

# WHAT IS ECO4 SCHEME?



The ECO 4 scheme (the government's Energy Company Obligation) is the fourth, and likely final, entry to the scheme to help qualifying households receive funding for the installation of home improvements that promote energy efficiency, such as insulation.

The Energy Company Obligation Scheme is designed to increase energy efficiency measures in the least energy-efficient homes – typically to support low-income households. Its aim is to target vulnerable households living in fuel poverty to improve their home's energy efficiency rating. ECO4 began in April 2022 and will continue until March 2026.

In this article, we'll be providing you with the key details you need to know about the ECO4 scheme, so you can be prepared to [submit your application for a free insulation grant](#) if you are eligible

## WHAT ARE THE MAIN GOALS OF ECO4

One of the main aims of the ECO4 scheme is to help the government lower carbon emissions in domestic homes across the UK in order to achieve its legally binding goal of reaching net-zero emissions by 2050. To do this, it places the responsibility of providing grants to eligible households on the energy companies and energy suppliers that serve our homes. Recent government figures have shown that over 3.1 million energy-efficient measures have been installed in more than 2.3 million homes through the ECO4 scheme.

Both homeowners and privately renting tenants can get involved in the ECO4 scheme if they meet the criteria. If you are a landlord, for example, and your tenant is receiving one or more eligible benefits, you may want to encourage them to apply for funding. This will mean your building's energy efficiency will be improved with new insulation and it will likely see an increase in value too as a result. Your tenant will also benefit thanks to the improved energy efficiency of the home they're staying in, reducing their energy bills and making their home more comfortable as a result. Making use of the Energy Company Obligation (ECO4 scheme) just makes sense.

## What energy efficiency measures can ECO4 cover?

- insulation – loft, cavity wall, etc
- new heating systems – such as an air source heat pump instead of electric storage heaters
- repairing and replacing inefficient boilers

## What makes ECO4 different from ECO3?

Although there are many similarities between the ECO3 and ECO4, the latter stage aims to reach more vulnerable households and areas with high fuel poverty.

ECO4 targets vulnerable households receiving benefits or those in the low-income bracket, ensuring that all homes have access to affordable energy. However, one major difference between the ECO4 and ECO3 Schemes is that some benefits that were previously eligible through ECO3 cannot apply through the ECO4 Scheme.

The ECO4 report states that this is ["to help better target households which are more likely to be on low incomes"](#).

Additionally, there were almost [134,000 boilers were upgraded](#) under the ECO3 Scheme, but this is being [limited to just 5,000](#) under the ECO4 Scheme.

Only a select few households will be able to benefit from a biomass boiler through the ECO4 Scheme, meaning more homes will benefit from improved insulation or an air-source heat pump.



# WHO IS ELIGIBLE FOR ECO4?



The government's ECO4 scheme aims to support the least energy-efficient homes in the country, with a focus on low-income and vulnerable households.

One of the main ways companies must measure who's eligible for the ECO4 scheme is to see if the applicant receives any of the following benefits:

- Income-based Jobseekers Allowance (JSA)
- Income-related Employment & Support Allowance (ESA)
- Income Support (IS)
- Pension Credit Guarantee
- Credit Working Tax Credit (WTC)
- Child Tax Credits (CTC)
- Universal Credit (UC)
- Housing Benefit
- Pension Credit Savings Credit

The government will also make sure that anyone with additional Department of Work and Pension (DWP) benefits has access to ECO4, regardless of whether they receive Universal Credit.

While the focus will be primarily on owner-occupied homes, this new phase of the grant will also support inefficient social housing and private rented housing (if the landlord permits it).

## How to apply for ECO4?

Think you'd benefit from ECO4? All you need to do is get in touch with one of the energy suppliers that are offering it.

You'll then be taken through a telephone assessment, which will include answering questions about various things, including your income, whether you receive certain benefits, and your property's energy efficiency rating.

The installer will then arrange a date to visit your home and confirm whether it's suitable for the grant.

## Who needs to know about the ECO4 changes?

Anybody – landlord, private tenant, or homeowner – would benefit from knowing which benefits would grant access to the funding available, especially if fuel poverty and energy inefficiency with insulation, heating systems, and energy inefficient boilers is a problem.

If you previously looked at applying for ECO3, but were ineligible due to claiming benefits which didn't provide access to the scheme, it is still worth looking into now, since the benefit criteria has changed.

Likewise, if you didn't qualify previously because you aren't in receipt of any benefits, then ECO4 could provide you with a new route to improve the energy efficiency rating of your home. ECO4 specifically aims to help homes that don't claim benefits access funding.

In short, if you think you may be entitled to a free insulation grant under ECO4, but you're just not sure, then the best thing you can do is check through our website as soon as possible by clicking the 'Check If You Qualify' link on your page, or filling out the enquiry form [here](#).

With each energy supplier and local authority having slightly different eligibility criteria, the quickest way to find out if you can improve the energy efficiency of your home and reduce its carbon footprint is by checking with us today.



# YOUR ECO4 SCHEME NEXT STEPS



Contact us today to confirm your eligibility for free insulation funding, and we can put you in touch with ECO experts that will handle your application process from start to finish.

[eco4.org.uk](http://eco4.org.uk)

