



Citizens Advice response to Government consultation on extending the ECO4 end date

Executive summary

- We support the Government's proposal to extend the ECO4 scheme end date beyond March 2026 to avoid a cliff edge for consumers.
- However, extending the timeframe without extending the obligation itself creates a risk that delivery levels will fall. This could create supply chain instability, make it harder to meet 2030 fuel poverty targets and fulfil the aims of the Warm Homes Plan.
- At a minimum, the government should consult on the successor scheme during the ECO4 extension and ensure it is designed to deliver clear and lasting benefits for consumers. We suggest that consultation should take place as soon as possible to give industry and households enough time to prepare.
- We welcome stronger interim consumer protections during the extension, though more detail is needed. The next iteration of the scheme must embed a stronger consumer protections framework.

While we have not responded to questions individually, our response mainly covers questions 1 and 7

1. Extending the ECO4 end date

We support the Government's proposal to extend ECO4 beyond March 2026. We would not recommend anything longer than 6 months. A short extension will help avoid a delivery cliff edge, maintain access to energy efficiency support for households, and provide much-needed certainty for the supply chain during the transition to the next iteration of the scheme.

However, extending the scheme without also extending the obligation risks undermining delivery. Stretching the same level of funding over a longer period could slow down installations and leave households waiting longer for improvements. We recognise that the Government has proposed a carry-over mechanism into the successor scheme. However, there is a risk that suppliers will be reluctant to use this carry-over in practice, viewing it as too risky until the details of the new scheme (including conversion factors and scoring) are fully confirmed. Even if it were used, it

would still reduce the overall level of obligation and risk a drop in delivery at a time when demand for energy efficiency measures should be increasing.

If the aim is to maintain momentum and protect households from rising bills, the obligation should be extended alongside the new timetable. Without this, delivery volumes are likely to fall, the supply chain will face instability and households will not benefit at the pace required, making it harder to meet the government's 2030 fuel poverty targets and longer-term net zero commitments. If installers see reduced delivery volumes in the extension period, they may exit the market, cut back staff, or delay training and investment. This would weaken the supply chain just when it needs to scale up rapidly for delivery of the Warm Homes Plan.

We have seen the disruption that arises when schemes are brought to an abrupt end. After the closure of ECO3, some installers scaled back or left the market because of uncertainty about future work, which created bottlenecks in the early months of ECO4.¹ We also saw similar impacts in the wake of the removal of the Green Homes Grant, which led to businesses exiting the sector, leaving households in limbo and undermining confidence in government schemes.² Without stable volumes of work, skilled workers are lost, and once lost they can be expensive and slow to replace. When this happens, consumers struggle to find qualified tradespeople to carry out work under schemes, leading to delays, higher costs and poorer outcomes. If the ECO4 extension is underfunded, the same pattern could repeat, making it harder to scale up the supply chain and potentially affecting consumers' confidence in retrofit.

We recognise that there is concern about past delivery issues with certain measures such as solid wall insulation. However, maintaining the overall level of obligation does not mean repeating those mistakes. Stronger protections during the extension, including increased audits, updated PAS standards, and TrustMark reforms, can help ensure installs are carried out to a higher quality. The Government can also adjust the balance of measures within the obligation if needed.

Aligning an extended timeline with an extended obligation would help keep delivery stable, give suppliers confidence, and protect households from disruption. It would also

¹ Ofgem, [ECO3 Final Determination Report](#) (Feb 2023), Figure 2.3: shows a fall in delivery while installers adapted to new requirements.

² BEIS, [Evaluation of the Green Homes Grant Voucher Scheme: Final Outcome Report](#) (2023), pp. 28–29: concludes the scheme's short duration undermined supply chain trust in government and led to business exits and stranded households.

send a clear signal that the government is committed not just to avoiding a gap but to accelerating energy efficiency improvements at scale.

At a minimum, the Government should act rapidly to give clarity on the successor to the ECO4 scheme. This should include publishing both its response to this consultation and consulting on a successor scheme as soon as possible. Early confirmation on how ECO4 scores will translate into a successor scheme can help suppliers use carry over mechanisms in practice. And getting the next scheme right is essential to deliver improvements in the long term and to ensure the Warm Homes Plan is set up for success.

7. Protections during the extension

We welcome the government's commitment to strengthening consumer protection during the extension. In previous schemes we have seen households left with poor quality installations, long waits for remediation and confusion about where to turn for help. Most consumers do see benefits when installations are done well, but when things go wrong the consequences can cause real harm to households and damage confidence in measures, schemes and retrofit more widely. Measures such as increased audits, improved data sharing, clearer supplier accountability and updated PAS standards are important steps. These protections should therefore be backed up with clear detail on:

- How many additional audits will take place and how they will be targeted.
- What enforcement actions will apply if installations fall short, and how households will be compensated where harm has occurred.
- How consumers will be supported to access redress quickly and fairly.

We also recommend that the reforms already planned by MCS and TrustMark are closely monitored during the ECO4 extension to make sure they deliver for consumers in practice. Our casework shows that households can face long delays in getting issues fixed or in securing compensation. Independent inspections of a greater proportion of installs would help with this.

Case study from our consumer service

Julie called our consumer service to report her mother's experience with insulation installed under a government grant scheme. Installers removed the loft boarding that her mother had previously paid £3,000 for and damaged the boards when attempting to replace them. They left thermostats loose, marked the walls and failed to complete the job in full. When her mother tried to contact the installer, she was unable to get through. Having already signed the completion form, she was left with unresolved damage and no clear route to resolve the issues.

During the extension, the government should ensure that households have a clear and simple route to get problems resolved. Redress must be fast, fair and easy to navigate. This should include clear expectations on how quickly issues will be fixed, clear responsibilities so households aren't passed between different organisations and proactive follow-up to make sure issues are resolved properly.

Protections for the successor scheme

It is important to stress that extending ECO4 is only a stopgap. It must be followed as soon as possible by a well-designed successor. To be effective, that scheme needs early confirmation of funding, a long-term obligation, and must embed stronger consumer protections as standard.

Based on our experience supporting consumers through past energy efficiency programmes, we recommend that any protection framework for the next stage of the scheme should consist of the following four principles:

1. A single quality scheme for the low-carbon home improvements market

Households should not be left navigating multiple overlapping schemes. A single framework governing quality and standards should apply across the board. This should include independent oversight of installations beyond supplier self-reporting and robust penalties where standards are not met.

2. A single ombudsman should underpin a simple redress scheme

Consumers should have access to a straightforward and fair process so they are not bounced between installers, suppliers, certification bodies, and ombudsman schemes.



Remediation should take place within clear and reasonable timescales, with accountability where these are not met, so households are not left waiting indefinitely.

3. Consumers should have access to independent advice throughout the process

Impartial advice must be available at every stage, from deciding which measures are right for a home through to follow-up after installation. This should include proactive support post-installation to ensure measures are performing as expected and that households know how to use new technologies, such as heat pumps, effectively.

4. There needs to be a legal enforcement regime with appropriate power to tackle wrongdoing

A legal enforcement regime must have sufficient power to tackle wrongdoing. A regulator must have the power to address inappropriate and criminal behaviour, ensuring that there are meaningful consequences for non-compliance. More work is needed to be done on whether these powers can be exercised within the existing regulatory framework, or if new legislation will be required.

We explore these recommendations in full in our report [Hitting A Wall](#). Confirming these protections early will give households confidence, protect consumers and ensure that the Warm Homes Plan is set up for success. Without them, there is a risk of repeating the mistakes of past schemes, undermining consumer trust and weakening the supply chain just when the UK needs to scale up delivery to meet the government's fuel poverty commitments and longer-term net zero targets.



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