

Welcome to the spring edition of the RECC Newsletter

It has been another busy three months since our last edition with plenty to report. First and foremost the Consumer Rights Act 2015 has now received Royal Assent and will come into force this October. We set out what is covered by the new legislation and link to useful further reading.

This edition also brings you up-to-date with other recent news and developments. Do take a look at our upcoming webinar training topics and let us know if there are any other areas you would like us to cover.


Mark Cutler, Editor

Changes to consumer rights in 2015

9 Goods to be of satisfactory quality

(1) Every contract is to be treated as including a term that the quality of the goods is satisfactory.



Major changes in consumer law will be introduced in October this year when the Consumer Rights Act 2015 comes into force.

It replaces eight existing laws, including the Sale of Goods Act 1979 and the Supply of Goods and Services Act 1982 and will cover:

- what should happen when goods are faulty;
- unfair terms in a contract;
- what happens when a business is acting in a way which is not competitive;
- written notice for routine inspections to be given by public enforcers, such as Trading Standards;
- greater flexibility for public

enforcers to respond to breaches of consumer law, such as seeking redress for consumers who have suffered harm.

Two new areas of law will also come into force covering:

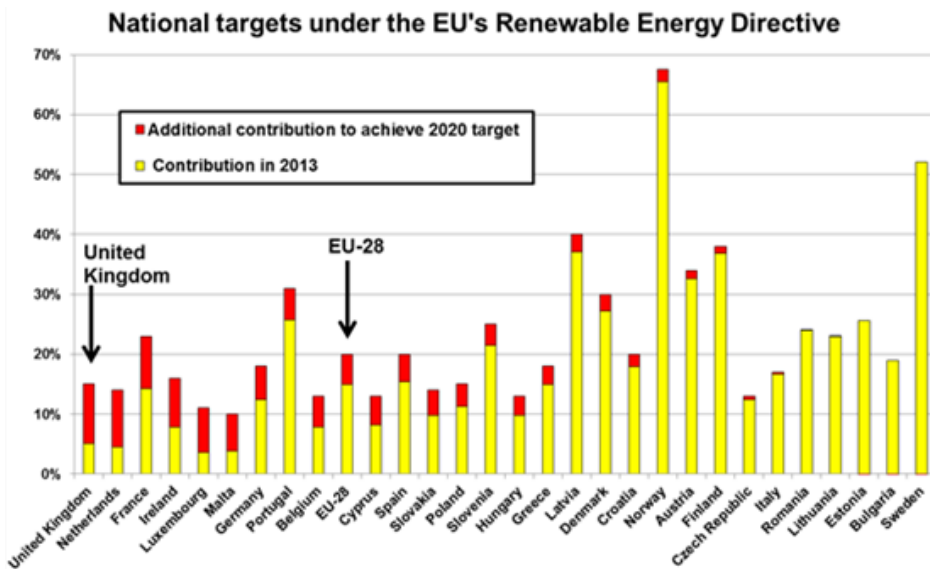
- what should happen when digital content is faulty – the Consumer Rights Act 2015 will now give consumers a clear right to repair or replacement;
- how services should match up to what has been agreed and what should happen if they do not or when they are not provided with reasonable care and skill (e.g. giving some money back if it is not practical to bring the service into line with what was agreed).

More information and guidance is available on the Chartered Trading Standards Institute's [Business Companion website](#).

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UK lags behind EU partners in renewable energy



The UK is lagging behind most of its EU partners in the deployment of renewable energy, according to Eurostat, the EU's statistical office. Its latest update shows that the UK has reached 5.13% - i.e. only a third of the way towards its 2020 target of 15%. The figure for the EU is 20% by 2020 and three countries – Bulgaria, Estonia and Sweden have already reached their targets.

Most progress has been made in electricity but renewable power still contributes a relatively small amount of the overall UK electricity fuel mix (15% in 2013).

Renewable electricity contributes 26% of the EU total compared with renewable heating and cooling, of which 17% is renewable, and with renewable transport where only 5% is renewable, and where oil and gas continue to dominate.

If the current rates of improvement continue the EU should achieve its 20% target by 2020 and will then start working towards the recently agreed new target of 27% by 2030.

Part of the improvement is due to a reduction in overall energy use.

New national fuel poverty scheme

The Scottish Government has announced the next phase of its national energy assistance scheme to tackle fuel poverty, a programme worth up to £224m. The news follows a successful bid by Warmworks Scotland, a joint venture between EST Scotland, Changeworks and Everwarm.

Launching in September, the scheme will install insulation, heating and low carbon or renewable measures in the homes of those who are identified as living in fuel poverty. There will be a wider range of options for people living off the main gas grid including solar thermal and biomass systems.

Further information can be found [here](#).

Government crackdown on nuisance calls

Companies who plague consumers with nuisance calls or texts can now be fined up to £500,000 following changes to the Privacy and Electronics Communications Regulations.

From 6 April this year the Government has removed the previous legal threshold which required the Information Commissioner's Office (ICO) to prove that a company was causing "substantial damage or distress" before they could take action against it. The Government is also considering introducing measures to hold Board Level executives responsible for any nuisance calls or texts made by their companies.

A recent survey conducted by the consumer group Which? revealed that 4 out of 5 people are regularly cold-called at home and that a third of these feel intimidated.

Solar panels accounted for 2,377 of the 15,642 complaints made to the ICO in November 2014.

Other changes introduced in July 2014 have made it easier for Ofcom to share information with the ICO about companies who break the law. Since January 2012 ICO has taken action against nine companies who have been fined £815,000 in total. Ofcom deals with complaints about abandoned or silent calls and has taken action against seven companies with fines totalling £1,618,000.

DOMESTIC RHI TARIFF FOR BIOMASS DECREASES BY 20%

Changes have been made to the tariff rates for the Domestic Renewable Heat Incentive for the period from April to June 2015.

The chart on the right sets out these changes. There have been small increases in the tariff rates for solar thermal and air source and ground source heat pumps.

However, the tariff rate for biomass boilers and stoves has been reduced

Applications submitted	Biomass boilers and stoves	Air source heat pumps	Ground source heat pumps	Solar thermal
01/01/15 - 31/03/15	10.98p	7.30p	18.80p	19.20p
01/04/15 - 30/06/15	8.93p	7.42p	19.10p	19.51p

by 20% from 10.98p to 8.93p per kWh. This followed the earlier 10% reduction from 12.2p to 10.98p per kWh from 1 January 2015.

Ofgem publishes latest FiT tables

Ofgem has published the latest Feed in Tariff tables on its website.

The relevant tariffs have been adjusted by a RPI of 1.6 per cent, effective from 1 April 2015.

The non-PV tables can be accessed [here](#) and the PV-only tables can be accessed [here](#).

ADDITIONAL FUNCTIONALITY ADDED TO RHI PAYMENT CALCULATOR

There has been an improvement to the functionality of the Department of Energy and Climate Change (DECC)'s Domestic RHI Payment Calculator. It now allows anyone without an EPC to obtain a reliable estimate of potential Domestic RHI payments. If they happen to know the floor area of their property, they will be able to input this value to refine the calculation and receive a more accurate estimate.

DECC launched its Domestic RHI calculator at the end of July 2014. It is aimed at consumers considering installing solar thermal, biomass, air source heat pumps or ground source heat pumps in their home.

The calculator gives consumers in England, Wales and Scotland an indication of the likely RHI payments that they will receive but it does not calculate any associated savings.

The calculator can be accessed [here](#).

Leicester company director disqualified

Mr Paul Edward Ward, director of NSA Electrical and Solar Ltd (NSA), a solar panel installation business in Leicester, has been disqualified from acting as a company director for seven years, following an investigation by the Insolvency Service.

This investigation revealed that Mr Ward (62) had arranged for funds which were due to be paid to NSA to be transferred to his personal bank account and other unknown bank accounts. The total payments involved were £815,140 and related to invoices issued in late 2012 when NSA was insolvent. At least £241,500 was paid into Mr Ward's account.

Mr Ward's disqualification dates from 15th March 2015 and means that he cannot promote, manage or be a director of a limited company until 2022.

Robert Clarke, Head of Insolvency Investigations North at the Insolvency Service said: "Directors who put their own personal financial interests above those of customers and creditors damage confidence in doing business and are corrosive to the health of the local economy. This ban should serve as a warning to other directors tempted to help themselves first: you have a duty to your creditors and, if you neglect this duty, you could be investigated by the Insolvency Service and prevented from acting as a director."

RECC responds to DECC consultation on Domestic RHI third party ownership

RECC has responded to DECC on the issue of the possible introduction of third party ownership into the Domestic Renewable Heat Incentive.

RECC outlined its support for the increased deployment of heat generating technologies but also urged DECC to treat the introduction of any third party ownership with the utmost care to ensure that home owners are fully protected.

Lessons can be learned from the solar PV sector. But the issues surrounding third party ownership of heating and hot water technologies have the potential to be much more complex because heating and hot water are essential services and any problems could directly affect the home owner's well-being.

WEBINAR TRAINING

RECC recently hosted two successful training webinars on the Consumer Contracts Regulations 2013. We will soon be launching further training webinars based on our e-learning training materials.

The training sessions will cover:

- 1) Marketing, the behaviour of sales employees and the new Consumer Contracts Regulations (CCRs);
- 2) Performance Estimates;
- 3) Proposals and Quotes;
- 4) Getting contracts right and the RECC Model Contract (including cancellation rights and the CCRs);
- 5) Using sub-contractors

(the rules on sub-contracted installers, sales agents and lead generators);

- 6) Payment terms (deposits, advance payments and protecting clients' money);
- 7) Completing the installation - (storing goods; the timetable; design, installation and commissioning) and
- 8) After sales - (consumer rights in law; guarantees; fuel/maintenance and disputes).

We will also cover the Consumer Rights Act 2015 (see page 1).

Further information will be circulated by email over coming weeks.

UPCOMING SHOWS



RECC is exhibiting at **All Energy** in Glasgow on 6-7 May (stand D34) and **Installer 2015** in Coventry on 12-14 May (stand B31).

If you plan to attend either show do drop by to pay us a visit. We would love to see you.

Biomass Installation Quality Seminar

The Renewable Energy Association (REA) is holding a seminar on 18 May on Biomass Installation Quality – bridging the gap between fuel and equipment.

The seminar, which will take place in London, will focus on identifying and addressing the key quality, safety and training challenges surrounding the installation of biomass boilers in the UK.

The seminar starts at 8.30am and is open to REA members and non-members.

Tickets cost £75 + VAT for REA members and £200 + VAT for non-members.

If you are not an REA member as a RECC member you can still benefit from a discounted rate of £150 + VAT.

You can find further information and book online [here](#).