

7 SCHEMES TO HELP FUND YOUR PROPERTY'S EPC UPGRADES

The government has proposed increasing minimum energy efficiency standards to an EPC band C on all tenancies by 2028 in England - with a cap of £10,000 to make the necessary improvements. Here's a list of the financial support that you may be able to access for upgrades to your private rented properties.

1

THE BOILER UPGRADE SCHEME (ENGLAND AND WALES)

This scheme provides one grant per property to help cover the cost and installation of low carbon heating systems such as heat pumps, at:

- £5,000 for an air source heat pump
- £5,000 for a biomass boiler
- £6,000 for a ground source heat pump

Your property may be eligible if it has an installation capacity of up to 45kWth - which covers "most homes" - and a current EPC with no outstanding recommendations for loft or cavity wall insulation. You'll also need to live in England or Wales and own the property to be eligible. The scheme will run until 2028.

You can read more about the criteria and the steps to access the funding on the [government's site](#).

2

VAT RELIEF ON ENERGY SAVING MATERIALS (ENGLAND, SCOTLAND, AND WALES)

Until 31 March 2027, zero-rate VAT will apply to the installation of certain energy saving materials in residential properties. Your supplier should charge you the reduced rate.

The zero-rate can also apply to "ancillary supplies" involved in the installation. For example, VAT on the installation of an air source heat pump together with new radiators and pipework will all be charged at zero, as the radiators are necessary to benefit from the heat pump.

You can find the full list of the eligible materials and works on the [government's site](#).

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3

A GREEN DEAL LOAN (ENGLAND, SCOTLAND, AND WALES)

Although the Green Deal Scheme was originally a government initiative, it switched to private backing in 2015.

- This loan can be put towards a variety of improvements, such as insulation, heating, draught-proofing, double glazing, or renewable energy generation, such as solar panels or heat pumps.
- Green Deal loans are repaid through electricity bill payments.
- The repayments shouldn't exceed the savings you made on your energy bill, but that doesn't mean that your bill savings will match the loan repayments, as it doesn't take into account increases in energy prices.
- The loan is also linked to your property so it would pass to the new owner if you were to sell up.

You can find a list of government-approved suppliers on this [government site](#).

4

ENERGY COMPANY OBLIGATION GRANTS (ENGLAND, SCOTLAND, AND WALES)

If you have any qualifying tenants from low-income and vulnerable households, they may be able to access an [Energy Company Obligation](#) (ECO) grant to support energy efficiency improvements.

- If your property has an EPC F or G rating, the grants must go towards upping that rating to band D or above, and the funding for private rented properties will support "the least efficient homes in bands E-G only".
- You can encourage eligible tenants to apply for the grant to help improve your property energy efficiency "for years to come by installing electric storage heaters or fulfilling insulation grants such as free cavity wall insulation or loft insulation grant," according to [UK Energy Support](#).
- The government has shared that the fourth edition of the ECO "will upgrade around 450,000 homes, most of them to EPC band C" over the next four years.

You can check eligibility for a grant on the [UK Energy Support site](#).

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EMPTY PROPERTY GRANTS (REGIONAL FUNDING)

Local councils may also be able to offer you some financial support to make energy improvements to your properties.

The empty homes grant in Kingston, for example, can help cover up to £25,000 for thermal upgrades to windows, boiler work and insulation, on properties that have been empty for at least six months.

There may be certain restrictions through local schemes - such as not being able to sell the property within five years of receiving the grant and having to rent the property through the council's private leasing scheme for that five-year period - but, if you're in the private rented sector for the long haul, looking into any similar local schemes could be an option.

Head to your local council's site to see what schemes may be available.

6

SMART EXPORT GUARANTEE (ENGLAND, SCOTLAND, AND WALES)

If your properties already have renewable energy, the Smart Export Guarantee (SEG) pays customers for renewable electricity they've generated and put into the grid. This could be:

- Solar
- Wind
- Hydro
- Micro combined heat and power
- Anaerobic digestion

Some of these energy sources may also be covered by the zero-rate VAT mentioned in point 2 above, if you're considering upgrading to renewable energy. You'll need to sign up to an SEG tariff with a big energy company, to ensure you're not simply giving away your energy to the National Grid for free, and should shop around for the best tariff too.

Search "smart energy tariff" and energy suppliers to see what may be available for you.

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7

GREAT BRITISH INSULATION SCHEME

Formerly known as the "ECO+ Scheme", the government's £1 billion Great British Insulation Scheme is expected to run from spring 2023 to March 2026, to help homes across the country install new home insulation.

This support will be available to those that don't already benefit from other government support to make home upgrades.

This is an extension of the existing Energy Company Obligation scheme, as outlined in point 4. Eighty percent of the funding will be available to households with EPC D ratings or below and in the lower council tax bands.

Head to the [government's site](#) to read more about the plans