

Extract from the Warm Homes Loan Scheme: Scheme Rules

4. Eligibility Criteria

Eligible borrowers and properties

4. The Scheme is designed to support eligible borrowers who are able to borrow and repay a personal finance product and wish to install an eligible measure for their domestic property. Lenders are only permitted to lend to the following eligible borrower groups, on a personal lending basis:
 - Owner-occupiers of existing domestic properties
 - Private Rented Sector (PRS) landlords
5. The Department will not impose any income-based eligibility thresholds, mandatory minimum energy efficiency upgrade requirements, or any Scheme level restrictions by property type. Lenders remain responsible for undertaking creditworthiness and affordability assessments in line with their regulatory obligations and may apply additional criteria as part of their own product design (i.e., a requirement to evidence an Energy Performance Certificate).
6. Participating lenders will be able to develop products that support one, or all of the eligible consumer groups at their discretion.
7. For the purposes of the WHLS, a domestic property is defined as any building or structure that is currently used or suitable for use as a dwelling. In mixed-use cases, where the property is used for both residential and a business use, installations are eligible where they are principally intended to meet the energy needs of the domestic household. Incidental use for business or non-domestic purposes does not in itself render a property ineligible (for example short term lets, secondary but associated buildings like annexes or converted garages, or where a property owner might run a business from their home).
8. Owners of multiple properties may apply for a loan for each property.

Eligible measures

9. The Scheme will support financing for a defined set of eligible retrofit measures, selected to deliver meaningful carbon and bill savings and to be suitable for delivery through market led finance.
10. Participating lenders will be able to develop products that support one, some, or all of the eligible measures at their discretion.
11. The Scheme is intended to complement other government grant schemes in the able to pay space. This is currently limited to the Boiler Upgrade Scheme (BUS) and the Scottish Government's Home Energy Scotland Scheme. For example, where an applicant in England or Wales is looking to install a heat pump and is applying for a BUS grant, they can apply for a WHLS loan from a participating lender to cover any costs of installation above the level of the BUS grant received.

12. The BUS has specific eligibility criteria that consumers need to meet in order to receive a grant. Further information can be found in guidance here. If the BUS updates its guidance or scheme eligibility criteria the WHLS will mirror any such change, subject to confirmation to participating lenders by the Department.

13. WHLS eligible measures are:

Technology	Eligible measure	Further detail
Low-carbon heating	Air-to-water source heat pumps	Eligible for those in receipt of an applicable BUS or other devolved nation scheme grant, or who wish to take out a loan for the whole installation cost. The heat pump installation must not be replacing an existing low-carbon heating technology (i.e. an existing heat pump).
	Air-to-air source heat pumps	Only following their introduction as an eligible measure in the BUS Scheme, contingent upon the development of new product, design and installation standards by MCS. Further information will be provided when they become available. Please note that this means air-air heat pumps are not currently eligible for applications to the Warm Homes Loan Scheme as they cannot meet the requirement to be MCS certified.
	Ground source heat pumps	Including water source heat pumps and those on shared ground loops. Eligible for those in receipt of an applicable BUS or other devolved nation scheme grant, or who wish to take out a loan for the whole installation cost. The heat pump installation must not be replacing an existing low-carbon heating technology (i.e. an existing heat pump).
	Biomass boilers	For rural properties only, where an applicant is in receipt of an applicable BUS or other devolved nation scheme grant.
	Heat network connections	Domestic connections where properties have the opportunity to connect to an existing or planned low carbon network. Heat network connection installations are exempt from the 'Installer Eligibility' requirement that measures must be installed by an MCS-registered installer.
Electricity generation and storage	Solar photovoltaic (PV) systems	New roof-top mounted solar panels, Including the addition of solar panels to an existing installation. An EV chargepoint is an eligible ancillary cost as part of a solar PV installation.
	Electrical battery storage	Both standalone battery installations and those paired with solar PV. An EV chargepoint is an eligible ancillary cost as part of a battery installation.
	Micro-renewables	Domestic wind turbine and micro hydroelectric systems only.

14. Only measures explicitly listed above and any associated ancillaries are eligible to be financed using Scheme funds. This includes the relevant installation, labour and other ancillary capital costs that are required to deliver and enable the effective operation of a given measure.
15. For a heat pump installation, we would expect a typical installation quote to include ancillary works such as necessary improvements to radiators, pipework and water tanks. The Scheme will not fund insulation as part of a heat pump installation.
16. For a solar installation, we would expect a typical installation quote to include ancillary works such as scaffolding, temporary safety equipment for installation and grid connection. EV chargepoint installation and associated electrical works will also be permitted as part of a solar and/or battery installation. The Scheme will not fund replacement roofing or other structural work that may be required prior to solar being installed.
17. For a battery installation, a typical installation quote may include integration with existing PV system (if present), setup of monitoring apps or control systems and installation of isolators, breakers or protection devices.
18. An EV chargepoint installation must only be made as part of a solar and/or battery installation to be eligible under the Scheme. EV chargepoints are not permissible as a standalone measure. EV chargepoint installers and residential chargepoints must be Office of Zero Emission Vehicles (OZEV) approved. To be OZEV approved, an installer must be a member of a Competent Persons Scheme. Further information on how to apply to be an OZEV authorised installer can be found [here](#) and further information on eligible chargepoints can be found [here](#). Borrowers who have already received a grant from OZEV or any other source will not be eligible for a loan from the Scheme to cover the costs of installing that chargepoint.
19. Measures must be installed in line with applicable MCS technical standards and Scheme requirements, which includes that total costs are within the maximum size of loan supported for each available technology:

Eligible measure	Loan cap amount (£)
Solar PV	15,000
Electrical storage battery	15,000
Air-water source heat pump	20,000 (prior to BUS grant being deducted)
Air-air source heat pump	10,000 (prior to BUS grant being deducted)
Ground source heat pump	35,000 (prior to BUS grant being deducted)
Biomass boiler	20,000 (prior to BUS grant being deducted)
Heat network connection	7,500
Micro-renewable system	20,000

Any ancillary work funded by a loan must also fall within the relevant measure caps. The Department reserves the right to amend these measure caps over time.

20. Where a customer is seeking additional finance to fund further costs not covered by the Scheme (i.e. insulation, windows and doors, roofing repairs in advance of a solar installation etc.), participating lenders are free to offer additional, separate finance products in line with their usual lending requirements if they wished – for example, a standard unsecured personal loan.
21. The list of eligible measures is set at Scheme level and may be reviewed over time in response to policy decisions and delivery experience.
22. Any future changes to any part of the Scheme's eligibility will be communicated in advance with at least 30 days written notice and will not apply retrospectively, in line with the provisions of the Grant Funding Agreement.

Installer eligibility

23. To ensure installation quality, consumer protection, and Scheme integrity, all works financed under the Scheme must be carried out by installers that meet Scheme approved certification requirements.
24. For the purposes of this Scheme:
 - The Microgeneration Certification Scheme (MCS) is the approved certification body for eligible measures.
 - Installers must be MCS certified for the specific eligible measure they are delivering at the point of installation. This does not include any relevant ancillary work associated with an installation referenced in the eligible measures section above.
25. Lenders are expected to ensure that installations financed through their Scheme products are undertaken by MCS certified installers and that certification is verified as part of their processes. This will be enabled through an API with MCS at the consumer application quote stage and at the post-installation verification stage (see sections 5.22-5.26 for more detail below).

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<https://assets.publishing.service.gov.uk/media/6ad7601113c9ff4fd08ed5f5/warm-homes-loan-scheme-rules-sept-2026.pdf>