

ECO4 Scheme: A Complete Guide to Energy Efficiency Support in the UK

The [ECO4 Scheme](#) is a UK government initiative designed to make homes across the country more energy-efficient, reduce household energy bills, and contribute to the nation's carbon reduction goals. Introduced as part of the Energy Company Obligation (ECO), this latest phase—**ECO4**—runs from 2022 until March 2026 and focuses on supporting low-income and vulnerable households.

In this article, we will explain what the ECO4 Scheme is, who qualifies, what benefits it offers, and how you can apply.

What is the ECO4 Scheme?

The **ECO4 Scheme** is the fourth phase of the government's Energy Company Obligation program. It requires large energy suppliers to fund energy efficiency measures in homes across England, Scotland, and Wales. The scheme is part of the UK's wider effort to reach **net zero carbon emissions by 2050**.

ECO4 aims to tackle two critical issues:

1. **Fuel Poverty** – Helping families who struggle to afford their energy bills.
2. **Climate Change** – Reducing energy waste and carbon emissions by improving home insulation and heating systems.

Unlike earlier versions of ECO, which often provided partial improvements, **ECO4 focuses on a whole-house approach**, ensuring homes are upgraded comprehensively rather than in isolated fixes.

Who Can Qualify for the ECO4 Scheme?

Eligibility for the ECO4 Scheme is mainly based on household income and vulnerability. Not everyone qualifies, but the scheme prioritizes **low-income households** and those considered vulnerable to the effects of living in a cold home.

You may qualify if:

- You receive certain **means-tested benefits**, such as:
 - Universal Credit
 - Income Support

- Jobseeker's Allowance (JSA)
- Employment and Support Allowance (ESA)
- Housing Benefit
- Pension Credit (Guarantee Credit or Savings Credit)
- Your household income is below a set threshold (typically around £31,000 annually).
- You live in a property with a low **Energy Performance Certificate (EPC) rating**, usually **D, E, F, or G**.
- You are considered vulnerable, for example, if you are elderly, disabled, or living with health conditions affected by cold housing.

Even if you are not directly receiving benefits, you may still be eligible through a **flexible eligibility route** that allows local authorities to recommend households in need.

What Home Improvements Are Covered Under ECO4?

The ECO4 Scheme covers a range of **energy efficiency improvements** and **low-carbon heating upgrades**. The goal is to make homes warmer, more comfortable, and cheaper to run.

Common upgrades include:

1. Insulation Measures

- Loft insulation
- Cavity wall insulation
- Solid wall insulation (internal or external)
- Underfloor insulation
- Room-in-roof insulation

2. Heating System Upgrades

- Replacement of old, inefficient boilers
- First-time central heating installations

- Air source heat pumps
- Ground source heat pumps
- Biomass boilers (in some cases)

3. Other Energy Efficiency Measures

- Solar panels (photovoltaic systems)
- Smart heating controls
- High-performance glazing and doors

By implementing these measures, households can save hundreds of pounds per year while also improving indoor comfort.

Benefits of the ECO4 Scheme

The ECO4 Scheme offers several advantages, not only for homeowners and tenants but also for the environment and wider society.

1. Lower Energy Bills

Upgraded insulation and efficient heating systems mean less wasted energy. Many households can save up to **£500–£1,000 per year** on energy costs.

2. Improved Comfort

Better insulation ensures homes stay warmer in winter and cooler in summer, creating a healthier living environment.

3. Reduced Carbon Footprint

By cutting household emissions, ECO4 contributes to the UK's climate targets and helps fight global warming.

4. Health Benefits

Cold, damp homes are linked to respiratory illnesses, heart disease, and poor mental health. ECO4 helps reduce these risks by creating warmer, drier homes.

5. Support for Vulnerable Communities

The scheme specifically targets those most at risk of fuel poverty, ensuring support reaches households that need it most.

How to Apply for the ECO4 Scheme

Applying for the ECO4 Scheme involves a few key steps:

1. **Check Your Eligibility** – Determine whether you meet the requirements based on benefits, income, or housing conditions.
2. **Find an Approved Installer** – Only accredited ECO4 installers can carry out the improvements. Many companies offer free eligibility checks.
3. **Energy Assessment** – An assessor will evaluate your home's current energy efficiency and recommend upgrades.
4. **Installation of Measures** – Once approved, the improvements are installed at no or little cost to you.
5. **Post-Installation Benefits** – You immediately start enjoying lower bills and improved comfort.

It is important to work with registered providers to ensure all work meets the scheme's standards.

ECO4 vs. Previous ECO Schemes

The ECO4 Scheme improves upon earlier versions in several ways:

- **Longer Duration:** ECO4 runs until March 2026, giving households more time to apply.
- **Whole-House Approach:** Instead of single fixes, ECO4 upgrades homes more comprehensively.
- **Focus on Low-Income Households:** While previous versions often supported a broader range of people, ECO4 is targeted more directly at those most in need.
- **Net Zero Alignment:** ECO4 emphasizes low-carbon technologies, supporting the UK's transition to renewable energy.

Common Myths About the ECO4 Scheme

1. **"It's only for homeowners."** – False. Tenants in privately rented and social housing may also qualify.

2. **“It’s too complicated to apply.”** – Not true. Many installers handle the application process for you.
3. **“I’ll have to pay back the costs.”** – The scheme is funded by energy companies, so eligible households typically pay nothing.
4. **“Only big houses qualify.”** – ECO4 supports households of all sizes, including flats and smaller homes.

Conclusion

The [ECO4 Scheme](#) represents a major step toward tackling fuel poverty, improving home energy efficiency, and achieving the UK’s net zero targets. By offering free or heavily subsidized energy-saving measures, the scheme helps vulnerable households reduce their energy bills while also contributing to environmental sustainability.

If you are struggling with high energy costs or live in a home with poor insulation, checking your eligibility for ECO4 could be a life-changing opportunity. With benefits ranging from **lower bills** to **better health and comfort**, the scheme is a win for households, communities, and the environment alike.

FAQs About the ECO4 Scheme

Q1. Is the ECO4 Scheme free?

Yes, for most eligible households, the upgrades are free. Some may need to make a small contribution depending on circumstances and property type.

Q2. How long will the ECO4 Scheme run?

The scheme runs from July 2022 until March 2026.

Q3. Can renters apply for ECO4?

Yes. Both private and social housing tenants may qualify, but landlord permission is required for installations.

Q4. What if my home already has some insulation?

You may still qualify for additional measures if your home is not energy efficient enough.

Q5. How much money can I save through ECO4?

Savings vary, but many households save between **£500 and £1,000 per year** on energy bills.