary electric heater, including any immersion heater,
- (ii) circulation pump, or
- (iii) solar thermal collector.

Biomass boilers **

You can get a grant for a biomass boiler if all the following are true:

- your property is off the gas grid
- your property is in a rural location (check the <u>Ofgem guidance for property</u> <u>owners</u> if you're not sure)
- your boiler has an emissions certificate showing that polluting emissions are kept to a minimum

You cannot get a grant to install a biomass boiler in a self build property.

Properties you cannot get a grant for

You cannot get a grant for:

- most new build properties
- social housing
- a property that's already been given government funding or support for a heat pump or biomass boiler

If you own a new build property

New build properties which the developer is still building are not eligible.

If you move into a finished new build with a fossil fuel boiler, you may be able to get a grant for a heat pump under the scheme.

If you own a self build property

Your self build property is eligible if:

- you or the original owner built it yourself or you paid a builder to build it
- it's never been owned by a business or organisation

You'll need to show your installer proof that your property is a self build, for example, a copy of the title deeds. ** (Taken from Gov. website) For the latest details see https://www.gov.uk/apply-boiler-upgrade-scheme

2. Qualifying criteria:

• A valid EPC **

• You must get at least 2 quotes from an MCS approved contractor to carry out the work

• Approved contractors must hold MCS and be Trust Mark registered under Government backed scheme

- Upon successful application a voucher will be issued to pass to the installer
- The voucher will be redeemable once the system has been commissioned

• The Grant is annually cash limited on a first come first served basis so early application is recommended

*NB Not all homes are suitable for heat pumps. They run at a lower temperature than a gas or oil boiler and the building will need to be well insulated for the heat pump to work efficiently and economically.

The Chancellor's Spring Budget announced reduction in VAT (from 5% to 0%) on the install of energy saving materials, including heat pumps and biomass boilers. It will be in place from 1 April 2022. It will last for five years, covering the entire period of the BUS.

"With heat in buildings being one of the largest sources of UK carbon emissions, accounting for 21% of the total, there is an urgent need to deliver a mix of new, low-carbon heating solutions to meet our legally binding target to end the UK's contribution to climate change by 2050."

Department for Business, Energy & Industrial Strategy <u>https://www.gov.uk/apply-boiler-upgrade-scheme/check-if-youre-eligible</u>

Further reading from the Energy Saving Trust is recommended <u>https://energysavingtrust.org.uk/grants-and-loans/boiler-upgrade-scheme/</u>

** MCS / Flexi Orb accreditation certificates.

Please note that certain micro generation installers are issuing a new accreditation certificate called "Flexi Orb."

An MCS certificate is Government recognised and proof that your installation has been designed, installed & commissioned to the highest standard using only MCS certified products by an MCS certified installer.

Flexi Orb is an oversight body for the renewable energy sector. It exists to ensure that the sale, installation and commissioning (and recycling) of energy generating, saving and storing systems are safe and effective.

Stretton Climate Care strongly recommend you ask a potential installer which certificate they issue before signing any contract.

If you have a heat pump installed by Octopus Energy, they are issuing their own certification scheme which to date is not recognised by the Boiler Upgrade Scheme.

Stretton Climate Care cannot be held responsible for any changes to the scheme that may be made. The information above is provided in good faith.