



Department for
Energy Security
& Net Zero

Consultation on extending the ECO4 end date

Closing date: 25 September 2025



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Introduction

The Warm Homes Plan will support households to take up measures like solar panels, heat pumps, batteries and insulation to reduce bills and tackle fuel poverty. We are funding the Warm Homes Plan with a total of £13.2 billion, which will be allocated across schemes that support the installation of these measures. As part of the Warm Homes Plan, we have consulted on proposals for new minimum energy efficiency standards in the private rented sector and we will set out proposals for the social rented sector through the Decent Homes Standard review that will be published in due course. We have also announced the Warm Homes: Social Housing Fund, which extends and replaces the Social Housing Decarbonisation Fund. This is joined by a new scheme, called the Warm Homes: Local Grant, which will support low-income homeowners and private tenants and be delivered by local authorities.

Since the first Energy Company Obligation (ECO) scheme began in 2013, around 4.3 million measures have been installed in 2.6 million properties to the end of June 2025. Under ECO4 around 875,900 measures have been installed in around 260,400 households to the end of June 2025; by far the largest impact of current government energy efficiency schemes. The Warm Homes Plan will build on progress made under ECO towards reducing bills and decarbonising our energy supply.

As ECO4 is due to conclude on 31 March 2026, this consultation proposes an extension of 6 to 9 months to maintain support for households. An extension period provides an opportunity for stronger consumer protections to be introduced. It also gives the supply chain certainty of continued work. Although no decisions have yet been taken on extending, replacing or succeeding the scheme, there will be further consultation on the future of home upgrade obligations later in 2025. This present consultation proposes a route for obligated suppliers to carry over delivery into potential future obligations, which provides a means to orient delivery towards the objectives of a potential future obligation from the start of the extension period.

General information

Why we are consulting

We are seeking views on extending ECO4 to maintain support for households as we start to bring in the Warm Homes Plan.

Consultation details

Issued: 29 August 2025

Respond by: 25 September 2025

Enquiries to:

Energy Company Obligations Team
Department for Energy Security and Net Zero
3-8 Whitehall Place
London
SW1A 2EG

Email: ecoteam@energysecurity.gov.uk

Consultation reference: Consultation on extending the ECO4 end date.

Audiences:

Stakeholders with an interest in domestic energy efficiency and fuel poverty in Great Britain and domestic energy suppliers.

Territorial extent:

England and Wales and Scotland

How to respond

Respond online at: <https://energygovuk.citizenspace.com/energy-security/eco4-extension>

When responding, please state whether you are responding as an individual or representing the views of an organisation.

Your response will be most useful if it is framed in direct response to the questions posed, though further comments and evidence are also welcome.

Confidentiality and data protection

Information you provide in response to this consultation, including personal information, may be disclosed in accordance with UK legislation (the Freedom of Information Act 2000, the Data Protection Act 2018 and the Environmental Information Regulations 2004).

If you want the information that you provide to be treated as confidential please tell us, but be aware that we cannot guarantee confidentiality in all circumstances. An automatic confidentiality disclaimer generated by your IT system will not be regarded by us as a confidentiality request.

We will process your personal data in accordance with all applicable data protection laws. See our [privacy policy](#).

We will summarise all responses and publish this summary on [GOV.UK](#). The summary will include a list of names or organisations that responded, but not people's personal names, addresses or other contact details.

Quality assurance

This consultation has been carried out in accordance with the [government's consultation principles](#).

If you have any complaints about the way this consultation has been conducted, please email: bru@energysecurity.gov.uk.

The proposals

Extending ECO4

In advance of further proposals on the future of home upgrade obligations in the Warm Homes Plan, we propose extending the date by which obligated suppliers may deliver to their ECO4 target, which is currently 31 March 2026, by 6 to 9 months. The end date of ECO4 would be confirmed in the response to this consultation following consideration of responses. The ECO4 total home-heating cost reduction obligation would remain the same. Other relevant dates, apart from any relating to transfer of obligations, such as the ECO4 final determination date would also be moved back by 6 to 9 months. We are not proposing to increase the existing minimum requirements on solid wall insulation or EFG properties.

In addition to enabling a transition to a future obligation, the extension period could allow for recovery of additional costs that were realised in ECO4. An allowance for any future obligation may also be made during this period, but in a way that ensures that the bill impact is at most broadly consistent with the current price cap amount for ECO4 and GBIS.

We do not propose to extend GBIS, and we propose that the date by which obligated suppliers must deliver to their GBIS target remain as planned: 31 March 2026. We propose other relevant dates on GBIS will also remain unchanged. Mid-scheme changes allowed energy suppliers to meet up to 75% of their GBIS target through ECO4 delivery, thereby increasing the amount of likely ECO4 delivery and likely reducing the amount of GBIS delivery that will occur in the coming months.

- 1. Do you agree that we should extend the date by which obligated suppliers may deliver to their ECO4 target, which is currently 31 March 2026, and other relevant dates, by 6 to 9 months?**
- 2. Do you agree that the date by which obligated suppliers may deliver to their GBIS target, which is currently 31 March 2026, and other relevant GBIS dates, should remain unchanged?**

Carry-over

By extending the end date of ECO4, we can also enable carry-over of ECO4 delivery to any future obligation schemes. Carry-over is an option where surplus annual bill savings (ABS) from ECO4 delivery could count towards an obligated supplier's future obligation. It has existed since the first ECO scheme began in 2013 and can help manage suppliers' compliance risks and reduce uncertainty for the supply chain. We propose to allow obligated suppliers to carry-over up to 20% of their ECO4 obligation.

ECO4 sub-obligations

We propose that the solid wall minimum requirement and EFG minimum requirement remain at the current level.

Carry-over scoring

The scores given could be materially different between ECO4 and a future obligation. We propose that ECO4 scores from carry-over delivery will be able to be converted into a new score, were a future obligation confirmed. We invite views on two methods for converting scores. If both methods were taken forward, we propose that an obligated supplier could choose one to apply to their ECO4 carry-over delivery.

The first method involves a 'global ABS' conversion factor. This would convert the ABS achieved in delivering ECO4 projects or measures into a new score in a future obligation scheme. The final conversion factor would be confirmed in the Final Stage Impact Assessment for any future scheme. Ahead of this we will publish, in the response to this consultation, our initial estimate for the value of £1 ECO4 ABS in a future scheme, were it to be confirmed. To facilitate ECO4 carry-over and support the supply chain and reduce fuel poverty, we propose that the value of £1 ECO4 ABS delivered above the obligated supplier's target will be the higher of this initial estimate figure, or the figure confirmed in the Final Stage Impact Assessment of a future obligation scheme. Where this method is applied, the score carried over from an ECO4 project or measure may include applicable ECO4 uplifts. We will publish proposals on the future of home upgrade obligations later in 2025, including the details needed to apply this conversion rate.

The second method involves a 'measure specific' conversion factor. A measure delivered on its own or as part of a project under ECO4 carry-over would, if also an eligible measure under a future obligation, get the score associated with the new scoring system. If measures in an ECO4 carry-over project are not eligible measures under a new scheme, then these would get no score. Proposed eligible measures will be set out with more detailed proposals on the Warm Homes Plan later in 2025.

- 3. Do you agree that energy suppliers should be able to carry-over up to 20% of their ECO4 obligation for use in a future obligation?**
- 4. Do you agree that the solid wall minimum requirement and EFG minimum requirement should remain at their current levels and should be achieved by the new end date of ECO4?**
- 5. Do you agree that the two conversion methodologies represent the best solutions to facilitate delivery in the transition to a future obligation? If not, please provide alternative proposals.**
- 6. Are there any measure types that you believe should not be eligible for carry-over?**

Consumer protection

We are committed to reforming the consumer protection system and are introducing short-term improvements to consumer protection and installation standards oversight alongside long-term reforms that are being implemented as part of the Warm Homes Plan. These include strengthening the audit process via increased audits and improved sharing of data and intelligence amongst parties, alongside supplier oversight of consumer protection and measure quality. There have also been recent changes to strengthen PAS (Publicly Available Specification) 2035/2030 retrofit standards. We intend for these changes to be in effect during the ECO4 extension period.

We are exploring additional improvements and stakeholders will be engaged throughout their development. The objective is to increase confidence in measures delivered throughout the ECO4 extension and the Warm Homes Plan.

7. Are there any additional consumer protection reforms we should introduce during the ECO4 extension?

Innovation

We propose that no further innovation measure (IM) applications be permitted over the extension period, recognising that the length of the extension allows less time for new IM applications to be reviewed and approved and then subsequently delivered. However, while we propose IM applications may not be submitted beyond 31 March 2026, we intend to honour all existing 25% and 45% uplifts for IMs approved under ECO3 and ECO4 over the extension period.

There have been no data light measure applications under ECO4, and we propose that no applications be permitted beyond 31 March 2026. There will be no changes to the standard alternative methodology approach which will allow applications to be made during the extension period.

8. Do you agree with our proposal not to allow any new applications for innovation measures or data light measures over the extension period?

This publication is available from: www.gov.uk/government/consultations/extending-the-eco4-end-date

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