

PROTECTING CONSUMERS AND PROMOTING RENEWABLES

Welcome to the Winter Newsletter

Dear RECC Member,

Welcome to the Winter edition of the Newsletter!

In this edition you will find items on Government's extension of VAT relief to battery storage and other energy saving materials and on Government's promise of extra funding for the Boiler Upgrade Scheme. You will also find an item about CMA's draft guidance on green heating claims.

You will also see Government has launched consultations on new future homes and buildings and on a new home energy model to replace SAP.

I look forward to seeing you at Futurebuild as well as Solar & Storage Live. More details ahead. And please remember to nominate yourself for the Installer of the Year Award!

I send you all best wishes for a productive start to the spring.

Virginia Graham, Editor



Nominations open for Installer of the Year Award

This year's British Renewable Energy Awards (BREAs) will be the 19th edition, having begun in 2006 in an effort to recognise the brilliant work of those pushing for change – the 'Game Changers'. This is our night of celebration and glamour for a hard-working, highly committed industry that's faced more than its fair share of challenges.

The Awards are organised by REAL's parent company, the Association for Renewable Energy and Clean Technology (REA) and are now the highlight of the renewable energy calendar, honouring the organisations and individuals that have enabled the industry to do the amazing work we see today as we push for renewable UK energy security and Net Zero by 2050.

RECC sponsors the Installer of the Year Award which recognises one of its members who has excelled in what it has achieved, taking into particular account commitment to high standards of consumer protection. If you think your company matches this description, we encourage you to enter yourselves. Nominations are open now at: <https://www.surveymonkey.com/r/BREAs2024>

The 2024 Award Ceremony and Gala Dinner will take place in London in The Ballroom at the Sheraton Grand London Park Lane, in the heart of Mayfair on Thursday 13th June.



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New RECC Guidance

Government extends VAT relief on energy saving materials

Government has announced the expansion of VAT relief on energy saving materials (ESMs) commencing 1 February 2024. This important policy update will enable more households to install energy saving technologies, improve efficiency and reduce energy bills. This initiative is also aimed at meeting the commitment to reach net zero greenhouse gas emissions by 2050.

When the zero-rated VAT relief was introduced in 1998 it applied only to insulation and central heating and hot water system controls. Now it includes solar panels, wind and water turbines, ground and air source pumps, micro combined heat and power units, wood-fuelled boilers and from 1 February 2024 it applies also to:

- electrical battery storage
- water-source heat pumps and
- diverters retrofitted to ESMs such as solar panels and wind turbines.

The Government is expected to publish a list of ground-works required for installation of ground source and water source heat pumps to benefit from VAT relief.

The extension is recognition that these products can fulfil the three objectives of ESMs, namely:

- their primary purpose must be to improve energy efficiency and reduce carbon emissions
- they must be demonstrably cost effective
- they should not undermine broader VAT principles as this would risk creating uncertainty and complexity for taxpayers and HMRC and, possibly, legal disputes.

The extension announcement was welcomed by REAL's Chief Executive, Virginia Graham:

"At RECC and EVCC, we welcome this extension of VAT to additional technologies. This gives consumers further opportunity to install energy saving materials, particularly water source heat pumps and electricity battery storage, which will provide consumers with greater incentive to adopt renewable energy technologies. We encourage consumers to take advantage of this relief and call on Government to continue exploring policy initiatives to encourage domestic and business consumers to invest in critical energy saving materials."

Thank you to all RECC members who participated in the survey on the impact of VAT relief on energy saving materials last week. Your input was invaluable and has been passed to Government in an anonymised form.

You can read more on this policy initiative here: <https://www.gov.uk/government/consultations/vat-energy-saving-materials-relief-improving-energy-efficiency-and-reducing-carbon-emissions/outcome/summary-of-responses>

Boiler Upgrade Scheme in line for extra funding

Government has allocated an extra £1.5 billion funding for the Boiler Upgrade Scheme (BUS) that provides grants to help householders and businesses install heat pumps.

The move follows last year's increase in BUS grants from £5,000 to £7,500 which has already led to a 57 per cent increase in applications.

The extra £1.5 billion for the years 2025/2026 to 2027/2028 forms part of a £6 billion package that Government says will see around a million homes made warmer.

The package also includes a new £400 million energy efficiency grant, launching in 2025, for households in England to make changes such as bigger radiators or better insulation and a new local authority retrofit scheme with an allocated £500 million to support up to 60,000 low-income and cold homes, including those off the gas grid, with measures such as insulation.



You can read more about the planned funding here:

<https://www.gov.uk/government/news/families-business-and-industry-to-get-energy-efficiency-support>

The installation of fossil fuel-powered boilers in new buildings in England is to be prohibited from 2025, the UK government has confirmed in its long-awaited consultation on technical standards for new Future Homes and Future Buildings Standards. The new energy-efficiency standard would see new residential buildings and non-domestic buildings 'zero-carbon ready' from 2025, with low-carbon heat pumps or heat networks providing heat.

The consultation, which runs until 6 March, foresees all new homes required to have high fabric standards and use low-carbon heating systems, such as air-source heat pumps or renewables-powered heat networks for blocks of flats. Hybrid heat pumps, hydrogen-ready boilers and biofuel systems are not expected to meet the standard.

Under other proposals, solar panels would not be required for blocks of flats over 15 storeys high and wastewater heat-recovery systems will not be required for single-storey flats and bungalows.

The consultation is also seeking views on introducing higher energy- efficiency standards for new homes created through conversions.

The standards, once finalised, would come into force in 2025 followed by a 12-month transition period.

The Department for Levelling Up, Housing & Communities said the standards proposed "can put us on the right path to net zero by 2050", with "higher standards of energy efficiency and moving to cleaner sources of heat [to] allow us to continue to improve the quality of our buildings and reduce running costs for occupants, keeping energy bills down and ensuring buildings are warm and comfortable to live in".

The consultation runs until 6 March and you can read it here: <https://www.gov.uk/government/consultations/the-future-homes-and-buildings-standards-2023-consultation>.



The government is separately consulting on a new Home Energy Model to replace the Standard Assessment Procedure (SAP) for the energy rating of new homes.

The Home Energy Model (HEM), which is still under development, would replace SAP, the methodology currently used by the government to estimate the energy performance of homes across the UK.

The first version of the HEM would be implemented alongside the Future Homes Standard in 2025. The aim is to have a more transparent, better validated and more comprehensive calculation methodology.

Industry input to the ongoing development of the HEM is particularly encouraged.

The consultation also closes on 6 March. You can read it here: <https://assets.publishing.service.gov.uk/media/65799065254aaa0010050c04/home-energy-model-consultation.pdf>





RECC's parent company, the Association for Renewable Energy and Clean Technology (REA) represented the renewable and clean tech world at COP28, the 28th United Nations Climate Change Conference in Dubai, United Arab Emirates that took place in the two weeks to mid-December.

The COPs (or Conference of the Parties) take place every year and are the world's only multilateral decision-making forum on climate change with most of the world's countries represented. The UN describes it as 'where the world comes together to agree on ways to address the climate crisis, such as limiting global temperature rises to 1.5 degrees Celsius, helping vulnerable communities adapt to the effects of climate change, and achieving net-zero emissions by 2050.'

The REA hosted a pavilion in the renowned Blue Zone of the conference, with its partners Drax and KPMG, where it championed renewable energy technologies and solutions that can be deployed today to mitigate climate change and deliver a just and speedy transition to a 100% renewable energy economy. The Pavilion was visited by over 1000 individuals from dozens of countries.

As the COP drew to a close, the REA cautiously welcomed the deal, agreed after days of negotiations, that sees all countries formally called upon to transition away from fossil fuels for the first time, though it notes that the overall picture is mixed as commitments appear to be self-policing rather than legally binding. The text does, though, emphasise that now is the time for renewables, with the text calling on parties to triple renewable energy capacity globally.

The REA views this year's agreed text as a step in the right direction on the condition that the pace of ambition, investment, and renewable energy deployment only increases from this time onwards.

Dr Nina Skorupska CBE, Chief Executive of the REA said: '...moving forward the REA will encourage the UK Government ... with clear pathways that phase out unabated fossil fuels.'

The next COP, COP29, will be in Baku, Azerbaijan.

In December the Competitions and Markets Authority (CMA) published a consultation on its draft consumer law compliance advice for businesses that are marketing green heating and insulation products to consumers.

The draft compliance advice is based on the issues identified by the CMA in its May 2023 report on consumer protection in the green heating and insulation sector, which focus on upfront pricing information and claims about product benefits.

The purpose of the compliance advice is to help relevant businesses to understand and comply with their existing obligations under consumer protection law when marketing green heating and insulation products for use in the home.

The CMA had already published a consumer guide to help explain the processes involved in purchasing green heating and insulation products and set out good practice principles for standards bodies to follow. The December consultation, aimed at businesses, included advice such as:

- On access to government funding, suppliers should make it clear that access to funding is subject to the consumer meeting the eligibility criteria and not give the impression that a consumer is automatically eligible.
- Bundling of products and services: where green heating or insulation products are provided along with other products or services in a bundle, the individual price of the aspects of the bundle should be made clear.
- Making product claims. Any claims made about the products to consumers must comply with consumer protection legislation which includes not misleading consumers.
- Explain everything the consumer needs to know: claims must be clear and comprehensive and should not omit important information which the consumer needs to understand the claim and make an informed decision.
- Be careful when using 'up to' claims: if using 'up to' claims this should reflect what consumers are likely to achieve. Promoting the minimum outcome is likely to be more appropriate.
- Be realistic and representative: claims should be based on 'real world' conditions for most consumers and should not be based on very specific or limited circumstances.

The CMA plans to publish the final version of its compliance advice in the spring of 2024.

The consultation period closed on 24 January, but you can still see the draft guidance here:

https://assets.publishing.service.gov.uk/media/65969287c23a1000d8d0b66/Draft_consumer_law_compliance_advice_.pdf



futurebuild

the future of the built environment



COME AND MEET RECC AT FUTUREBUILD LIVE, ExCel Centre, 5 to 7 MARCH

RECC and its sister code, the Electric Vehicle Home Chargepoints Consumer Code (EVCC) will be exhibiting at Futurebuild Live this year, taking place 5-7 March, ExCel Centre, London.

Futurebuild aims to provide 'the stage for inspiring ideas, innovative solutions and knowledge sharing to drive sustainable construction to help us reach our goal of Net Zero'.

Key topics are materials, interiors, offsite, retrofit, sustainable infrastructure, energy, buildings and digital. New spotlight areas are lighting, future innovation and district energy.

You can see more about what's on here:

<https://www.futurebuild.co.uk/why-visit/whats-on-2/>

The RECC team looks forward to seeing you there!

You can register here:

<https://register.visitcloud.com/survey/1cog43waemb27>

Solar & Storage Live this year is coming to the Excel Centre, London, as well as their usual show at the NEC.

The exhibition celebrates the technologies at the forefront of the transition to a greener, smarter, more decentralised energy system.

Pay a visit and to speak to key stakeholders within the energy value chain together, as well as innovators and disruptors showcasing their technology and service solutions.

The London event will take place at ExCel, London on 29 and 30 April.

Register for free tickets here, and make sure you come say hi to RECC and EVCC who will be exhibiting at the show.

<https://www.terrapinn.com/exhibition/solar-storage-live-london/index.stm>

RECC issues new guidance for members

In response to several complaints, as well as telephone and email enquiries, about instances in which consumers are withholding payments, RECC has developed a set of FAQs to guide members.

The FAQs are aimed at:

- helping members to understand when consumers maybe entitled to withhold payments
- helping members to understand consumer protection legislation as it applies to withholding payments
- assisting members to comply with their obligations under section 9 of the Code regarding dispute resolution
- providing guidance for members engaging with consumers to resolve disputes

This guidance includes best practice for members to implement in order to minimise instances where payment is withheld. To ensure guidance is robust, reliable, and compliant with consumer protection law, RECC consulted with its ADR approval body CTSI and Primary Authority, Buckinghamshire and Surrey Trading Standards.

The FAQs is available on the member's area of the website here. <https://www.recc.org.uk/members>

Join our sister code

RECC Members can join our sister code, EVCC, for just £50 for the first year of membership!

5 reasons to join EVCC:

1. Show homeowners you are competent, qualified and reliable, and serious about offering high standards of consumer protection
2. Stand out from your competitors
3. Be listed on the EVCC website and increase your exposure
4. Get assistance with resolving consumer complaints
5. Get access to guidance, training and model documents, making technical and legal compliance straightforward.

You can find more about EVCC, including how to join, here:

<https://www.electric-vehicle.org.uk/installers>

