ambient SEPTEMBER 2025 #008

Electrified Heat Transition Tracker

About The Electrified Heat Transition Tracker

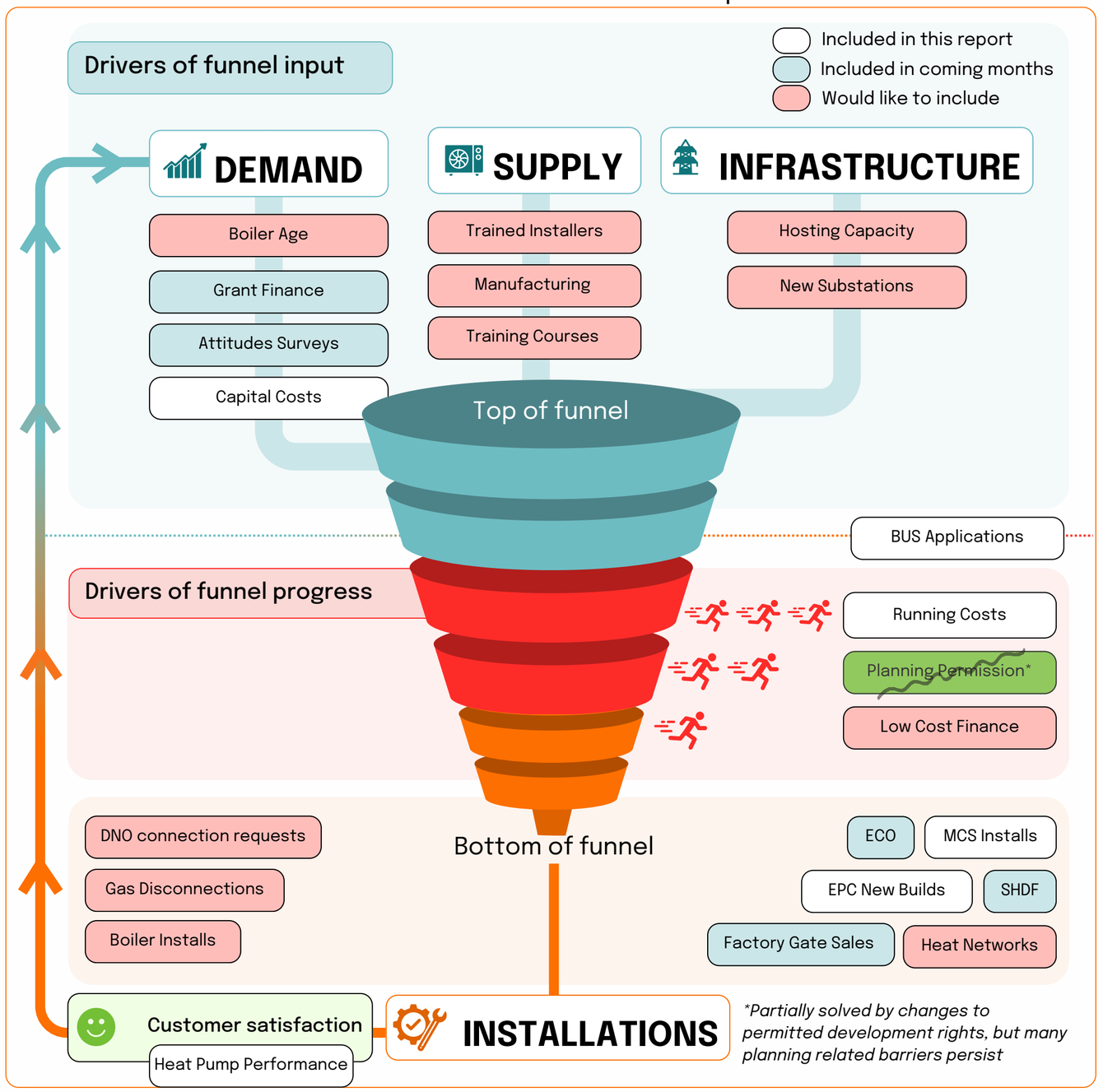
Limited data availability is holding back progress in the electrified heat transition. In line with our mission to accelerate the adoption of electrified heating and cooling technologies, Ambient releases the Electrified Heat Transition Tracker - a monthly update on the heat sector. By collating key data and providing insights, we aim to support the sector and policymakers to drive up adoption.

Heat Transition Model

Targeted policy intervention is the single most powerful lever to accelerate the electrified heat transition.

By tracking the evolution of drivers of adoption, Ambient's framework as shown in the visual enables barriers to be identified, so that they can be addressed with targeted interventions. It also enables us to understand how interventions are performing so that their potential can be maximised.

SIGN UP FOR MONTHLY UPDATES



July 2025: At a glance

MCS HEAT PUMP INSTALLATIONS

5,167

JUN 25 ▲ +3%

JUL 24 ▲ +2%

HEAT PUMP MONITOR AVERAGE COP YTD*

3.5

(350% EFFICIENCY)

*COEFFICIENT OF PERFORMANCE, A MEASURE OF EFFICIENCY FOR HEATING
*YEAR TO DATE

BUS VOUCHERS ISSUED

3,057

JUN 25 ▼ -12%

JUL 24 ▲ +8%

NEW BUILD EPC WITH HEAT PUMPS

24%

JUN 25 ▼ -4%

JUL 24 ▲ +71%

BUS VOUCHER APPLICATIONS

3,853

JUN 25 ▲ +0%

JUL 24 ▲ +26%

BUS VOUCHER REDEMPTIONS

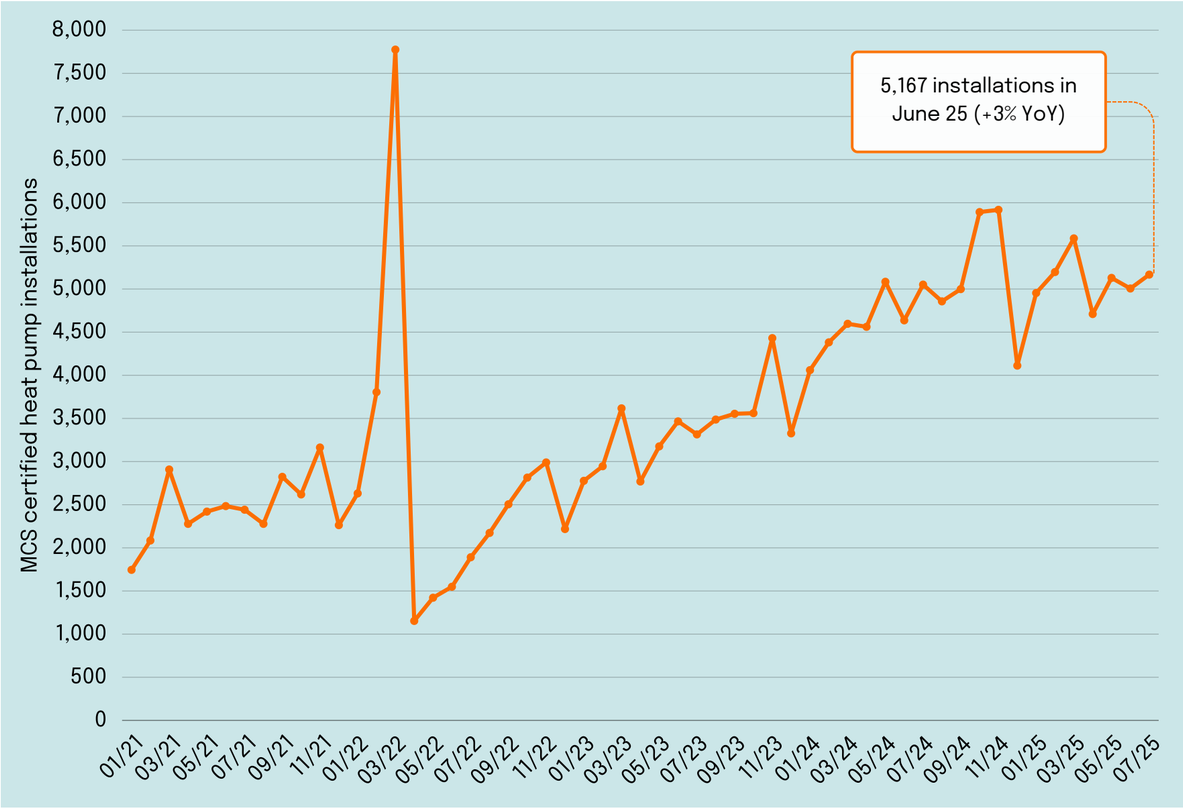
2,723

JUN 25 ▲ +4%

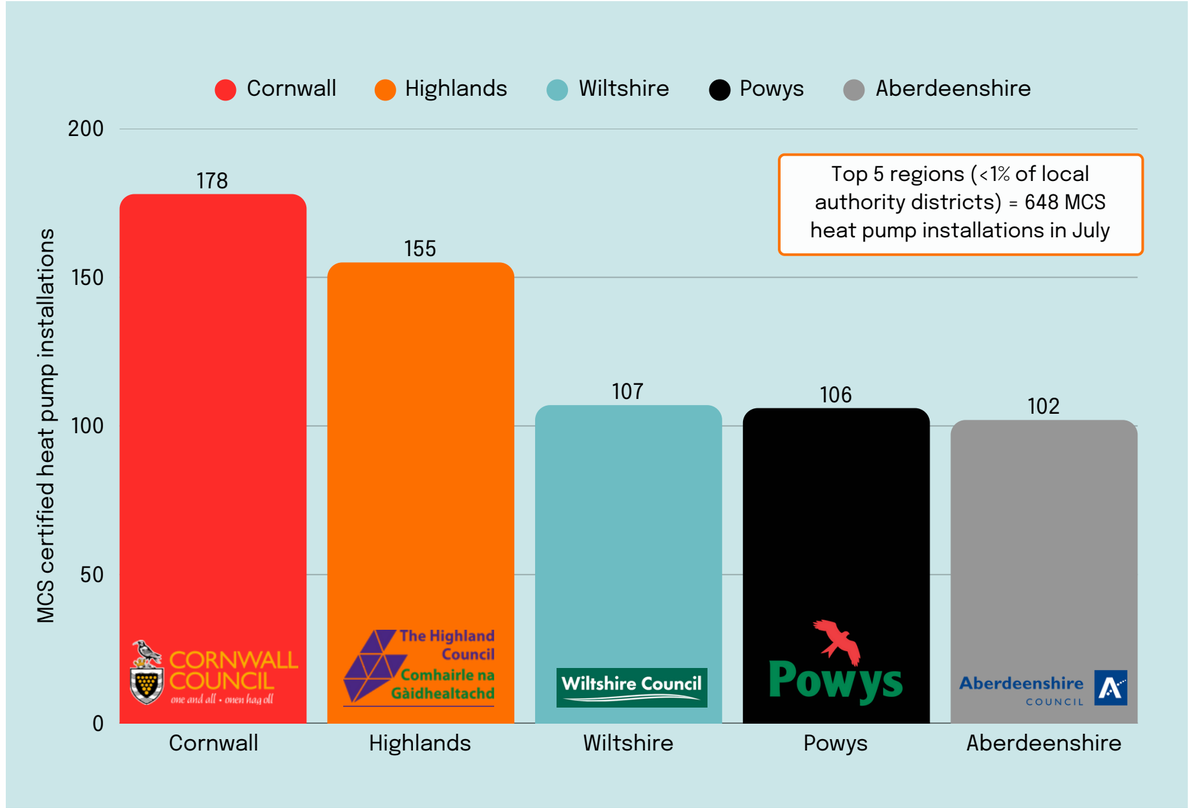
JUL 24 ▲ +32%

MCS heat pump installations (July 2025)

Momentum is maintained in record July for MCS certified heat pump installations



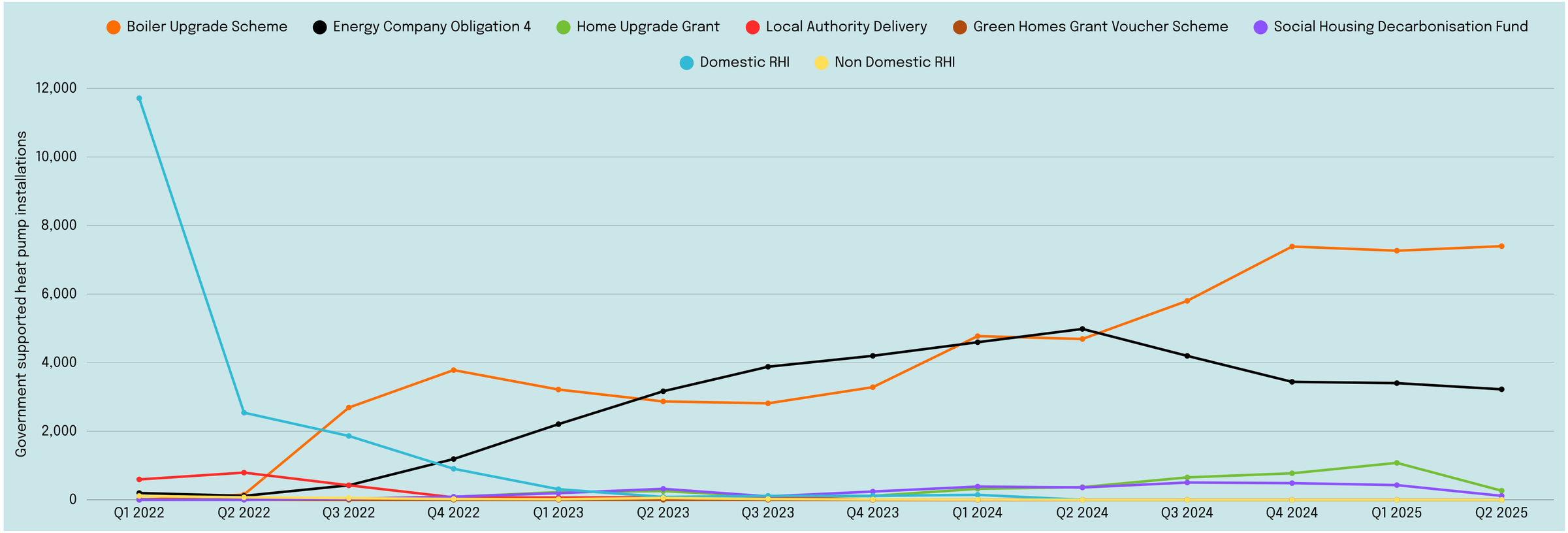
12% of MCS heat pump installations* in July took place in just 5 trailblazing regions



*648 of 5,167

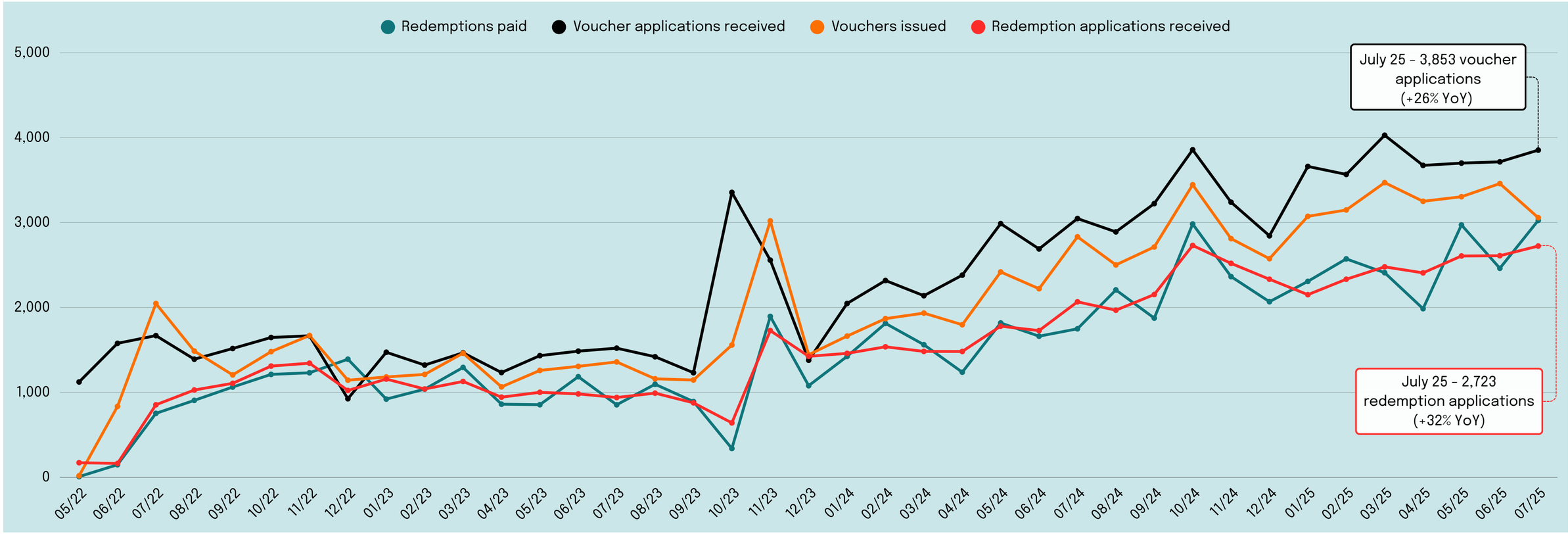
Government supported heat pump deployment statistics (Q2 2025)

Consumer-led demand drives market growth: Boiler Upgrade Scheme installations up 57% year on year in Q2 2025, whilst ECO4 installations fall 35% in the same period



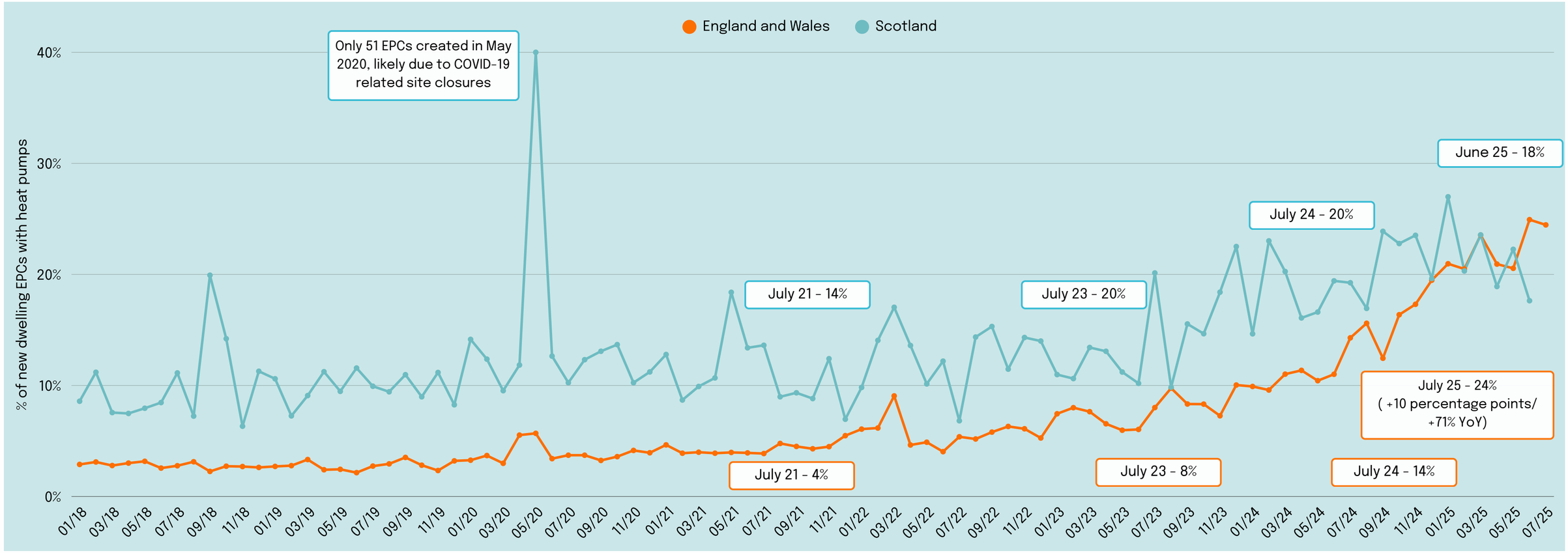
Boiler Upgrade Scheme vouchers (July 2025)

Soaring voucher activity indicates that the Boiler Upgrade Scheme is currently the key driver of heat pump demand, and that demand will continue to grow in Q3



EPC open data: new dwellings (England & Wales, July 25 | Scotland, Q2 25)*

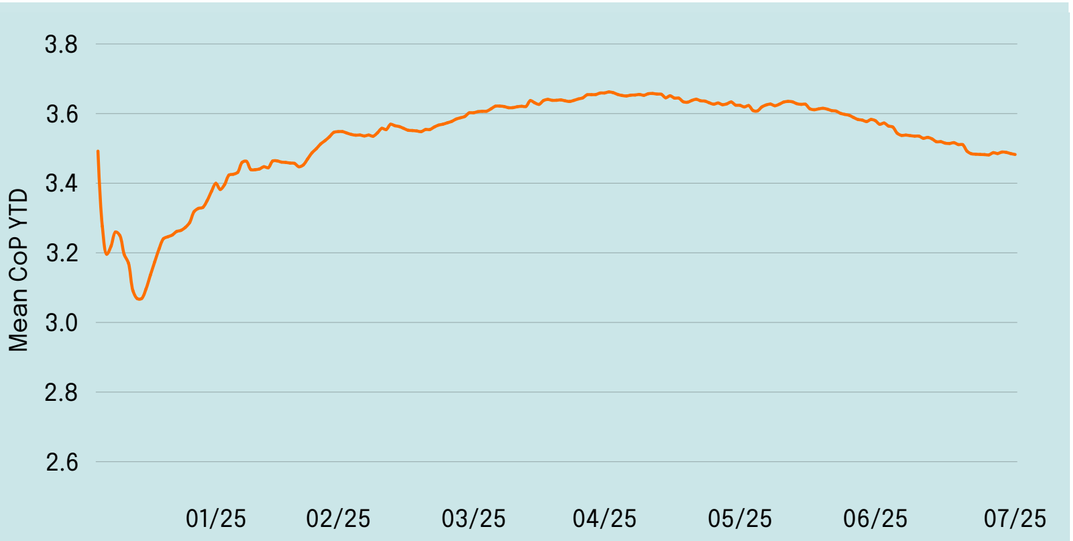
Heat pumps installed in a quarter of new homes in England & Wales (July), and 1 in 5 in Scotland (June)



*EPC data for Scotland is published quarterly

Heat Pump Monitor (HPM): Performance data x Ambient: Cost calculator

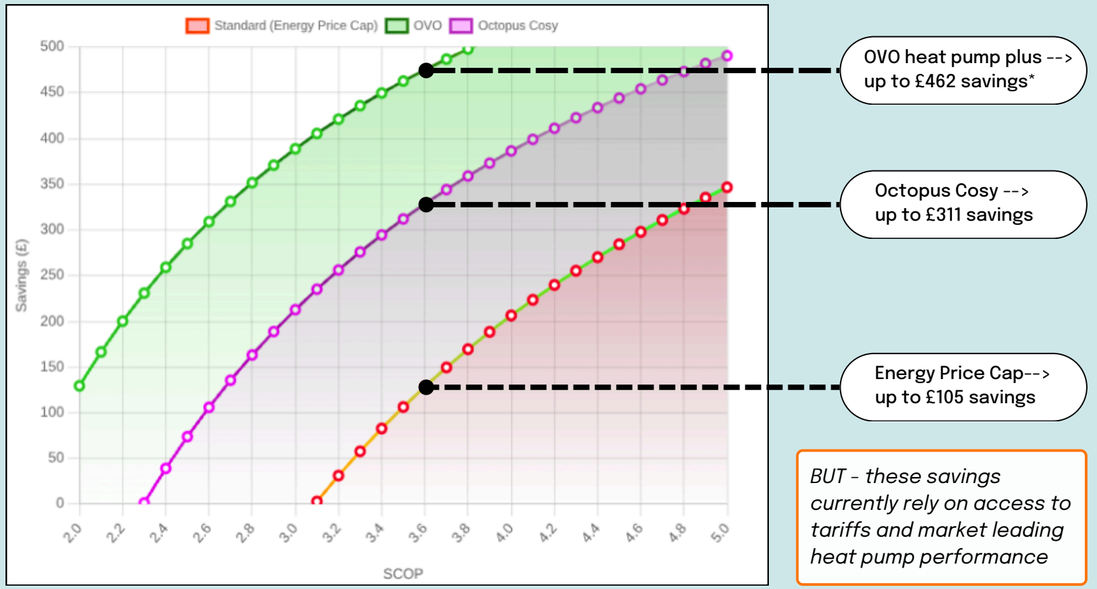
Best in class heat pump systems average 350% efficiency year to date



CoP YTD (Year to Date) shows how efficiently a heat pump has been operating so far this year. Once the full year is complete, this value becomes the Seasonal COP (SCoP) – the average efficiency over the entire heating season.

The Ambient Cost Calculator allows users to input basic household data and receive estimated bill savings by switching from a gas boiler to a heat pump. The tool shows that effective tariff use and system performance are currently the main drivers of savings.

With the right tariff, a heat pump with 350% efficiency could HALVE heating bills



BUT - these savings currently rely on access to tariffs and market leading heat pump performance

*vs gas, assuming 11,500 kwh annual usage. Each tariff has its own terms and conditions.

Key Events

Future Homes Standard - **Publication expected Autumn 2025**

New homes will need to have 75-80% lower carbon emissions than under current regulations, effectively phasing out gas boilers in new builds and creating business confidence for clean industries.

Warm Homes Plan - **Publication expected October 2025**

Incoming strategy aims to decarbonise UK housing while tackling fuel poverty and its causes—high bills, damp, mould, and cold homes— largely through new government support schemes for social and low income housing.

Decision on Electricity Pricing - **Expected Autumn 2025**

Expected consultation on addressing the “spark gap”- making electricity less expensive relative to gas and thus making electrified heating systems a better value proposition.

Summary

Trailblazing regions continue to dominate heat pump installations leaderboards

Regions such as Cornwall and Wiltshire that have historically led the electrified heat transition continue to surge ahead. This validates two important ideas: first, people are more likely to electrify their heat when local conditions make it an attractive option; and second, adoption is strongly influenced by social proof—heat pumps become normalised as more people in a community install them.

Heat pumps can HALVE heating bills with high performance and optimal tariff use

Low availability of heat pump tariffs and inconsistent installations standards are preventing some households from reaping the rewards of the electrification of heat. Better standards are not unattainable - best in class heat pump systems monitored by Open Energy Monitor achieve an average of 350% efficiency, and the sector could do better at making consumers aware of their tariff options.

It is critical to bridge the gap between the end of ECO4 and new government schemes

Heat pump installations under the BUS* are soaring. However, overall installations haven't risen as sharply; installations supported by ECO4 have declined. With ECO4 set to end in March 2026, it is unclear what will replace it to drive adoption in low-income and social housing. Avoiding a policy gap between schemes will be essential to maintaining market confidence in the nascent heat pump market until it can scale.

*Boiler Upgrade Scheme

About

Ambient's Electrified Heat Transition Tracker is a monthly update on the electrified heat industry. By collating key data points and providing insights, we aim to support the sector and accelerate adoption of electrified heating and cooling technologies. To discuss datasets for future inclusion or to give feedback, please get in touch at george@projectambient.org.

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Methodology & Notes

MCS

- For data included from the MCS dashboard, we have specified to include only ASHPs, GS/WSHPs, and other heat pump types from the dropdown selection. We have also specified to only include data on domestic installations. This dataset only captures MCS certified installations so does not reflect net installations of UK heat pumps.
- The MCS dashboard is live and subject to updates, meaning previously reported monthly data may change over time. The MCS data presented in this report reflects the information available as of 10/09/25 and may differ from the latest figures on the live tracker. All installations for the previous month should be included in the data 14 days into the next month.
- MCS data on heat pump installation cost is self-reported by installers.

EPC

- We count heat pumps as identified by the variable MAINHEAT_DESCRIPTION, new dwelling as TRANSACTION_TYPE; and we filter by UPRN to remove duplicates.
- Backdated data added leads to previous month totals changing. Owners of dwellings have the right for their EPC to be "opted-out" of public records, these will be removed retrospectively. Further, any cancelled EPCs are removed when the data is updated. It is also possible that numbers rise if owners opt in.
- EPC data is self-reported by assessors which may lead to inconsistencies; e.g. it is believed that a small % of new dwellings are listed as marketed sale due to the sale corresponding with issuance.
- Some heat pumps in flats will be missed from our data, as the Main Fuel Type may be listed as 'Communal' without specifying source of heating. This is remedied in government data by an additional variable called Low Zero Carbon, for which 'Communal Heat Pump' can be selected. However this variable is not accessible in the open data.
- An EPC for a new build may not be issued concurrently to the installation of a heating system, so data on heat pumps may not reflect accurate installation date.

BUS

- The BUS statistics include a small number of biomass boilers. While we believe biomass boilers are less efficient and clean compared to electrified heating technologies, we have left them in the data due to their minimal presence. The vast majority of grants issued under the scheme (97%) have been for air-source heat pump (ASHP) installations.
- Monthly BUS application figures "may change due to participants cancelling and re-submitting applications in order to change certain details of the application, or due to applications being rejected", according to Note 11 in the BUS Statistics spreadsheet.

Terminology

MCS Certified Heat Pump Installation: MCS stands for Microgeneration Certification Scheme. It's a program designed to ensure that heat pumps meet efficiency and safety standards.
Seasonal Coefficient of Performance (SCoP): A measure of a heat pump's efficiency. It compares the amount of heat output to the amount of electricity used over a heating season.
Heat Pump Monitor: A site that tracks the real-life performance of heat pumps installed in homes.
Air Source Heat Pump (ASHP): A type of heat pump that extracts heat from the outside air.
Ground Source Heat Pump (GSHP): A type of heat pump that extracts heat from the ground.
Air to Air Heat Pump (A2A): A type of heat pump that extracts heat from the external air and distributes it indoors through a ventilation system.
Zero Emission Boiler (ZEB): A type of electric boiler that heats water for radiators and underfloor heating systems without burning fossil fuels, by storing energy during off-peak hours and converting it to heat.

Data Sources

https://epc.opendatacommunities.org/

https://www.gov.uk/government/collections/boiler-upgrade-scheme-statistics

https://www.gov.uk/government/collections/heat-pump-deployment-statistics

https://datadashboard.mcscertified.com/InstallationInsights

https://www.projectambient.org/ambient-cost-calculator

https://heatpumpmonitor.org/

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Ambient exists to accelerate the electrification of heating and cooling in the UK and beyond, by tackling barriers to mass adoption, focusing on areas where data can play a role. The organisation was launched in July 2024 following a research project conducted by Subak, a climate community not for profit whose members include Ember and New Automotive. Ambient is backed by key figures in the climate space: Baroness Worthington, lead author of the UK's 2008 Climate Change Act, and Dr Jan Rosenow, Energy Programme Lead at the University of Oxford.

TRANSITION TRACKER FUNDED BY:

European Climate Foundation

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