This Statutory Instrument has been published in substitution of the S.I. 2026/368 which did not reflect the version signed by the Minister and has been removed from legislation.gov.uk.

STATUTORY INSTRUMENTS

2026 No. 390

ENERGY, ENGLAND AND WALES

The Boiler Upgrade Scheme (England and Wales) (Amendment) Regulations 2026

Made - - - -	*19th March 2026*
Laid before Parliament	*1st April 2026*
Coming into force - -	*28th April 2026*

The Secretary of State makes these Regulations in exercise of the powers conferred by sections 100(1) to (2) and 104(2) of the Energy Act 2008(**a**).

In accordance with section 148A of the Government of Wales Act 2006(**b**) the Secretary of State has consulted the Welsh Ministers before making these Regulations.

Citation, commencement and extent

1.—(1) These Regulations may be cited as the Boiler Upgrade Scheme (England and Wales) (Amendment) Regulations 2026.

(2) These Regulations come into force on 28th April 2026.

(3) These Regulations extend to England and Wales.

Amendments to the Boiler Upgrade Scheme (England and Wales) Regulations 2022

2. The Boiler Upgrade Scheme (England and Wales) Regulations 2022(**c**) are amended in accordance with regulations 3 to 19.

Regulation 2 amended (interpretation)

3.—(1) Regulation 2 is amended as follows.

(2) In paragraph (1), at the appropriate places, insert—

(**a**) 2008 c. 32. Section 100 was amended by section 51 of the Infrastructure Act 2015 (c. 7) and by S.I. 2011/2195. By virtue of section 105(3A) to (3I), these Regulations do not attract the affirmative procedure.
(**b**) 2006 c. 32. Section 148A was inserted by the Wales Act 2017 (c. 4), section 55(1).
(**c**) S.I. 2022/565, as amended by S.I. 2024/524.

"air-to-air heat pump" means a plant which generates heat using a thermodynamic cycle by transferring energy stored in the form of heat in the air and uses that energy to heat air for the purposes of space heating;

"Microgeneration Certification Scheme"means the scheme under that name operated by the MCS Service Company Ltd (a company registered in England and Wales with company number 07759366);

"non-residential building" means a building or building unit which is used—

(a) for the purposes of a trade, profession or vocation,

(b) as an office (whether or not for the purposes of a trade, profession or vocation),

(c) for educational purposes, or

(d) for religious purposes,

and which is not in use as, or as part of, a dwelling house;

"supplementary appliance" means a heating appliance installed in an eligible property that is not fuelled by fossil fuel".

(3) For the definition of "air source heat pump", substitute—

""air-to-water heat pump" means a plant(**a**) which generates heat using a thermodynamic cycle by transferring energy stored in the form of heat in the air and uses that energy to heat a liquid for the purposes of space heating;".

(4) In the definition of "building", after "roofed" , insert ", permanent".

(5) In the definition of "ground source heat pump", after "to heat a liquid", insert "for the purposes of space heating".

(6) In the definition of "heat pump"—

(a) for "air source heat pump", substitute "air-to-air heat pump or an air-to-water heat pump",

(b) for "or both", substitute "or any combination of the three".

(7) For the definition of "installer", substitute—

""installer" means a person who is certified by the Microgeneration Certification Scheme(**b**) or a subsequent version of the Microgeneration Certification Scheme, approved by the Secretary of State under regulation 4(1A);".

(8) In the definition of "related property", omit "and where the building, building unit or swimming pool is not covered by the valid energy performance certificate for that property".

(9) In the definition of "relevant financial year", for sub-paragraphs (e) and (f), substitute—

"(e) 1st April 2026,

(f) 1st April 2027,

(g) 1st April 2028, or

(h) 1st April 2029;".

(10) For the definition of "urban area", substitute—

""urban area" means an area classified as urban in the "2021 rural-urban classification of output areas" published by the Office for National Statistics in August 2025(**c**);".

(**a**) See section 100(3) of the Energy Act 2008 for the definition of "plant".
(**b**) Details of the scheme are available at www.mscertified.com.
(**c**) The classification can be seen at https://www.ons.gov.uk/methodology/geography/geographicalproducts/ruralurbanclassifications/2021ruralurbanclassification#:~:text=Output Areas (OAs) and other small area geographies&text=The 2021 RUC

(11) Omit paragraph (4).

Regulation 4 amended (approval of standards or schemes by the Secretary of State)

4. In regulation 4—

(a) in paragraph (1)—

(i) omit sub-paragraph (a),

(ii) in sub-paragraph (c), for "a standard" substitute "one or more standards",

(iii) at the end of sub-paragraph (h), insert " and",

(iv) omit sub-paragraph (i),

(b) after paragraph (1), insert—

"(1A) The Secretary of State may approve a subsequent version of the Microgeneration Certification Scheme for the purpose of the definition of "installer" in regulation 2(1).",

(c) in paragraph (2), after "paragraph (1)", insert "or (1A)",

(d) in paragraph (3)(b), after "paragraph (1)", insert "or (1A)".

Regulation 5 amended (eligible properties)

5. In regulation 5(1)(c)—

(a) in paragraph (ii)—

(i) after "or water heating", insert "(if water heating is present)",

(ii) omit ", or both,",

(b) omit paragraph (v).

Regulation 8 amended (eligible plant)

6. In regulation 8(1), after "For the purposes of these Regulations," insert, "subject to regulation 9A,".

Regulation 9 amended (requirements for heat pumps)

7. In regulation 9—

(a) in paragraph (1)—

(i) for sub-paragraph (b), substitute—

"(b) it has a capacity of—

(i) no more than 45 kilowatt thermal; or

(ii) no more than 300 kilowatt thermal, in the case of a shared ground loop system only; or

(iii) no more than a combined capacity of 70 kilowatt thermal, if it is installed in combination with one or more additional heat pumps,",

(ii) for sub-paragraph (d), substitute—

"(d) if it is an air-to-water heat pump, or a ground source heat pump, it has a seasonal coefficient of performance of at least 2.8, determined in accordance

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uses three,Smaller rural settlement. A copy can be inspected by contacting the Boiler Upgrade Scheme Team, Department for Energy Security and Net Zero, 55 Whitehall, London, SW1A 2HP.

with the standard approved by the Secretary of State under regulation 4(1)(c) which is applicable when the plant is first commissioned, and",

(iii) in sub-paragraph (e), omit " and",

(iv) omit sub-paragraph (f),

(b) in paragraph (2)—

(i) for sub-paragraph (a)(ii), substitute—

"(ii) for the purpose of space heating—

(aa) if it is an air-to-water heat pump, or a ground source heat pump, using liquid as a medium to deliver that heat, or

(bb) if it is an air-to-air heat pump, using air as a medium to deliver that heat,",

(ii) for sub-paragraph (b), substitute—

"(b) it is capable of meeting the full space heating and hot water heating demands of that property, whether alone or in combination with supplementary appliances that are not biomass boilers,",

(iii) after sub-paragraph (b), insert—

"(ba) it has sufficient kilowatt thermal capacity to meet the full space heating demand for the eligible property alone, whether or not it is installed alongside a supplementary appliance, and",

(iv) for sub-paragraph (c), substitute—

"(c) it replaces the heat generating components of the original heating system installed in that property (where applicable), other than any supplementary appliance.".

Regulation 9A inserted

8. After regulation 9, insert—

"Properties in relation to which an air-to-air heat pump is not an eligible plant

9A. An air-to-air heat pump is not an eligible plant in relation to a non-residential building.".

Regulation 13 amended (determination and publication of boiler upgrade grant values)

9. In regulation 13(1), for "2024", substitute "2026".

Regulation 14 amended (grant applications)

10. In regulation 14—

(a) in paragraph (1)(a), omit "or",

(b) in paragraph (2)(a)—

(i) in sub-paragraph (v), at the end, insert "and",

(ii) omit sub-paragraph (vi),

(c) in paragraph (2)(c), omit "and",

(d) after paragraph (2)(c), insert—

"(ca) the installer has deducted the value of the boiler upgrade voucher for which the application is being made from the total amount quoted to the property owner in relation to the installation of the eligible plant, and".

Regulation 15 amended (determination of grant applications)

11. In regulation 15—

(a) in paragraph (2)—

(i) in sub-paragraph (a), for "air source heat pump", substitute "air-to-water heat pump or an air-to-air heat pump,".

(ii) in sub-paragraph (b)(ii), for "2028", substitute "2030",

(b) in paragraph (7)(c), "for 2027", substitute "2029",

(c) in paragraph (9), omit "or an equivalent scheme,".

Regulation 17 amended (obligations on installers)

12. In regulation 17(1), after sub-paragraph (c), insert—

"(d) not request or accept payment of the deducted amount in regulation 14(2)(ca) unless the grant application is refused by the Authority or the boiler upgrade voucher is revoked in accordance with regulation 16(8) or 21.".

Regulation 19 amended (power to temporarily withhold grant payment during investigation)

13. In regulation 19(2), omit—

(a) "or an equivalent scheme" and

(b) ", the equivalent scheme".

Regulation 30 amended (reporting obligations)

14. In regulation 30(4), for "2028", substitute "2030".

Schedule 1A amended (sets of grant categories)

15. In Schedule 1A—

(a) for Table 1, substitute —

"Table 1

Set 1

Column 1	Column 2: A boiler upgrade grant for the installation of—
1	An air-to-water heat pump
2	An air-to-air heat pump
3	A ground source heat pump
4	A biomass boiler"

(b) for Table 2, substitute—

"Table 2

Set 2

Column 1	Column 2: A boiler upgrade grant for the installation of—
1	An air-to-water heat pump in a new-build property
2	An air-to-air heat pump in a new-build property
3	A ground source heat pump in a new-build property
4	An air-to-water heat pump in a property that is not a new-build property
5	An air-to-air heat pump in a property that is not a new-build property
6	A ground source heat pump in a property that is not a new-build property
7	A biomass boiler in a property that is not a new-build property”

(c) for Table 3, substitute—

“Table 3

Set 3

Column 1	Column 2: A boiler upgrade grant for the installation of—
1	An air-to-water heat pump in a property that is not an off-gas grid property
2	An air-to-air heat pump in a property that is not an off-gas grid property
3	A ground source heat pump in a property that is not an off-gas grid property
4	An air-to-water heat pump in an off-gas grid property that is replacing a coal heating system
5	An air-to-water heat pump in an off-gas grid property that is replacing a liquefied petroleum gas heating system
6	An air-to-water heat pump in an off-gas grid property that is replacing an oil heating system
7	An air-to-water heat pump in an off-gas grid property that is replacing a fossil fuel hybrid system
8	An air-to-water heat pump in an off-gas grid property that is replacing an electric heating system that is not a heat pump
9	An air-to-water heat pump in an off-gas grid property that is replacing any other fossil fuel heating system that is not covered by row 4 to 8 of this Table
10	An air-to-air heat pump in an off-gas grid property that is replacing a coal heating system
11	An air-to-air heat pump in an off-gas grid property that is replacing a liquefied petroleum gas heating system
12	An air-to-air heat pump in an off-gas grid property that is replacing an oil heating system
13	An air-to-air heat pump in an off-gas grid property that is replacing a fossil fuel hybrid system

Column 1	Column 2: A boiler upgrade grant for the installation of—
14	An air-to-air heat pump in an off-gas grid property that is replacing an electric heating system that is not a heat pump
15	An air-to-air heat pump in an off-gas grid property that is replacing any other fossil fuel heating system that is not covered by row 10 to 14 of this Table
16	A ground source heat pump in an off-gas grid property that is replacing a coal heating system
17	A ground source heat pump in an off-gas grid property that is replacing a liquefied petroleum gas heating system
18	A ground source heat pump in an off-gas grid property that is replacing an oil heating system
19	A ground source heat pump in an off-gas grid property that is replacing a fossil fuel hybrid system
20	A ground source heat pump in an off-gas grid property that is replacing an electric heating system that is not a heat pump
21	A ground source heat pump in an off-gas grid property that is replacing any other fossil fuel heating system that is not covered by row 16 to 20 of this Table
22	A biomass boiler in an off-gas grid property replacing a coal heating system
23	A biomass boiler in an off-gas grid property replacing a liquefied petroleum gas heating system
24	A biomass boiler in an off-gas grid property replacing an oil heating system
25	A biomass boiler in an off-gas grid property replacing a fossil fuel hybrid system
26	A biomass boiler in an off-gas grid property replacing an electric heating system that is not a heat pump
27	A biomass boiler in an off-gas grid property replacing any other fossil fuel heating system that is not covered by row 22 to 26 of this Table”

(d) for Table 4, substitute—

“Table 4

Set 4

Column 1	Column 2: A boiler upgrade grant for the installation of—
1	An air-to-water heat pump in a property that is not an off-gas grid property and not a new-build property
2	An air-to-air heat pump in a property that is not an off-gas grid property and not a new-build property
3	A ground source heat pump in a property that is not an off-gas grid property and not a new-build property
4	An air-to-water heat pump in a new-build property
5	An air-to-air heat pump in a new-build property

Column 1	Column 2: A boiler upgrade grant for the installation of—
6	A ground source heat pump in a new-build property
7	An air-to-water heat pump in an off-gas grid property that is replacing a coal heating system
8	An air-to-water heat pump in an off-gas grid property that is replacing a liquefied petroleum gas heating system
9	An air-to-water heat pump in an off-gas grid property that is replacing an oil heating system
10	An air-to-water heat pump in an off-gas grid property that is replacing a fossil fuel hybrid system
11	An air-to-water heat pump in an off-gas grid property that is replacing an electric heating system that is not a heat pump
12	An air-to-water heat pump in an off-gas grid property that is replacing any other fossil fuel heating system that is not covered by row 7 to 11 of this Table
13	An air-to-air heat pump in an off-gas grid property that is replacing a coal heating system
14	An air-to-air heat pump in an off-gas grid property that is replacing a liquefied petroleum gas heating system
15	An air-to-air heat pump in an off-gas grid property that is replacing an oil heating system
16	An air-to-air heat pump in an off-gas grid property that is replacing a fossil fuel hybrid system
17	An air-to-air heat pump in an off-gas grid property that is replacing an electric heating system that is not a heat pump
18	An air-to-air heat pump in an off-gas grid property that is replacing any other fossil fuel heating system that is not covered by row 13 to 17 of this Table
19	A ground source heat pump in an off-gas grid property that is replacing a coal heating system
20	A ground source heat pump in an off-gas grid property that is replacing a liquefied petroleum gas heating system
21	A ground source heat pump in an off-gas grid property that is replacing an oil heating system
22	A ground source heat pump in an off-gas grid property that is replacing a fossil fuel hybrid system
23	A ground source heat pump in an off-gas grid property that is replacing an electric heating system that is not a heat pump
24	A ground source heat pump in an off-gas grid property that is replacing any other fossil fuel heating system that is not covered by row 19 to 23 of this Table
25	A biomass boiler in an off-gas grid property replacing a coal heating system
26	A biomass boiler in an off-gas grid property replacing a liquefied petroleum gas heating system

Column 1	Column 2: A boiler upgrade grant for the installation of—
27	A biomass boiler in an off-gas grid property replacing an oil heating system
28	A biomass boiler in an off-gas grid property replacing a fossil fuel hybrid system
29	A biomass boiler in an off-gas grid property replacing an electric heating system that is not a heat pump
30	A biomass boiler in an off-gas grid property replacing any other fossil fuel heating system that is not covered by row 25 to 29 of this Table”

Schedule 2 amended (information required for grant application)

16.—(1) Schedule 2 is amended in accordance with this regulation.

(2) In paragraph 2—

(a) in sub-paragraph (b), for “or an equivalent scheme”, substitute “or a subsequent version of the Microgeneration Certification Scheme”,

(b) in sub-paragraph (i), for “air source heat pump”, substitute “air-to-water heat pump, air-to-air heat pump”,

(c) after sub-paragraph (i), insert—

“(ia) details of any supplementary appliance installed or retained in the property, where applicable,”,

(d) for sub-paragraph (j), substitute—

“(j) where the property—

(i) has a valid energy performance certificate, the unique reference number for the valid energy performance certificate for the property, or

(ii) does not have a valid energy performance certificate—

(aa) the unique reference number for an expired energy performance certificate for the property (if any) where required by the Authority, and

(bb) any other information that the Authority may require to verify any information provided under this Schedule,”.

(3) After paragraph 2, insert—

“3. In this Schedule, an “expired energy performance certificate” is an energy performance certificate that has passed its validity period given in regulation 9(2)(a) of the EPB Regulations, but remains listed on the register maintained under regulation 27(1) of the EPB Regulations.”.

Schedule 3 amended (information required for redemption application)

17. In Schedule 3, paragraph 2(a), omit “or an equivalent scheme (see paragraph 1(a) and (b) of Schedule 4)”.

Schedule 4 amended (certification requirements)

18. In Schedule 4, paragraph 1—

(a) in sub-paragraph (a), omit ", or",

(b) omit sub-paragraph (b).

Transitional and saving provision

19.—(1) In relation to a grant application that was properly made before these Regulations come into force, the Boiler Upgrade Scheme (England and Wales) Regulations 2022(**a**) continue to have effect as if they had not been amended by these Regulations.

(2) For the purpose of paragraph (1)—

"grant application" has the meaning given in regulation 14(1) of the Boiler Upgrade Scheme (England and Wales) Regulations 2022,

"properly made" has the meaning given in regulation 2(1) of the Boiler Upgrade Scheme (England and Wales) Regulations 2022.

Amendments to the Boiler Upgrade Scheme (England and Wales) (Amendment) Regulations 2024

20. In the Boiler Upgrade Scheme (England and Wales) (Amendment) Regulations 2024(**b**), in regulation 25—

(a) the existing text becomes paragraph (1),

(b) after paragraph (1), insert—

"(2) For the purpose of these Regulations—

"grant application" has the meaning given in regulation 14(1) of the Boiler Upgrade Scheme (England and Wales) Regulations 2022.

"properly made" has the meaning given in regulation 2(1) of the Boiler Upgrade Scheme (England and Wales) Regulations 2022.".

Martin McCluskey
Parliamentary Under-Secretary of State
Department for Energy Security and Net Zero

19th March 2026

(**a**) S.I. 2022/565, as amended by S.I. 2024/524.
(**b**) S.I. 2024/524.

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations, which apply in England and Wales, amend the Boiler Upgrade Scheme (England and Wales) Regulations 2022 (S.I. 2022/565) ("the 2022 Regulations"), which established the Boiler Upgrade Scheme ("BUS"). BUS is a renewable heat incentive scheme to facilitate and encourage the use of heat pumps and biomass boilers to provide space and water heating in domestic properties and small non-domestic properties. BUS supports the installation of heat pumps and biomass boilers through a grant mechanism provided that they do not replace an existing renewable heating system.

Regulation 2 is amended to define "installer" as a person certified by the Microgeneration Certification Scheme (MCS). Regulation 4 is amended to provide the Secretary of State with the power to approve subsequent versions of the MCS for the purpose of the definition of "installer" in regulation 2. Regulation 15, 19, Schedule 2 and Schedule 3 are amended to remove the concept of an "equivalent" scheme to MCS.

Regulations 2, 8, 9 and Schedule 2 are amended, and regulation 9A is inserted, to introduce air-to-air heat pumps as a new technology that is an eligible plant under the 2022 Regulations, unless it is installed in relation to a non-residential building. Regulation 2 is amended to clarify the difference between the new air-to-air heat pumps, and air-to-water heat pumps.

Regulation 2 is amended to update the definition of "urban area" to reference the latest data in the 2021 rural-urban classification of output areas.

Regulation 5 is amended to remove the requirement for a property to have a valid energy performance certificate to be considered an "eligible property" under the 2022 Regulations.

Regulation 2, 15 and 30 are amended to extend the operation of the BUS through to 2030.

Schedule 1A is amended to introduce new categories of grant related to air-to-air heat pumps.

Schedule 2 is amended to make consequential amendments to the information that must be provided for a grant application. In particular, Schedule 2 is amended to provide that a valid energy performance certificate should be provided where the property has one, and where there is no valid EPC the details of any expired EPC must be provided, as well as any other information the Authority may require.

A full impact assessment of the effect that this instrument will have on the costs of business and the voluntary sector is available from the Department for Energy Security and Net Zero at 3-8 Whitehall Place SW1A 2AW and is published with the Explanatory Memorandum alongside the instrument on www.legislation.gov.uk.

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