

**SummitSkills Response to the Consultation on Green Deal
Closing Date 18th January 2012**

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Are you responding as an individual or on behalf of an organisation? Please select a category:

Organisation

Organisation type:

Standards Agency

Name of organisation: SummitSkills

Where applicable, please say how the views of members were assembled.

Your answer:

Internal consultation with staff and the Executive and a working group led by the Head of Environmental Technologies assembled the final Response. Research with building services engineering employers, operatives and stakeholder groups conducted by SummitSkills using Survey Monkey online research software.

Would you like your response to remain confidential?

No

If you have answered yes, please say why: N/A

Q1 Do you feel the proposed requirements on Green Deal assessors set out in the main body and at Annex A of the Code of Practice are clear and robust enough to support the Green Deal assessment?

No

Please explain:

SummitSkills welcomes the statement that assessment of Green Deal will be carried out by assessors that meet the requirements of National Occupational Standards (NOS) which are being developed by Asset Skills. However we wish to stress that we have indicated NO to this question because our internal research with organisations in our sector strongly showed

that there was concern about the robustness of the proposed requirements - just under 80% of our respondents stated NO. (See also the comments in Question 2 below).

The installation of any technical equipment such as heat pumps, solar thermal or biomass has to be undertaken using competent persons to know that it is the correct size, operable and commissioned correctly. For example a heat recovery system installation is relatively straight forward but commissioning is more difficult and essential for this technology to work. Assessors need to know this and have a high level understanding of such technologies. They need to have been upskilled through the relevant qualification covering the relevant technologies.

They should understand environmental technologies and this could be obtained through an Awareness course such as that developed by SummitSkills and delivered by the National Skills Academy for Environmental Technologies. We are concerned that Assessors who are employed by providers may not be able to produce a fully independent Green Deal Assessment. This is essential to ensure that the correct solution can be taken on board and not be driven by financial gain.

Please upload supporting evidence here:

Not Answered

Q2 Can you think of any requirements that Green Deal assessors will need but that may not be covered by the suggested approach, combining National Occupational Standards (NOS) and Accreditation of Prior Experiential Learning (APEL)?

Your answer:

Until the NOS are developed it's hard to really say if there are any areas that will not be covered. Significant work is going to be necessary to map the accredited prior learning of potential Green Deal Assessors against any new qualification/training requirements. Those who have achieved qualifications at Level 4 and above recently will need assurance that this experience will be relevant. It is suggested that all potential Green Deal Assessors are required to undergo a "Skills Needs Analysis" to identify any shortfall in competence, thus identifying the appropriate up-skilling and Assessment requirements for that individual.

As the Green Deal will cover a range of technologies and associated disciplines, this is going to be difficult. APEL and NOS should be taken into account but it is almost certain that a dedicated training course will be needed in order to attain assessor status. For example an electrician is unlikely to know much about plumbing and will almost certainly be out of their depth when it comes to undertaking a structural assessment of a building.

Will the new national qualification being developed from new NOS be a QCF qualification and will a separate qualification be needed for Scotland? If a QCF qualification is to be used in Scotland, it will need to be accredited by the Scottish Qualifications Authority. Qualification will need an awareness of the different types of measures/systems that can be funded.

Please upload supporting evidence here:

Not Answered

Q3 In proposing to allow for the market to determine payment of assessors and cost of assessment, are there any further requirements we should be placing on assessors or providers in relation to (a) payment of assessors, (b) the cost of the assessment, or (c) declarations from the assessor?

Your answer:

Please upload supporting evidence here:

Not Answered

Q4 Do you agree with our proposed approach to third party assurance and enforcing compliance for those providing Green Deal assessments?

Please explain:

Please upload supporting evidence here:

Not Answered

Q5 Should the current EPC validity period for property transactions be used for Green Deal purposes or is a shorter validity period more likely to meet the needs of the Green Deal process?

Your answer:

Please upload supporting evidence here:

Not Answered

Q6 Do you think that the approach to identifying and assessing non-domestic buildings, based upon the requirements and tools for Energy Performance Certificates, will capture all non-domestic buildings and business sectors for which the Green Deal is relevant?

Please explain:

Please upload supporting evidence here:

Not Answered

Q7 Are there alternatives to the simple approach to providing running cost savings in the non-domestic assessment that we should consider?

Your answer:

Please upload supporting evidence here:

Not Answered

Q8 Which measures should be added to the list of qualifying measures in Annex A for non-domestic properties, and what evidence is there that these measures improve the energy performance of buildings?

Your answer:

Energy monitoring equipment For Non-Domestic AND Domestic:

Pipe insulation, both hot and cold, especially where central heating pipes run in the cold space under the ground floor or in an unheated roof space (could be in conjunction with ground floor insulation, or roof insulation) as pipe insulation is very cheap and effective.

Retrofit erection of shading louvres and Brise Soleil to reduce solar gain in the summer - this will cut down on air-conditioning energy use.

Please upload supporting evidence here:

Not Answered

Q9 Will the existing Appendix Q process, which will allow new measures to be added to the Green Deal assessment tools, and to the list of qualifying improvements, support innovation in the market and how could the process be improved? In particular, what support could SMEs benefit from?

Your answer:

Please upload supporting evidence here:

Not Answered

Q10 What innovative ways can the government use to encourage uptake of a package of measures and could our existing proposals support this.

Your answer:

Establish how best to provide free Green Deal Assessments – but not funded using public money.

We believe that there needs to be an innovative communication plan to deliver Green Deal effectively. We are concerned that the lack of commitment to a centrally coordinated communications plan will reduce the uptake of Green Deal. We understand that due to austerity measures resources are tight; however the Green Deal will provide fairly significant growth if it delivers as planned. If the UK is to deliver its carbon reduction targets then a UK wide, coordinated approach is needed to deliver max impact.

Evidence from the Green Deal road shows we jointly organised with CITB ConstructionSkills and Asset Skills highlights that due to significant and rapid proposals for cuts in the Feed-in-Tariffs for solar PV, public and business confidence in green has been dented. This now needs to be addressed through a successful communications plan and strategy to get it back on track.

Full consideration given to ensuring that those difficult properties such as Tenements, which form a large part of the Scottish Housing Stock, are able to be addressed using Green Deal. This will likely require innovative funding measures such as placing a cap on any contribution required, albeit that the funds up to that cap will be reclaimed from savings on fuel bills.

Consider how best to allow FiTs and the RHI to count towards the Golden Rule calculations,

Consider how best to engage with micro business as at present the only way these companies can really get involved is as a sub-contractor to a large provider. Most micro businesses will be hesitant in moving forward in this direction.

Establish how best to address the issue of those residents who use card/coin meters for their electricity. Training / awareness raising will be needed as they may not fully understand that relatively slow response systems such as heat pumps with underfloor heating can take time to reach the desired temperature – by which time the meter may have run out.
WE ARE NOT CONVINCED THAT THE EXISTING PROPOSALS SUPPORT THIS

Please upload supporting evidence here:

Not Answered

Q11 Please provide views on the potential inclusion of hard-to-treat cavities (and potentially other measures of a similar type), and proposals for how properties might be accommodated in the ECO without excessive complication or perverse consequences.

Your answer:

Please upload supporting evidence here:

Not Answered

Q12 We propose that the ECO Carbon Saving obligation should be achieved primarily by promoting and installing solid wall insulation. Should any other measures be supported, and how would these be defined?

Your answer:

Please upload supporting evidence here:

Not Answered

Q13 For the ECO carbon saving obligation, we propose that any other carbon saving measures should only be eligible when delivered as part of a package with solid wall insulation. Do you have any suggestions for the criteria by which eligibility within packages should be restricted, explaining why you think any such restrictions should be included?

Your answer:

Please upload supporting evidence here: Not Answered

Q14 We propose that any measure should be allowed under the Affordable Warmth obligation, provided it allows eligible households to heat homes more affordably. If you disagree, or feel there are risks to this approach, please explain and set out any restrictions you believe should be put in place.

Please explain:

Please upload supporting evidence:

Not Answered

Q15 Do you have any suggestions for whether and how we should score, boiler repairs under the Affordable Warmth obligation, such that where repairs are more cost-effective than replacement systems, without significant impact on efficiency, these can be promoted?

Your answer:

Please upload supporting document here:

Not Answered

Q16 We are proposing that any heating measures should be allowed under the Affordable Warmth obligation, including for households off the gas grid, and extra incentives should not be put in place for air or ground source heat pumps. Do you have any evidence to bring to bear on the performance of heat pumps to improve the ability of vulnerable households to heat their homes affordably?

Your answer:

As an organisation we fully support heat pump installation in the correct buildings and undertaken by a competent installer. They can be very effective but only if the design of the heating system has been undertaken correctly and energy efficiency measures installed throughout the building.

Please upload supporting evidence:

Not Answered

Q17 To what extent can existing product lists, such as the list of Microgeneration Certification Scheme compliant products be used as the starting point for the Green Deal Products list?

Your answer:

Over 80% of our respondents agreed with this statement. Any product that has MCS product registration should be automatically put onto the Green Deal product list. The range will have to be extended very quickly.

One of our respondents states that: "there seems to be no proper technical review of MCS products before they receive certification. Consequently the MCS scheme has allowed approved products being installed that are not fit for purpose, nor reduce carbon emissions . . . Start again with a technical panel that reviews the products, not a committee of non technically competent people"

Please upload supporting evidence here:

Not Answered

Q18 Do you agree that allowing enhanced product performance to be recognised in the Green Deal financing mechanism is useful? Do you have any specific views on how this approach could be implemented?

Your answer:

Please upload supporting evidence here:

Not Answered

Q19 Are surety bonds the most effective, efficient way to ensure customers are protected in the event a Green Deal provider becomes insolvent or has their licence revoked. What should be the minimum requirements of a Green Deal surety bond be and how much should Green Deal providers be required to insure?

Your answer:

Please upload supporting evidence here:

Not Answered

Q20 Does our proposed approach to authorisation and oversight of Green Deal providers ensure the necessary standards of consumer protection and proportionate redress without creating barriers to entry into the market?

Please explain:

Please upload supporting evidence here:

Not Answered

Q21 How much weight should be given to the argument for placing financial responsibility for late payment with the payee?

Your answer:

Please upload supporting evidence here:

Not Answered

Q22 What are your views on the government's proposal of requiring Green Deal providers to offer insurance-backed warranties for the entire repayment period? Please provide evidence to support your views.

Your answer:

Please upload supporting evidence here:

Not Answered

Q23 What are your views on the government's proposals regarding changes to the Consumer Credit Act for Green Deal Plans?

Your answer:

Please upload supporting evidence:

Not Answered

Q24 What are your views on the Government's proposals regarding consumer protections for those Agreements which do not fall within the scope of the CCA?

Your answer:

Please upload supporting evidence here:

Not Answered

Q25 Is it necessary to afford consumers additional protections and extra comfort where they take out green deal plans in excess of £10,000? If so, is the proposed protection of reducing the saving estimate appropriate and is the 5% figure the correct adjustment?

Your answer:

Please upload supporting evidence here:

Not Answered

Q26 Do you agree with the approach to the Year One charge that can be used in a Green Deal Plan?

Please explain:

Please upload supporting evidence here:

Not Answered

Q27 What would be the benefits of allowing Green Deal providers to vary the interest relating to a Green Deal plan in line with the most appropriate component of the fuel and light index?

Your answer:

Please upload supporting evidence here:

Not Answered

Q28 Do you agree with the proposed approach to how the charge can vary in subsequent years of a Green Deal Plan?

Please explain:

Please upload supporting evidence here:

Not Answered

Q29 Is £150 or 5% of the total Green Deal package (whichever is the least amount) an appropriate limit on the amount of cash incentives which can be offered by Green Deal providers?

Your answer:

Please upload supporting evidence here:

Not Answered

Q30 Do you agree our proposed approach to the Golden Rule principle strikes the right balance between ensuring the necessary consumer protection mechanisms are in place whilst not unduly stifling ambition and investment in the Green Deal?

Please explain:

Please upload supporting evidence here:

Not Answered

Q31 Do you agree that eligibility for Affordable Warmth measures should be restricted to households who are in receipt of the benefits and tax credits similar to the CERT Super Priority Group and who are in private housing tenures?

Please explain:

Please upload supporting evidence here:

Not Answered

Q32 We propose seeking a voluntary agreement with ECO obligated companies as to how they commit to following up referrals. Do you have any suggestions as to what this commitment should consist of?

Your answer:

Please upload supporting evidence:

Not Answered

Q33 Do you have any evidence or views to put forward on whether the benefits of ECO as a whole, or of the carbon saving obligation within it, are or are not likely to be distributed equitably to all income groups? If so do you think regulatory intervention is necessary to ensure a more equitable pattern of delivery and, in particular, do you have any comments on the likely effectiveness of setting a 'distributional safeguard' as a means of achieving this?

Your answer:

Please upload supporting evidence here:

Not Answered

Q34 Do you think the framework for consent for the Green Deal charge and measures provides effective protection for the parties involved?

Please explain:

Please upload supporting evidence here:

Not Answered

Q35 What is the best way to draw the future bill payer's attention to the acknowledgement wording?

Your answer:

Q36 What will property professions need to do to assist with the effective discharge of the disclosure and acknowledgement obligations? If property professionals assume a duty to discharge these obligations on behalf of property owners, should they face the same consequences as the owners, where they fail to do so?

Your answer:

Please upload supporting evidence here:

Not Answered

Q37 Are there any other situations in which disclosure and acknowledgment should be required which might fall outside the proposed framework?

Your answer:

Please upload supporting evidence here:

Not Answered

Q38 Do you think 30 days after receiving the first electricity bill is an appropriate time limit within which someone can dispute disclosure of the Green Deal?

Your answer:

Please upload supporting evidence here:

Not Answered

Q39 Do you agree with the Government's approach to allowing Green Deal providers to require early repayment in certain circumstances?

Please answer:

Please upload supporting evidence here:

Not Answered

How significant do you think consent barriers might be for uptake of the Green Deal in the domestic property sector?

Your answer:

Please upload supporting evidence here:

Not Answered

How significant do you think consent barriers might be for uptake of the Green Deal in the non-domestic property sector?

Your answer:

Please upload supporting evidence here:

Not Answered

Is there any relevant evidence from past or current retrofit schemes, or improvement/maintenance works suggesting that consent may be a problem under the Green Deal?

Your answer:

Please upload supporting evidence here:

Not Answered

Are you able to propose any practical solutions to potential consent barriers, particularly drawing on voluntary and non-regulatory mechanisms?

Your answer:

Please upload supporting evidence here:

Not Answered

Q40 Are there any government backed and accredited scheme standards which operate at present (in addition to the Microgeneration Certification Scheme and Gas Safe), that could be considered as meeting the new Green Deal standard already?

Your answer:

The Scottish Certifier of Construction scheme

Please upload supporting evidence here:

Not Answered

Q41 It is not yet clear what the accreditation requirements for GD/ECO will be and how they will impact on incumbent firms in the market. Further work is being carried out to understand and quantify the nature of the impact of these, particularly for those firms that are micro-businesses. We welcome views from incumbent CERT installers on what the potential implications of changes to accreditation would be.

Your answer:

Please upload supporting evidence here:

Not Answered

Q42 Do you agree with our proposed debt thresholds? If not, please suggest alternative thresholds with appropriate supporting evidence.

Please explain:

Please upload supporting evidence here:

Not Answered

Q43 Do you believe that electricity suppliers as well as Green Deal providers should have the right to prevent customers from taking out a Green Deal finance arrangement if these thresholds are exceeded? Please give reasons for your answer.

Your answer:

Please upload supporting evidence here:

Not Answered

Q44 Do you think additional infrastructure is required to facilitate payment remittance?

Your answer:

Please upload supporting evidence here:

Not Answered

Q48 Do you agree with the proposed 72 hour period for the transfer of payments? If not, please suggest an alternative with appropriate supporting evidence.

Please explain:

Please upload supporting evidence here:

Not Answered

Q46 During this 72 hour period, should the electricity supplier maintain an account balance at least equal to the total value of Green Deal payments being held?

Your answer:

Please upload supporting evidence here:

Not Answered

Q47 Do you have an alternative suggestion for reducing the burden on smaller suppliers that would not lead to a potential reduction in the number of electricity suppliers available to Green Deal customers?

Your answer:

Please upload supporting evidence here:

Not Answered

Q48 Do you agree with the proposed threshold for the smaller supplier opt in? If not, please suggest an alternative threshold with appropriate supporting evidence.

Please explain:

Please upload supporting evidence:

Not Answered

Q49 Do you agree with the proposed level of the annual administration fee? If not, please give reasons for your answer and, if relevant, provide additional evidence of likely cost impacts.

Please explain:

Please upload supporting evidence here:

Not Answered

Q50 Do you agree with retaining the existing £200 arrears limit (including Green Deal repayment arrears) for prepayment customers with a Green Deal plan? If not, please suggest an alternative limit with appropriate supporting evidence.

Please explain:

Please upload supporting evidence here:

Not Answered

Q51 Do you agree that stipulating strict regulatory quotas for partnering with specific types/numbers of third party delivery agents might be unduly burdensome, and the development of a brokerage model may be a more effective means of achieving the desired outcome?

Please explain:

Please upload supporting evidence:

Not Answered

Q52 Do you agree that it is desirable that energy suppliers should have to fulfil some or all of the (carbon) obligation by spending money promoting measures through those organisations who are able to provide the most cost effective delivery options?

Please explain:

Please upload supporting evidence here:

Not Answered

Q53 Do you agree that we should seek a firm commitment from the ECO suppliers that they will use brokerage for a defined and significant percentage (e.g. 50%) of their obligation? If so, what level do you consider this should be?

Your answer:

Please upload supporting evidence here:

Not Answered

Q54 Do you have any further comments on the detailed design of a brokerage, or any alternative mechanism that ensures the most cost effective delivery?

Your answer:

Please upload supporting evidence:

Not Answered

Q55 Do you agree that the Energy Ombudsman should have a role in helping customers secure redress in the Green Deal? If yes, what further powers will the Energy Ombudsman need to investigate compliance by Green Deal Providers and householders? If no, please explain why not.

Please explain:

Please upload supporting document here:

Not Answered

Q56 Do you agree that targets of 0.52 million tonnes of CO2 per year saved, and £3.4 billion reduction in notional lifetime costs of heating by March 2015 represents the correct balance between ensuring high levels of delivery and minimizing costs that could potentially be passed through to consumers?

Please explain:

Please upload supporting evidence here:

Not Answered

Q57 Do you agree with the estimated costing of this scale of ECO at £1.3bn p.a. as set out in the Impact Assessment? Do you have additional evidence on the costs and benefits of the proposed targets for consideration in further analysis?

Please explain:

Please upload supporting evidence here:

Not Answered

Q58 The division of the overall ECO between energy companies could be based on share of customer accounts, or sales volume. Do you have a preference as to which metric should be preferred, taking into account possible impacts on distributional equity? Please provide evidence for your views.

Your answer:

Please upload supporting evidence here:

Not Answered

Q59 We propose that savings calculated through the SAP-based Green Deal Assessment methodology be used as the basis for ECO targets and scoring. Can you envisage any undesirable or inadvertent effects, that this approach might result in? If so, please provide details and evidence.

Your answer:

Please upload supporting evidence here:

Not Answered

Q60 Should targets and scores for the Carbon Obligation and/or the Affordable Warmth Obligation be expressed on the basis of the annualised savings of measures or the lifetime savings?

Your answer:

Please upload supporting document here:

Not Answered

Q61 Is there other information the Government should collect in order to enable effective monitoring, evaluation and reporting on the performance of the Green Deal and ECO?

Your answer:

Please upload supporting evidence:

Not Answered

Q62 Should DECC be responsible for administering the ECO, with technical functions outsourced to the private sector, or should Ofgem administer the scheme? Please provide evidence to support your views.

Your answer:

Please upload supporting evidence here:

Not Answered

Q63 In addition to the specific questions asked throughout this consultation document, do you have any other comments on any aspect of our proposals?

Your comment:

SummitSkills established the National Skills Academy for Environmental Technologies with funding from Government and the private sector. This comprises a network of 20 Hub training providers with over 120 cluster members developing provision to deliver accredited environmental technologies training.

All provision is matched by mapping to NOS. The Skills Academy will provide a step-change from existing training, much of which is not matched to the NOS. We would like to emphasize that the Skills Academy could provide a significant vehicle for delivering training relating to Green Deal and further details are available at: www.nsaet.org.uk

Highly skilled and qualified installers are key to the success of Green Deal. Currently MCS does not at present take into account NOS based qualifications as part of its competence requirements. Clarity in the description of individual competence needs to be made very clear - likened to the need for Energy Assessors and Advisers to be NOS qualified, installers should face a similar regime to test competence. This will reduce for example complaints for poor installation.

As indicated in a previous question employers are concerned that due to the proposed rapid cut in FITs for solar PV and the tight timescale for delivering these, trust in the Green Deal is damaged. We stress the need for Government to turn the tide on this through a substantial and centrally coordinated communications plan that does not rely solely on public funding which we know is scarce at present. We believe that there is significant potential to increase the take-up of microgeneration systems if these could be funded as part of the Green Deal/

Other comments from our respondents: "The scheme is falling into the problems as the MCS scheme in that it will favour larger installers who can afford to have a paper based quality management system. The push should be on well trained and qualified workforce who can deliver a quality job at a local level. I have problems understanding why a householder would wish to use this scheme to borrow money, why not go to the existing banks / building societies to finance the upgrade of property after all the scheme does not include interest rate advantages and may be considered a disadvantage when selling the property with outstanding debt."

"Introduce some form of Competent Persons Scheme for qualified inspectors of technical equipment that involve environmental technology systems. Ensure that the inspectors/assessors are trained and assessed to the NOS for the systems employed".

"The financial incentives, Feed-in Tariffs and Renewable Heat Incentive for microgeneration must count towards the Golden Rule. If they are not taken into account then uptake of microgeneration is unlikely to occur under Green Deal finance as customers will have to arrange separate funding"

"Ideally microgeneration measures should be included within Green Deal finance as this:

- Would boost uptake of both Green Deal and microgeneration;
- Would encourage a whole house approach to retrofit; and
- Make more sense to customers who may not understand the technical policy reasons for separating different categories of measures"

"Supporting Microgeneration technologies under the Green Deal should not be seen as double subsidy since finance will come from private lenders. The eligibility of renewable heat technologies for Green Deal finance is of the utmost importance"

“The boiler and building fabric may be considered parts of the heating system for a building in the widest sense. Heating systems should be designed for the energy performance of the building, which the Green Deal aims to improve”

“Renewable heat technologies should be available within the Green Deal and Energy Company Obligation (ECO) framework (including the home heating cost reduction element) wherever conventional heating systems are, otherwise valuable opportunities to choose renewables may be missed. Renewable heat is necessarily de-centralised and absolutely critical to meeting carbon and renewable energy targets”

“Most of the carbon saving from the RHI is in the non-traded sector, and is considerably more cost effective than other renewable incentives”

Please upload supporting evidence here:

Not Answered