

Boiler Upgrade Scheme Launch Event – Question and Answer

Please note, the questions below have not been amended by Ofgem and are written as received.

General

Question:

1. If a customer disconnects from the gas grid, and then a heat pump is installed, then reconnects back to the gas grid (say for cooking purposes) what would happen?
2. Can a gas connection be retained for cooking purposes?

Answer:

Heat pumps are eligible to be installed in properties on or off the gas grid. A gas connection may be retained or reconnected for cooking purposes.

Biomass boilers will only be eligible in properties that are not connected to the mains gas. For the purposes of BUS, properties with a clamped supply are considered to be connected to the mains gas. Therefore, it is very unlikely that a property with an eligible biomass boiler installation would be able to obtain a new connection to the gas grid. If this did occur and was discovered during an audit, Ofgem would seek to recoup the grant from the installer.

Chapter 3 of our installer guidance provides further information on eligibility requirements, and chapter 9 details our audit and compliance procedures.

Question:

3. When the BUS voucher is redeemed and the voucher payment is made into the nominated bank account, will the BUS voucher number be included as the reference so the voucher can be identified?

Answer:

Yes, when the voucher payment is made, the BUS voucher number will be included as the reference so the voucher can be identified. We will include this detail in our updated installer guidance.

Question:

4. Could you please confirm the 'from' email address you will be using for homeowners?

Answer:

Property owners will receive a consent request email from BUS.Applications@ofgem.gov.uk.

Question:

5. With Green Homes Grant there were terms and conditions between the customer and the grant provider that the customer was liable to pay the voucher sum to installer if they did not redeem voucher. Are there any such terms around customer liability for voucher sum under BUS?

Answer:

Ofgem does not have any role or responsibility relating to the contractual arrangements between installers and property owners. The legislation for the BUS does not dictate how installers pass on costs to their customers. However, installers must comply with the consumer code that they are a member of and applicable consumer protection laws when entering into a contract with their customer.

Question:

6. Do you request proof of ownership from the homeowner and if you do, what do you ask for?

Answer:

We do not request proof of ownership from the property owner. We have published guidance for installers which outlines what evidence they must give us and what is expected from property owners, including in the case of self-build properties. Please see chapter 5. We have also published property owner guidance which outlines what is required in order to meet scheme eligibility. Please see chapter 5 of this document for further information.

Question:

7. Will there be help to replace Warm Air Systems?

Answer:

The previous heating system in the property, which is being replaced by the BUS funded installation, must have been a fossil fuel-based heating system or an electric heating system (not including heat pumps). This means that, if the existing warm air system is

fuelled by a fossil fuel or electricity, and not a heat pump, it may be eligible to be replaced by a BUS funded system. Please see chapter 3 of the installer guidance for more information on scheme eligibility requirements.

Question:

8. Both domestic and small non-domestic properties are eligible for BUS, can we submit an application for a non-domestic project under a company name and not an individual? Being a small non-domestic all invoices, quotes etc would have been produced under a company name for accounting purposes.

Answer:

Yes, provided that the property is not a self-build, the property owner may be a company. For more information on property owner consent, please see chapter 5 of our guidance for installers.

Question:

9. What happens when the annual budget runs out? Will we be able to make an application in 2023 for an installation that has been commissioned in 2022 after the annual budget runs out?

Answer:

The BUS has an overall budget of £450m to be delivered over three years from May 2022. The Secretary of State is responsible for setting the scheme budget. As part of our administration of the BUS, we are required to publish regular reports which provide details of the scheme and sight of available budget. More information on budgets and queuing of vouchers can be found in our installer guidance. Please see chapter 7 of the guide. Vouchers can be applied for after a system has been commissioned

Question:

10. The SCOP of 2.8: IS this just the space heating SCOP available on the MCS database, or is it a combination of space heat and DHW SCOP?

Answer:

The SCOP of 2.8 is for space and water heating. For more information on SCOP and other scheme requirements please see our installer guidance chapter 3.

Question:

11. How does this scheme work alongside other schemes such as LAD/Sustainable Warmth/HUG where ASHP etc., is included as a measure?

Answer:

Property owners or installers cannot have received a grant from public funds for any of the costs of purchase or installation of the heat pump or biomass boiler. The installation also cannot have been funded through the Energy Company Obligation (ECO) scheme. However, property owners may receive support from another environmental scheme, including ECO, for other measures installed in their property, for example, insulation.

There are no restrictions on the funding of the previous fossil fuelled heating system, meaning that an ECO-funded fossil fuelled boiler can be replaced by a BUS-funded installation, for example.

Question:

12. Is PAS 2035 required, if not, why not?
13. Does the scheme require projects to follow the PAS2035 framework? I.e., retrofit assessments and coordination? Particularly if Trustmark registration is not required

Answer:

PAS 2035 is not required for the BUS. This is a policy decision set by the Department of Business, Energy and Industrial Strategy (BEIS). The BUS does not require Trustmark certification. For more information on the eligibility requirements please see our installer guidance chapter 3

Question:

14. Do I need to be Trust Mark approved to apply for the vouchers?

Answer:

The Boiler Upgrade scheme requires installers to be MCS certified. Installers do not need to be Trustmark certified. Please see Chapter 3 of our installer guidance for more information on installer requirements and scheme eligibility requirements.

Question:

15. Do you have any estimates for the number of vouchers that will be claimed per month?

Answer:

We do not have an estimate on the number of vouchers that will be claimed per month.

Question:

16. if an EPC has assumed for the loft insulation does this mean no further action is needed allowing us to apply/redeem a voucher?

Answer:

Properties will not be eligible to receive a BUS grant if there is a recommendation report attached to the latest EPC which lists loft or cavity wall insulation recommendations, unless the property is exempt. More information on EPC requirements and what evidence must be provided can be found in chapter 3 of the installer guidance.

Question:

17. What requirements are there on the installer regarding minimising running costs for homeowners and homeowners understanding running cost implications?

Answer:

There is no requirement on installers regarding minimising running costs for property owners directly imposed by the BUS. However, installers have set obligations they must meet in accordance with MCS, RECC and/or HIES standards, which may include the need to minimise running costs and ensure that property owners understand running cost implications.

Please see chapter 8 of the installer guidance to understand installer obligations set directly by the BUS. We equally expect installers to explain to homeowners about maintenance. Please see chapter 3 of the installer guidance for further information on this.

Question:

18. We're a MCS registered company and working for a prefab house building company that offers turn-key houses to self-builders. Is a heat pump installation eligible for the BUS if we continue to offer our services to the house-builder as general contractor or do we have to issue quotes and invoices to the owner of the property direct? So far, we invoice the general contractor and he charges the self-builder.

Answer:

Consent for the BUS voucher application must be provided by the property owner, not a third party. We will be verifying the identity of the property owner using the information you provide to us as part of the voucher application. Where we require additional information to verify the property owner identity, we will be seeking this directly from the property owner.

Question:

19. Please advise process for new/self builds. It is difficult to know when we time application for voucher in line with project timeline and completion of build within the 3-month validity period. Space and water heating figures are required from SAP in order to create MCS Certificate.

Answer:

We have published guidance for installers which explains the process for applying and information on self-builds. Please see chapter 3 and 5 for further information.

Question:

20. For installation and redemption application under one submission (interim process), if an EPC is now available for a custom build showing the renewable technology can this be used on the application and redemption or will we need to still provide custom build evidence?

Answer:

We have published guidance for installers which outlines the eligibility requirements, what the process is and what evidence must be given. Self-builds/ custom-builds do not need to provide an EPC. Please see chapter 3 of our guidance for more information.

Question:

21. How does the 3-month time frame work with refurb and new builds (self builds) where projects can take much longer?

Answer:

The BUS vouchers have a set validity period which cannot be extended- the BUS regulations do not permit this. If a voucher expires then the installer can re-submit an application. Please see chapter 5 of our installer guidance which outlines information on re-application.

Question:

22. We are finding that customers are holding fire on placing an order, until the voucher has been received. Once received we then order up the heat pump. At the moment heat pumps are on a 3 - 6-month lead in time. Therefore, can you review the 3-month voucher period, as this does not look practical

Answer:

The BUS vouchers have a set validity period which cannot be extended – the BUS regulations do not permit this. This is a policy decision set by the Department of Business, Energy and Industrial Strategy (BEIS). If a voucher expires then the installer can re-submit an application. Please see chapter 5 of our installer guidance which outlines information on re-application.

Question:

23. 3 months is not sufficient for the self builds which can take up to 1 yr. plus to complete and allow installer to commission. How should we handle these?

Answer:

We expect that installers would apply for a voucher at the point where they anticipate an installation can be completed within the voucher validity period. The BUS vouchers have a set validity period which cannot be extended – the BUS regulations do not permit this. This is a policy decision set by the Department of Business, Energy and Industrial Strategy (BEIS). If a voucher expires then the installer can re-submit an application. Please see chapter 5 of our installer guidance which outlines information on re-application.

Question:

24. When will manual application forms be available?

Answer:

We have published a manual application form on our website. Please see our website here: <https://www.ofgem.gov.uk/publications/boiler-upgrade-scheme-voucher-application-form>

Question:

25. What vat is payable?

26. I note that the renewables installation is zero rated for labour and materials, there was mention today on the webinar of receiving invoices including VAT. Please confirm that the VAT element is zero rated

Answer:

It is for installers to make sure they are charging the correct VAT on their transactions.

The BUS application form asks for VAT to be included in the event that there are line items in the quote that attract VAT.

VAT may not be payable on all quotes, depending on which items make up the quote. In these cases, including VAT at £0 will not affect the total quote amount.

Paragraph 2.72 of HMRC VAT Notice 708/6 states that the installation of certain specified energy-saving materials with ancillary supplies is zero-rated in Great Britain. An example is the installation of an air source heat pump together with new radiators and pipework in residential accommodation.

This is carried out as a single job and for a single price. Larger radiators and pipes are necessary because the air source heat pump operates at a lower temperature than a traditional gas boiler. The customer regards the work as one supply of an air source heat pump.

In this example, the installation of the new radiators and pipework are ancillary to the installation of the air source heat pump.

Where a specified energy-saving material is installed on its own, this also has a zero rating of VAT.

The list of specified energy-saving materials can be found at paragraph 2.10 of VAT Notice 708/6 and includes the technologies supported by BUS.

Question:

27. Is it possible to contract a customer to the full value of the scheme and reimburse when the grant is redeemed where works are required (cavity/loft insulation) to redeem the voucher, when these improvements are outside of the installers control and may delay the grant payment?

Answer:

Ofgem do not have any role or responsibility relating to the contractual arrangements between installers and property owners. Information on EPCs and insulation requirements can be found in Chapter 3. Where there is insulation recommendation at application this must be addressed. Please read chapter 5 for more information

Question:

28. The onus is heavily sitting with the installer taking all the monetary risk for installation. As this will greatly affect installer cashflow can the installer not ask the client to pay for the whole system upfront and then refund the customer once they receive the BUS payment?
29. Does the customer have to pay the installer the £5k upfront to be refunded later?
30. So, the sensible way for this to work is for the installer to charge the full amount upfront to the homeowner and then pass on the voucher amount to the homeowner once the voucher has been redeemed successfully?
31. What do our payment terms need to be with the customer? Is it the same maximum 25% deposit maximum of 60% upfront prior to installation 40% on completion of total invoice minus £5000?

Answer:

As an upfront grant scheme intended to reduce the capital costs of low carbon heat installations, BEIS expect the discounted cost to be provided to the property owner at the quote stage, ahead of installation and on the invoice following the completion of the installation. This is a policy decision set by the Department of Business, Energy and Industrial Strategy (BEIS). The legislation for the BUS does not dictate how installers pass on costs to their customers. However, installers must comply with the consumer code that they are a member of and applicable consumer protection laws when entering a contract with their customer. Ofgem do not have any role or responsibility relating to the contractual arrangements between installers and property owners.

The grant application is a two-stage process, meaning that installers can apply for and obtain a voucher prior to installation and commissioning. If an applicant has been issued

a voucher and it is within its validity period, budget has been allocated to it and they will be paid the grant value following a successful redemption application.

Question:

32. There are at least 300 people on this webinar if they all instal an air pump in the next 2 months then that is all the grants gone for this year. What happens then?

Answer:

The BUS has £450 million dedicated over 3 years, providing £150 million each year. Air source heat pumps are eligible for a grant of £5000. If 300 installers applied to get a BUS voucher worth £5000 then that would be require funding equivalent to £1.5 million of the available budget, notionally leaving a further £148.5million budget available. For information on budgets and queuing please see chapter 7 of our installer guidance.

Question:

33. Will non-domestic EPCs be accepted for small business properties?

Answer:

EPCs will be required for all property types, including non-domestic. EPCs won't be required for self-build properties. For more information on EPCs and scheme eligibility please see chapter 3 of the installer guidance.

Question:

34. Can customer keep existing boiler in the same position provided it is not connected to the Heating or Hot water circuits?

Answer:

The previous heating system in the property, which is being replaced by the BUS funded installation, must have been a fossil fuel-based heating system or an electric heating system (not including heat pumps). Any heat generating components of the original heating system must be replaced. Please see chapter 3 of the installer guidance for more information on scheme eligibility.

Chapter 3 – Eligibility

Question:

35. Are installs in Scotland covered by the Boiler Upgrade Scheme

Answer:

The BUS is for properties in England and Wales. Please see our guidance chapter 3 for location eligibilities. The Scottish Government already operates a comprehensive support package for domestic and small scale non-domestic heat and energy efficiency through Home Energy Scotland and the Energy Efficiency Business Support Service. Please visit the Home Energy Scotland website for more information:

<https://www.homeenergyscotland.org/>.

Question:

35a. Do private landlords qualify?

Answer:

Private landlords, including commercial landlords, may apply for one BUS voucher per property through their installer, provided they meet all other eligibility requirements. Please note that to apply for a BUS voucher for a self-build property, the property owner must be an individual (and the self-build property cannot, at any point, have been owned by a person who is not an individual). Properties that are considered to be social housing, as defined in section 68 of the Housing and Regeneration Act 2008, are not eligible. Information on the eligibility of self-builds is set out in chapter 3 of our installer guidance.

Question:

36. Will additional properties such as annexes need to be liable for council tax as well as having a specific EPC to be eligible in their own right?

Answer:

If the annex is an individual building and is not a related property to a main property (as defined in the BUS regulations), then this could qualify for a BUS voucher provided that all other eligibility requirements are met. Please read our installer guidance to understand the eligibility requirements for the scheme.

Question:

37. For non-domestic buildings do same rules apply i.e. building owner and not tenant and EPC etc?

Answer:

The eligibility requirements for domestic and non-domestic buildings are the same. Please see chapter 3 of our installer guidance for more information.

Question:

38. Only Domestic and Non-Domestic properties are eligible please can you explain non-domestic?

Answer:

Non-domestic means properties that are not dwellings.

Question:

39. What evidence do you require for eligibility for a non-domestic building (i.e. workshop/office built on site of domestic dwelling)? Does the non-domestic building need its own distinct address or similar?

Answer:

Information on the eligibility for properties is available in chapter 3 of the installer guidance.

Question:

40. Can we sign up to the scheme without MCS accreditation? Using their job to gain MCS accreditation?

Answer:

The BUS scheme requires installers to be MCS accredited. Installers cannot use a temporary MCS certification number to create an account or apply for a voucher. If installers are not MCS certified and wish to obtain MCS certification through an installation that they then intend to receive a BUS grant for, they will need to complete the installation and gain certification before they can create an account and apply for a voucher, which they can do retrospectively. Please note that if an installer installs and commissions a heat pump or biomass boiler before they are granted a BUS voucher, they will be doing so at their own risk.

Question:

41. You have stated that an installer must be MCS accredited. To gain accreditation you need to sell an installation. How can an installer not charge the £5000.00 before setting up an account?

Answer:

The BUS scheme requires installers to be MCS accredited. Installers cannot use a temporary MCS certification number to create an account or apply for a voucher. If installers are not MCS certified and wish to obtain MCS certification through an installation that they then intend to receive a BUS grant for, they will need to complete the installation and gain certification before they can create an account and apply for a voucher, which they can do retrospectively. Please note that if an installer installs and commissions a heat pump or biomass boiler before they are granted a BUS voucher, they will be doing so at their own risk.

Question:

42. If a number of homes want to share a GSHP loop but have a GSHP in each property, can they still claim £6000 (if total less than 45 kW)?

Answer:

GSHPs as part of a shared ground loop system are eligible. A ground loop is shared when two or more GSHPs receive the heat from the same loop through a hydraulic connection. The ground loop in relation to the second or subsequent GSHP forming part of the system does not have to be new. The maximum permitted capacity of the whole system cannot exceed 45kWth.

EPCS**Question:**

43. Will a voucher be issued if an EPC has a recommendation for external wall insulation?

Answer:

Properties will not be eligible to receive a BUS grant if there is a recommendation report attached to the latest EPC which lists loft or cavity wall insulation recommendations, unless the property is exempt and the associated evidence is provided. Please see chapter 3 of our installer guidance.

If other improvements (for example double-glazing or internal wall insulation) are suggested, it's up to you to decide whether to proceed. They're not required for the BUS but will improve the energy efficiency of your property. Heat pumps may work more efficiently in well insulated properties.

Question:

44. I have a customer whose EPC recommends cavity wall insulation however after checking his cavity's there is no chance of installing cavity wall insulation properly so what would happen in this instance?

Answer:

Properties will not be eligible to receive a BUS grant if there is a recommendation report attached to the latest EPC which lists loft or cavity wall insulation recommendations, unless the property is exempt. If cavity wall cannot be insulated, you must provide evidence of this. Please see chapter 3 in our installer guidance for further information on the exemption evidence required.

Question:

45. If a property cannot fulfil the EPC recommendations due to being a listed building, what do we need to prove this for the application to be accepted

Answer:

We have published guidance for installers which outlines the requirements on EPCs and how exemptions can be evidenced. Please see chapter 3, table 1 in our installer guidance for further information.

Question:

46. With regards to recommendations on EPCs, is it that there can't be any, or any relating to insulation?

Answer:

Properties will not be eligible to receive a BUS grant if there is a recommendation report attached to the latest EPC which lists loft or cavity wall insulation recommendations, unless the property is exempt. Please see chapter 3 in our installer guidance.

When there are no recommendations for loft or cavity wall insulation on a property's EPC, the property is compliant with the insulation requirements for the BUS, as set out in the BUS Regulations. This is detailed in chapter 3 of our installer guidance.

If other improvements (for example double-glazing or internal wall insulation) are suggested, it's up to you to decide whether to proceed. They're not required for the BUS but will improve the energy efficiency of your property.

Heat pumps may work more efficiently in well insulated properties.

Question:

47. Builders apparently destroyed my cavity wall insulation when I had an upstairs installed. I have been told it will cost upwards of £20K to remove and replace. Can I ignore this aspect of the criteria and apply for a voucher or will it still be mandatory to have this reinstalled?

Answer:

Properties will not be eligible to receive a BUS grant if there is a recommendation report attached to the latest EPC which lists loft or cavity wall insulation recommendations, unless the property is exempt. Please see chapter 3 of the installer guidance on scheme eligibility.

Question:

48. Do EPC recommendations for internal or external wall insulation, need to also be covered off for eligibility please?

Answer:

Properties will not be eligible to receive a BUS grant if there is a recommendation report attached to the latest EPC which lists loft or cavity wall insulation recommendations, unless the property is exempt. Please see chapter 3 of the installer guidance on scheme eligibility.

If other improvements (for example double-glazing or internal wall insulation) are suggested, it's up to you to decide whether to proceed. They're not required for the BUS but will improve the energy efficiency of your property.

Heat pumps may work more efficiently in well insulated properties.

Question:

49. With respect to EPC insulation requirement, we have a customer where part of the building is solid stone, and the recommendation on the EPC is for external insulation, which may not be appropriate. would this meet the exemption requirement so that it still receives a voucher?

Answer:

When there are no recommendations for loft or cavity wall insulation on a property's EPC, the property is compliant with the insulation requirements for the BUS, as set out in the BUS Regulations. This is detailed in chapter 3 of our installer guidance.

Properties will not be eligible to receive a BUS grant if there is a recommendation report attached to the latest EPC which lists loft or cavity wall insulation recommendations, unless the property is exempt. Please see chapter 3 of the installer guidance on scheme eligibility.

If other improvements (for example double-glazing or internal wall insulation) are suggested, it's up to you to decide whether to proceed. They're not required for the BUS but will improve the energy efficiency of your property.

Heat pumps may work more efficiently in well insulated properties.

Question:

50. Can I ask how current does an EPC need to be? What do you consider expired?

Answer:

EPCs can be up to 10 years old to be considered valid. Please see chapter 3 of our installer guidance for information on EPCs and scheme eligibility.

Question:

51. Where you say loft insulation is required, does this include room-in-roof insulation?

Answer:

We do not include room-in-roof insulation under loft insulation, so it is not required for a property to be eligible for a BUS voucher. Properties will not be eligible to receive a BUS grant if there is a recommendation report attached to the latest EPC which lists loft or cavity wall insulation recommendations, unless the property is exempt. Please see chapter 3 of the installer guidance on scheme eligibility.

If other improvements (for example double-glazing or internal wall insulation) are suggested, it's up to you to decide whether to proceed. They're not required for the BUS but will improve the energy efficiency of your property.

Heat pumps may work more efficiently in well insulated properties.

Question:

52. I own a rental property (not social housing) which has no cavity walls to fill, nor a loft to insulate as a result of how the property was altered. Will this make an application ineligible?

Answer:

Properties will not be eligible to receive a BUS grant if there is a recommendation report attached to the latest EPC which lists loft or cavity wall insulation recommendations, unless the property is exempt. Please see chapter 3 of the installer guidance on scheme eligibility.

When there are no recommendations for loft or cavity wall insulation on a property's EPC, the property is compliant with the insulation requirements for the BUS, as set out in the BUS Regulations. This is detailed in chapter 3 of our installer guidance.

If other improvements (for example double-glazing or internal wall insulation) are suggested, it's up to you to decide whether to proceed. They're not required for the BUS but will improve the energy efficiency of your property.

Heat pumps may work more efficiently in well insulated properties.

Question:

53. If we make an application for a client that has recommendations on their EPC at the time of redeeming the voucher, but they have signed T&C's upfront to agree that these will be resolved before the installation is complete. Can we make them responsible for the final payment?

Answer:

Ofgem do not have any role or responsibility relating to the contractual arrangements between installers and property owners. Information on EPCs and insulation requirements can be found in chapter 3 of the installer guidance. Where there are insulation recommendations at application these must be addressed prior to the redemption of the voucher. Please read chapter 5 for more information.

Question:

54. Could you clarify about landlords please, I understand that not available to social housing but can private landlords and HMOs apply? If meeting other criteria?

Answer:

Private landlords, including commercial landlords, and commercial property owners, may apply for one BUS voucher per property through their installer, provided they meet all other eligibility requirements. In the case of commercial landlords and property owners, please note that to apply for a BUS voucher for a self-build property, the property owner must be an individual (and the self-build property cannot, at any point, have been owned by a person who is not an individual). Properties that are considered to be social housing, as defined in section 68 of the Housing and Regeneration Act 2008, are not eligible. Information on the definition and eligibility of self-builds is set out in chapter 3 of our installer guidance.

Question:

55. Are barn conversions permitted as custom-build?

56. Can change of use units get a BUS voucher?

57. Are barn conversions permitted?

Answer:

If a property was converted from a building used for non-domestic purposes (eg a barn or warehouse) into a dwelling, and it wasn't occupied by an individual before the low carbon heating system was installed, this will be treated as a self-build provided the ownership requirements are met. Only properties that have never previously been used as a dwelling will be considered a conversion. Please read our guidance chapter 3 on property requirements and eligibility.

Question:

58. If an outbuilding is being renovated into a bungalow, but there is no heating system to replace, can the customer apply for the BUS?

Answer:

If a property was converted from a building used for non-domestic purposes (eg a barn or warehouse) into a dwelling, and it wasn't occupied by an individual before the low carbon heating system was installed, this will be treated as a self-build provided the ownership requirements are met. Only properties that have never previously been used

as a dwelling will be considered a conversion. Please read our guidance chapter 3 on property requirements and eligibility.

Renovations, as opposed to conversions, do not undergo a change from non-domestic to domestic usage or vice versa. Renovations (for example, the property owner has stripped the building down to a shell and rebuilt) will not be classified as self-builds. These properties will be treated as existing buildings. Therefore, a valid EPC will be required (see the section on EPCs in chapter 3 of the installer guidance).

Question:

59. Are barn conversions treated like new builds, where there is no previous fossil fuel system present, to be replaced?

Answer:

If a property was converted from a building used for non-domestic purposes (eg a barn or warehouse) into a dwelling, and it wasn't occupied by an individual before the low carbon heating system was installed, this will be treated as a self-build provided the ownership requirements are met. Only properties that have never previously been used as a dwelling will be considered a conversion. Please read our guidance chapter 3 on property requirements and eligibility.

Question:

60. Can you just clarify whether new builds are included? I thought you said not, but then people are talking about self builds etc?

Answer:

New builds, meaning new houses built by a company, are not permitted. Self-builds refer to new build properties which were built using either the resources or labour of an individual. This includes properties where a builder is contracted by an individual to create a 'custom-build' property or where a private individual builds it as a DIY 'self-build' project. We'll refer to both of these types of properties as self-builds. Self-build properties must meet the eligibility requirements set out in our installer guidance chapter 3.

Question:

61. Can a developer who is building a house to rent out be part of the scheme?

Answer:

New builds, meaning new houses built by a company, are not permitted.

Question:

62. If a self-builder owns two (or more) properties that they intend to sell on but they are not a development company (no company owns the properties) are they eligible for the scheme?

Answer:

New builds as referred as self-builds by Ofgem are properties which were built using either the resource or labour of an individual. Information on what eligibility requirements self-builds must meet and what evidence Ofgem will accept is provided in our installer guidance chapter 3.

Question:

63. For self-builds, to be eligible do payments have to come directly from the homeowner or will the payments be allowed through their builder?

Answer:

Overall payment for the installation may be made to the installer through a third party. However, consent for the BUS voucher application must be provided by the property owner, not a third party. We will be verifying the identity of the property owner using the information you provide to us as part of the voucher application. Where we require additional information to verify the property owner identity, we will be seeking this directly from the property owner.

The BUS Regulations specify that the BUS voucher application and redemption application must be made by the installer. We will make payments to installers who will pass on the saving to property owners. We cannot make payments directly to property owners.

Information on how to evidence self-builds is set out in chapter 3 of our installer guidance.

Question:

64. Will the evidence for new build/conversion projects (material order receipts, planning approval, etc.) be requested at the time of grant application or upon audit? How should it be submitted?

Answer:

New builds as referred to as self-builds by Ofgem are properties which were built using either the resource or labour of an individual. Information on what eligibility

requirements self-builds must meet and what evidence Ofgem will accept is provided in our installer guidance chapter 3.

Question:

65. Self builds don't have EPC's, normally SAP reports, are these used instead?

Answer:

Self-Builds do not require an EPC as outlined in our guidance in chapter 3 as self-build properties are subject to the latest building regulations. We will not be using SAP reports. Please read our guidance on EPCs requirements and property requirements.

Question:

66. I'm building a new property; can I apply or does my builder have to apply?

67. How will new build/conversions eligibility be confirmed where the heat pump installer is contracted to a main contractor for the installation rather than directly to the customer? What evidence will be required?

Answer:

The BUS Regulations specify that the BUS voucher application and redemption application must be made by the installer. We will make payments to installers who will pass on the saving to property owners. We cannot make payments directly to property owners.

Consent for the BUS voucher application must be provided by the property owner, not a third party. We will be verifying the identity of the property owner using the information you provide to us as part of the voucher application. Where we require additional information to verify the property owner identity, we will be seeking this directly from the property owner.

Information on how to evidence self-builds is set out in chapter 3 of our installer guidance.

Question:

68. A commercial property requires a 45kw heating and hot water system. We are appointed by the builder to install the system. The client directly employs the builder and payment to us is via Builder. Would the system qualify for the bus scheme? If not, how could the system be eligible?

Answer:

Commercial property owners may apply for one BUS voucher per property through their installer, provided they meet all other eligibility requirements. In the case of commercial property owners, please note that to apply for a BUS voucher for a self-build property, the property owner must be an individual (and the self-build property cannot, at any point, have been owned by a person who is not an individual). Information on the definition and eligibility of self-builds is set out in chapter 3 of our installer guidance. Consent for the BUS voucher application must be provided by the property owner, not a third party. We will be verifying the identity of the property owner using the information you provide to us as part of the voucher application. Where we require additional information to verify the property owner identity, we will be seeking this directly from the property owner.

Question:

69. it there is no heating in a property, and never has been, does this count?

Answer:

The previous heating system in the property, which is being replaced by the BUS funded installation, must have been a fossil fuel-based heating system or an electric heating system (not including heat pumps).

We expect that, in limited cases, installers may need to seek evidence from property owners that the most recent heating system was a fossil fuel or electric heating system, where it has been disposed of. In these cases, installers should satisfy themselves that the previous heating system was eligible to be replaced with the support of a BUS grant. Examples of acceptable evidence are set out in chapter 3 of our installer guidance.

Question:

70. Can biomass systems be replaced under the scheme?

Answer:

The previous heating system in the property, which is being replaced by the BUS funded installation, must have been a fossil fuel-based heating system or an electric heating system (not including heat pumps). This means replacing a biomass boiler is not eligible. Please see our guidance chapter 3 for information on scheme eligibility.

Question:

- 71. Can the existing heating system be direct electric i.e. storage heaters?
- 72. Are direct electric heating systems (night storage heaters) eligible? Can you replace electric heating systems as previously stated or has it changed to just replacing fossil fuels?
- 73. Can the existing heating system be direct electric ie storage heaters?
- 74. Can you replace electric heating systems as previously stated or has it changed to just replacing fossil fuels?

Answer:

The previous heating system in the property, which is being replaced by the BUS funded installation, must have been a fossil fuel-based heating system or an electric heating system (not including heat pumps). Provided that night storage heaters are heated by a fossil fuel or electric system (excluding heat pumps), the heating system may be replaced by a BUS-funded installation, if it also meets all other eligibility requirements set out in chapter 3 of our installer guidance.

Question:

- 75. Can we install ASHPs with the BUS voucher when the property has either an ECO boiler or used the LAD (Local Authority Delivery) scheme or ESH (Electric Storage Heating) or first-time central heating.

Answer:

Property owners or installers cannot have received a grant from public funds for any of the costs of purchase or installation of the heat pump or biomass boiler. The installation also cannot have been funded through the Energy Company Obligation (ECO) scheme. However, property owners may receive support from another environmental scheme, including ECO, for other measures installed in their property, for example, insulation.

There are no restrictions on the funding of the previous fossil fuelled heating system, meaning that an ECO-funded fossil fuelled boiler can be replaced by a BUS-funded installation, for example.

Question:

76. Are you able to use ECO funding to meet the insulation requirements?

Answer:

ECO funding can be used to meet the insulation requirements of loft or cavity wall. However, ECO cannot be used for the costs of purchase or installation of the low carbon system such as heat pump or biomass boiler. More information on scheme eligibility requirements can be found in chapter 3 of our installer guidance.

Question:

77. If customers have previously claimed Domestic RHI, can they get a BUS voucher too?

Answer:

The BUS does not allow applications where installations have already received support from public funds or government schemes such as ECO or Domestic RHI for any of the costs of the purchase or installation of the low carbon system. The BUS does not allow the replacement of one heat pump for another. More information on eligibility of the BUS can be found in our guidance in chapter 3.

Question:

78. Can you claim the BUS, if you have a solid fuel fire doing the hot water and heating?

Answer:

The previous heating system in the property, which is being replaced by the BUS funded installation, must have been a fossil fuel-based heating system or an electric heating system (not including heat pumps). This means that a solid fuel fire system is unlikely to be eligible to be replaced by a BUS-funded installation.

The BUS requires that the previous heating system in the property, which is being replaced by the BUS funded installation, must have been a fossil fuel-based heating system or an electric heating system not including heat pumps. If the solid fuel is using fossil fuel, then this can be permitted. If the solid fuel is biomass, then this would not be permitted. Please see chapter 3 of the installer guidance for information on scheme eligibility.

Question:

79. What proof is needed to evidence that a fossil fuel heating system has been replaced? Photos?

Answer:

There is a range of evidence installers could consider proving the previous system was fossil fuel. We have outlined types of evidence in chapter 3 of our installer guidance. Installers should satisfy themselves that the previous heating system was eligible to be replaced with the support of a BUS grant.

Question:

80. We have customers who currently combine thermal solar panels with fossil gas heating. Could they replace this hybrid system with a heat pump under the scheme?

Answer:

Yes, a hybrid system including a fossil fuelled component (excluding hybrid heat pumps) can be replaced under the BUS. The thermal solar collector element may be retained if the property owner wishes to do so, in accordance with the BUS regulations.

Question:

81. Hot water is to include swimming pools and process heat. Does 'process heat' include commercial processes at the same address?

Answer:

'Hot water needs of the property' refers to the hot water intended for the personal use of the individuals who use or occupy the eligible property. It is permitted for the heat pump or biomass boiler to also provide hot water for the purposes of heating a swimming pool or carrying out a process, but these hot water heating needs do not have to be met for the heat pump or biomass boiler to be eligible.

Question:

82. if a customer is heating a swimming pool with a gas boiler but is heating their home with a heat pump, are they eligible?

Answer:

'Hot water needs of the property' refers to the hot water intended for the personal use of the individuals who use or occupy the eligible property. It is permitted for the heat pump

or biomass boiler to also provide hot water for the purposes of heating a swimming pool or carrying out a process, but these hot water heating needs do not have to be met for the heat pump or biomass boiler to be eligible. However, the gas boiler must be removed. Please see chapter 3 of the installer guide to understand full scheme requirements.

Question:

83. You state that the full heating and hot water to be supplied by the heat pump. But how about using electric immersion heating for legionella or solar thermal assisted systems, do these meet the criteria?

Answer:

Heat pumps and biomass boilers must be capable of meeting full space and water heating. The use of immersion heaters for legionella or solar thermal are permitted under the BUS. Please read chapter 3 of the installer guidance on what is permitted under the BUS scheme.

Question:

84. Please could you give some background information on why a PEL has been created when there is already an MCS approved product database? Is it due to some biomass systems being classed as dirtier in terms of emissions so they have been excluded?

Answer:

The PEL contains products that meet the requirements of the scheme regulations and the relevant standards for BUS. The Ofgem PEL is an administrative tool that we are implementing to make it easier to identify eligible products but also streamline the online application process. The installer is still responsible for satisfying themselves the product they are installing meets the scheme requirements. More information on the PEL can be found in chapter 5 of the installer guidance.

Question:

85. What would happen should the customer be disconnected from the Gas Grid, install an ASHP, then connect back onto the Gas Grid few months after the HP install?

Answer:

Heat pumps are eligible to be installed in properties on or off the gas grid. A gas connection may be retained or reconnected for cooking purposes.

Chapter 3 of our installer guidance provides further information on eligibility requirements, and chapter 9 details our audit and compliance procedures.

Question:

86. Can we install a biomass boiler in a self-build where the property cannot be connected to the electricity grid and hence a heat pump is not an option?

Answer:

Biomass boilers installed in self-build properties are not eligible. Please read chapter 3 of our guidance on biomass boilers eligibility and requirements.

Question:

87. is it ok for the solar thermal to also do heating (under the RHI that wasn't permitted) i.e. connect to a buffer tank / thermal store?

Answer:

Solar thermal systems are not supported under the scheme. However, they can be installed as part of a heat pump or biomass system that is funded by BUS, as long as the heat pump or biomass boiler is able to meet the full space and water heating demand of the property. For more information on what is eligible see chapter 3 in the installer guidance.

Question:

88. Can the installer require the customer to sort out EPC insulation requirements prior to installation to safeguard themselves against future problems?

Answer:

Ofgem do not have any role or responsibility relating to the contractual arrangements between installers and property owners. Please see chapter 3 of our guidance on EPCs and eligibility requirements.

Question:

89. Small businesses can apply - what do you class as a small business?

Answer:

We believe this is referring to a mistake made during the launch event. By small business we meant small non-domestic properties. Non-domestic means a building that is not a dwelling.

Chapter 4 – Accounts

Question:

90. will we be issued with login details to make the applications online?

Answer:

At the beginning of the scheme, account creation submissions, and then voucher and redemption applications, will be made using a form that will need to be submitted to Ofgem via email. Post launch, we will look to digitise as many elements of the BUS service as possible.

Any decision to digitise account creation will be based on how many installers may still need to create accounts, and whether this is a higher priority than other digital work we need to do.

Chapter 5 – Applications

Question:

- 91. Do we have to find the approved installer or do we have to find them ourselves?
- 92. Will there be a list of registered installers for services and customers to refer to?
- 93. Is there a list for consumers of approved installers?
- 94. Is there a website with all registered installers for this scheme, so residents can contact direct to the installers?

Answer:

Ofgem will not be publishing a list of approved or accredited BUS installers. Installers can be found on MCS website here: <https://mcscertified.com/find-an-installer/>

Question:

- 95. Can you confirm that it is the customer who qualifies for the BUS grant and then authorises the installer to apply for the voucher payments?

Answer:

The scheme is installer-led, meaning that the MCS installer will need to apply to the scheme on behalf of the property owner. Once the installer submits the application, the property owner will provide their consent for the application directly to Ofgem. Our installer guidance explains the application and payment processes in detail.

Question:

- 96. A flow chart showing the customer/installer process would be helpful.

Answer:

We have published guidance for installers and property owner which outline the process. Please see chapter 5 in the installer guidance which has a flow chart explaining the process.

Question:

- 97. Could we apply before an MCS certificate is created, as long as there is a MCS by redemption stage?

Answer:

An MCS certificate is not required at application stage. It must be provided at redemption stage to show the commissioning date of the installation. We have published

guidance for installers which outlines the application and redemption process and what is required at each stage. Please read chapter 5 of our installer guidance.

Question:

100. Will property owners know the full cost of installation when voucher applications are made and have signed up to being able to pay the difference?
101. The slides mention asking about the cost of the heat pump (as well as the overall quote) - is this just the heat pump should it include fees etc.? Will the customer see this number?
102. Does the cost of the heat pump have to be separated on the quote or can the cost include labour pipe fittings etc? Is a breakdown separating labour and materials, okay?
103. When you say we need to show heat pump cost, do we have to show that separately or can we show the entire quote including things like radiators, labour etc?
104. On slide 1 considerations it mentions that the cost of heat pump needs to be provided. Is that the cost to the end user or the cost to the installer as the cost of the heat pump would be included in the quotation to the end user. Please clarify. Thank you.
105. Can you please clarify requirement for the heat pump unit cost to be listed in application? Is this the cost for the outdoor unit only or does it include indoor unit and/or cylinder and other components?
106. Can you please confirm exactly what should be included in the total cost of heat pump unit? Does it include hot water cylinders, buffers, ancillary parts?
107. Should the cost of the heat pump you request include all ancillary components, e.g. pumps, controllers etc
108. How should the quotes be set out? Will it be the same as the GHG?
109. Do you require a copy of the quote at application?
110. And if doing multi tech e.g. Solar PV does the HP need to be a separate quote?
111. Will we need to edit retrospective quotations to show the BUS grant deduction?
112. When you say we need to show heat pump cost, do we have to show that separately or can we show the entire quote including things like radiators, labour etc?
113. How do you define the total cost of heat pump? Does that include the cylinder, controls, buffer tank etc. or just the unit and controller? What is this metric being used for as it is quite arbitrary when considering the cost of heat pump installations?

Answer:

The quote data we will ask for from installers is total quote amount, cost of the heat pump unit, quote reference number and date of quote. The cost of the heat pump unit is the cost the property owner will pay for just the unit.

We will show the property owner the details of the quote we have been given at property owner consent stage.

Question:

114. Will we need to edit retrospective quotations to show the BUS grant deduction?

Answer:

No, quote data is only submitted to Ofgem once at voucher application stage.

Question:

115. Do quotes need to be dated post April 2022?

Answer:

No, quotes do not need to be dated post-April 2022. However, only systems commissioned on or after 1 April 2022 will be eligible to apply for a BUS voucher.

Question:

116. Shared ground array - How do we provide quotes per property if a self-builder or landlord is installing a shared ground loop system and the heat pumps to the individual properties are under one contract of works and both ground loops and the individual heat pumps are under one quotation?

Answer:

The same quote can be provided for all voucher applications for heat pumps on the same shared ground loop.

Question:

117. What safeguards are in place to stop installers selling aggressively, and scams by installers not registered with the scheme?

Answer:

Homeowners can contact HIES or RECC consumer codes. Details on what they do, and contact is in our installer guidance. Please read chapter 2.

Question:

118. How are you contacting property owners? email or telephone? not all of our customers have/check emails

Answer:

We will be contacting property owners by email. Ofgem will be providing assisted digital support to those that require it. An assisted digital route using a telephone number and paper letter will be available for those property owners who are unable to access the digital system or do not have an email address. Details on this can be found in the BUS guidance for Property Owners: <https://www.ofgem.gov.uk/publications/boiler-upgrade-scheme-guidance-property-owners>. More information on this can be found in our installer guidance paragraph 4.40 and 5.14.

Question:

119. How long on average it will take for you to approve a voucher application once you've received customer's consent?

Answer:

We are processing applications as quickly as we can following having received consent and all eligibility requirements are being met.

Question:

120. What are the timescales between the installers submitted voucher and redemption application to these being processed?

Answer:

Once we have received the required information and consent has been received, we will process applications and redemption applications as quickly as we can.

Question:

121. How long (approx.) will it take from application to receiving the voucher?

Answer:

Once we have received the required information and consent has been received, we will process applications as quickly as we can.

Question:

122. If the application is rejected due to homeowner not responding within 14 days, how and how quickly is the installer notified of the rejection.

Answer:

If Ofgem do not receive the consent within 14 days, the application will be rejected. We will notify the installer as soon as the application is rejected. For more information on application and redemption please see our guidance chapter 5.

Question:

123. So how do we apply for vouchers if the portal is not going to be operational until July?

124. If the portal is not functional until the end of July, how can we submit applications in the meantime? Will you be amending the guidance documents?

Answer:

We have published a manual application form on our website which can be found here: <https://www.ofgem.gov.uk/publications/boiler-upgrade-scheme-redemption-application-form>. Installers can download that form fill it in and email it to BUS.application@ofgem.gov.uk. For more details on how to apply please read our installer guidance chapter 5.

Question:

125. If we have to manually apply until August, how do we show evidence for self builds etc?

Answer:

We have published a manual application form on our website which can be found here: <https://www.ofgem.gov.uk/publications/boiler-upgrade-scheme-redemption-application-form>. Installers can download that form fill it in and email it to

BUS.application@ofgem.gov.uk, alongside any evidence required, including evidence for self-builds. For more details on how to apply please read our installer guidance chapter 5.

Question:

126. If an application is submitted, owner approved, voucher approved, works completed, voucher applied for but no monies available due to funds spent. How do we stand as an installer with delayed funds?

Answer:

The BUS has an overall budget of £450m to be delivered over 3 years from May 2022. There is an annual budget of £150m per financial year. This means that Ofgem are not able to issue any new vouchers once this threshold has been met. If an applicant has been issued a voucher and it is within its validity period, they will be paid the grant value following a successful redemption application. Please see chapter 7 of our installer guidance on budgets and vouchers.

Question:

127. What if 2 installers apply for a voucher on the same property

Answer:

The property owner is only able to consent to one application per property. If they consent to one installer's application in relation to a property, any other applications relating to that property will be rejected. More information on applications and consent can be found in chapter 5 of our installer guidance.

Question:

128. What if the customer doesn't have access to email or technology, i.e. elderly, vulnerable?

Answer:

Ofgem will be providing assisted digital support to those that require it. An assisted digital route using a telephone number and paper letter will be available for those property owners who are unable to access the digital system or do not have an email address. Details on this can be found in the BUS guidance for Property Owners: <https://www.ofgem.gov.uk/publications/boiler-upgrade-scheme-guidance-property-owners>. More information on this can be found in our installer guidance paragraph 4.40 and 5.14.

Question:

129. Concerned that voucher may expire as some heat pumps are on 6 month lead in.
130. How can we best consider equipment shortages when making an application to avoid voucher expiry? Some manufacturers are not currently giving lead times
131. Can the three month application be extended if there is a delay with the delivery of the ASHP materials?
132. There is currently significant equipment supply issues in the sector. If we apply for voucher so that customer is assured that they have voucher, it may take longer 3 months to install. Can validity be set to 6 months for ASHP and 9 for GSHP for the next 12 months at least?
133. If a system is installed but cannot be commissioned within the 3 months through no fault of the installer or the client does not complete insulation requirements will the client be legally obliged to pay the £5000 to the installer. Or is there a mechanism for requesting an extension to validity if deadline is approaching

Answer:

The BUS vouchers have a set validity period which cannot be extended – the BUS regulations do not permit this. This is a policy decision set by the Department of Business, Energy and Industrial Strategy (BEIS). If a voucher expires then the installer can re-submit an application. Please see chapter 5 of our installer guidance which outlines information on re-application.

Question:

134. You haven't issued much information on how to apply - where can we access the application form from and where do we send this too?

Answer:

We have published a manual application form on our website which can be found here: <https://www.ofgem.gov.uk/publications/boiler-upgrade-scheme-redemption-application-form>. Installers can download that form fill it in and email it to BUS.application@ofgem.gov.uk. For more details on how to apply please read our installer guidance chapter 5.

Question:

135.What happens when the landlord doesn't have the same address as the property?

Answer:

The property owner does not need to reside at the property where the heat pump is being installed. When the installer submits the BUS voucher application, they must supply both the installation address and the address of the property owner to which the voucher relates.

Question:

136.Other than initial consent and subsequent follow up questions, is the customer asked to confirm satisfactory installation or anything after this that may hamper the release of the BUS payment to the installer?

Answer:

Property owners may be called by MCS regarding their installation. If there are issues and MCS has grounds to investigate then BUS grant payments can be withheld or revoked as required. Further information on our audit and compliance regime can be found in chapter 9 of the installer guidance.

Chapter 6 – Grant payment

Question:

137.How long after installation can the installer expect to be paid their voucher?

Answer:

Where the installer receives notification of a successful voucher redemption application, Ofgem expect to initiate a payment of the value set out on the associated voucher within seven working days in most cases. It may take up to three to five additional working days for cleared funds to appear in the installer's account. We intend to operate a weekly payment schedule, meaning we will make several payments on the same day each week. Please read chapter 6 of our guidance on payment.

Question:

138. The payment goes to the installer, how is it expected this is passed on to the customer? do we just reduce the final invoice?

Answer:

The legislation for the BUS does not dictate how installers pass on costs to their customers. However, installers must comply with the consumer code that they are a member of and applicable consumer protection laws when entering into a contract with their customer. Ofgem do not have any role or responsibility relating to the contractual arrangements between installers and property owners.

Audit and compliance**Question:**

139. Who is carrying out the site based audits? and will they auditing to MCS Standards?

Answer:

Site audits will be carried out by agents authorised by Ofgem. Information on audits and what to expect can be found in chapter 9 of our installer guidance.

Question:

140. With the post audits if a householder does not respond to your request for information or a site visit. This out of control of the installer, would the installer be responsible and have to repay any BUS payment received

Answer:

Installers are expected to inform property owners about audits and the consequence of refusal to audit. Where Ofgem is provided refusal to audit we may withhold payments or revoke payments. More information on audits and payments can be found in chapter 9 of our guidance.

Question:

141. Do installers have to inform that homeowners may be subject to an audit by Ofgem?

Answer:

We expect installers to inform property owners about audits and the consequence of refusal to audit. More information on audits and payments can be found in chapter 9 of our guidance.

Question:

142. Who will be conducting the audits and what will their qualifications / competencies be please?

Answer:

Site audits will be carried out by agents authorised by Ofgem. Information on audits and what to expect can be found in chapter 9 of our installer guidance.

Chapter 10 – Reporting

Question:

143. Are you making it visible the number of installations each month?

Answer:

Monthly reports for each calendar month will be published in the first week of the following month. For more information on our reporting please see chapter 10 in our installer guidance.

Question:

144. Will the installer be informed at application if the scheme has reached its maximum allowance for funding?

Answer:

Ofgem will publish monthly reports detailing the remaining available annual budget to provide transparency on the likelihood of a successful voucher application being allocated budget. If the annual budget allocation is met, we will inform installers by publishing details on our website and on social media channels.