

**Minutes of the 56th Meeting of the Supervisory Panel
Renewable Energy Consumer Code
Wednesday, 17 June 2020**

Meeting held online

Present

- Steve Lisseter - Chairman
- Bryn Aldridge - Independent Trading Standards Expert
- Chris Avgherinos – Domestic RHI, BEIS (by telephone)
- Walter Carlton - Deloitte
- Frank Gordon - REA
- Sarah Howard – Customer Operations Manager, MCS
- David Laird - Independent Energy and Consumer Codes Expert (part)

In attendance

- Virginia Graham - RECC
- Aida Razganaite - RECC
- Rebecca Robbins – RECC
- Abena Simpey – RECC

Apologies

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- Zoe Guijarro - Citizens Advice
- Chris Hewett - Solar Trade Association
- Atif Iqbal - Certsure
- Chris Jackson - Ofgem
- Gretel Jones – Independent Consumer Expert

1. Introduction and apologies

The Chairman welcomed attendees to the 56th Supervisory Panel Meeting. He noted that the meeting was being held online and that it followed on closely from the previous meeting. The aim was to resume the pre-arranged quarterly meeting schedule disrupted by the REAL office move and lockdown. He noted the apologies received. The Chairman explained that he intended to adjust the running order of the meeting to allow for enough time for consideration of the additional item on due diligence and compliance checks.

2. Minutes of last meeting

The Members present agreed the minutes of the 55th Supervisory Panel Meeting as being an accurate record of the meeting.

3. Matters Arising

The Executive confirmed that all the actions in the summary had been completed other than the preparation of guidance on public liability insurance and consideration of ways to highlight good practice among RECC Members. She explained that both these actions were in hand, and the Executive was looking at how best to communicate lessons learnt and good practice to members.

4. Overview of RECC activity

The Executive explained that, owing to the shorter than usual interval between meetings, an Overview of RECC Activity had been tabled in place of a full Highlight Report, providing a summary of developments over the past six weeks. A full Highlight Report would be prepared for the next meeting in September. Panel Members were supportive of this.

The Executive reported that, at the end of the renewal process, RECC's 2020 membership stood at 1,500, down by just 100 from 2019. Some 40% of these were in the MCS Code Member category, having renewed on a pay-as-you go basis. RECC had received a high number of new applications, mostly from installers interested in the air source heat pump market.

The Executive further reported that monitoring and compliance activities had been reduced over the past six weeks. Many members had staff on furlough and/or were working remotely. They thus required longer to respond to compliance checks and desk-based audit questions. Site-based audits were currently on hold. However, as soon as members returned to work the planned level of activity would resume.

As regards dispute resolution, the Executive reported a 62% reduction in complaints registered during the period compared with the same period in 2019. The majority of the 45 complaints registered concerned solar PV and were about unsatisfactory after-sales arrangements. Two arbitration awards had been published during the period, one domestic and one micro-business. Both consumers' claims had succeeded with financial awards made.

Panel Members thanked the Executive for their report and congratulated them on their hard work over the period.

5. Due diligence and compliance checks

Aida Razgunaite and Rebecca Robbins, on behalf of the Executive, each presented a paper outlining the due diligence checks carried out in respect of applicants and the compliance checks carried out in respect of existing members respectively. In both papers the checks were listed under 'business and personnel' and 'documentation and business model'. Having explained the individual checks in detail, together with the range of possible outcomes, they each provided a recent example to illustrate how the checks are carried out in practice.

Panel Members asked a number of questions during the presentation. They were pleased that the checks carried out were so detailed and the outcomes so far-reaching. One issue Panel Members

raised concerned the way individual data was shared in communications with applicants. Aida agreed to update the Membership Team on how names and other details should be used going forward to minimise scope for challenge under GDPR. Panel Members noted that the Executive could now take a wider range of decisions without automatic reference to the independent Panels. They considered this agility to be a positive development.

The Chairman thanked Aida and Rebecca for their very interesting presentations. He suggested that they could provide it again for the benefit of those Panel Members who had been unable to attend the meeting.

6. Joint MCS RECC partnership offer - update

The Executive updated Panel Members on the new arrangement with MCS specifically targeted at RECC Members only installing solar PV, battery storage, and wind power systems. The Executive reported that feedback from Code members had been very positive. Overall, they had found the Docusign process for signalling agreement straightforward, and we saw a quicker renewal take-up than in previous years. As had been intended, Code members had appreciated not having to pay an up-front membership fee when they did not know for certain how much work they would carry out.

The Executive reported that it had completed the 2020 membership renewal process by the end of March. Since January, the Executive had also been offering the MCS Code Membership category to applicants who meet the criteria. They have 3 months to gain MCS Certification in the absence of which their Code membership reverts to the pre-existing model. As at that date the Executive explained that 580 installers were RECC members in the MCS Code Member category, and that this was comprised of: membership renewals (543) and new members (37).

Finally, the Executive explained that work was underway to combine MCS and RECC processes for compliance enforcement, dispute resolution and the Help Desk function including general enquiries from consumers and members. Panel Members asked a number of questions about the way the arrangement was working in practice and the potential for further economies of scale of scale to be achieved.

The MCS Representative provided a description of how the partnership was working from the MCS point of view. Panel Members asked for a paper to be prepared setting out the pros and cons of allowing businesses to be joint RECC/HIES members. They asked that the paper be circulated ahead of the next meeting so that they could provide comments, and for a further update on the partnership to be provided to the next meeting.

7. Government consultation on future funding for heat technologies

The BEIS representative had outlined Government's proposals at the previous Panel Meeting. In the light of this the Chairman asked Panel Members for their views on the consultation.

The REA representative outlined the Association's views on the Government's consultation. In summary, he explained that REA welcomes the fact that BEIS is bringing forward a support mechanism to help with the decarbonisation of heat following on from the Renewable Heat

Incentive. However, if the intention was to drive meaningful decarbonisation of UK heat production, the Association considered the proposals to be wholly inadequate in both scope and the level of support on offer.

The REA representative explained that there was very little in the consultation for biomass as currently drafted, and realistically nothing very significant for air source heat pumps (ASHPs) above around 10 kw. The Association feared that a flat grant of £4,000 per system would not drive quality, as consumers would be looking for a grant that covered as much of the project costs as possible. He therefore feared that they would not be incentivised to look at well-designed or high-quality installations.

The Executive explained that it had been involved in BEIS discussions about consumer protection issues and the potential for consumer detriment. The Executive further confirmed that it would take part in a webinar on the consultation being organised by MCS and FutureBuild. RECC's presentation would major on consumer protection issues likely to arise from the proposals.

The BEIS representative thanked attendees for their comments. He explained that the consultation was open until 7 July and encouraged as many people as possible to respond, wherever possible providing evidence for their views. Other Panel Members discussed how the grants would be likely to stimulate the sector and what consumers' reactions to the grants might be. They asked that the risks of mis-selling be clearly flagged to Government in the light of previous experience from RECC and the Green Deal. The Executive agreed to circulate its response to Panel Members once it had been finalised.

8. Further discussion about implications of COVID-19

Following on from the discussion at the previous Panel Meeting, the Chairman introduced a discussion about the implications of COVID-19 on RECC and its work. He asked for an update, once again to be divided into three parts: firstly, how it was affecting REAL's office, the RECC team and its work; secondly, how it was affecting RECC members and the sector more generally; and thirdly how it was affecting other stakeholders attending the meeting.

The Executive explained that, together with REA, it was currently engaged in drafting a risk assessment for the REAL offices. This covered necessary changes to access to the office, desks, communal areas, printers, hand washing facilities, drinking water, food preparation facilities &c. Linked to this the managers of the building were also drafting a risk assessment for the building as a whole. This covered necessary changes to entrances and exits, security and post services, shared toilet facilities, bicycle storage &c. Once all risk assessments had been completed and the necessary changes had been implemented REAL, along with REA, would look to a phased return to the office from 1 July.

In parallel the Executive explained that it had surveyed all staff members to gauge the appetite for returning to work. From this it was clear that a minority of staff would look to return to the office one or two days a week. In general, those who could do so without travelling on public transport were more likely to want to visit the office than those who could not. Panel Members thanked the

Executive for the update and asked to be kept further updated as and when staff started to return to the office.

The MCS representative explained, following further research among certified installers, that there was a gradual return to work. Furloughed staff were now working once more, and order books were starting to fill up. There was still nervousness about visiting consumers' homes to carry out installation work, but that many businesses were prepared to do this so long as a proper risk assessment had been carried out first.

The Executive reported that, from the calls being received, and also from its applications, monitoring and complaints work, there was evidence that RECC Members were returning to work. However, it was still not clear how many businesses would continue to thrive. Panel Members asked that the Executive provide an update for the next meeting on the assumptions for RECC being included in the REAL 2021 budget.

Panel Members described their own experience of returning to work in offices and the steps being taken to ensure that staff were safe. This ranged from some larger organisations re-opening their offices to some SMEs who were still reluctant to allow staff back owing to the structural changes that would first be needed. All attendees agreed that July would see an opening up of the economy and that it would be good to see how things had developed by the time of the next meeting in September.

The Chairman thanked all those who had contributed to the discussion and asked to be kept updated as to relevant developments in the coming weeks.

9. 2019 Annual Report

Finally, the Chairman asked Panel Members for their views and suggestions on the draft 2019 Annual Report previously circulated. He explained that he had left this item until last as Panel Members could also send their views and comments by email. Panel Members agreed that the information contained in the draft Annual Report were useful and interesting, noting that they followed very much along the lines of previous reports.

Panel Members proposed that greater use might be made of infographics and agreed to send the Executive examples for them to consider what might be appropriate. They agreed that the use of quotations from members and consumers was very positive and asked whether more could be found. The Chairman thanked Panel Members for a useful discussion and reminded them to send any detailed comments to the Executive asap.

10. AOB and next meeting

The Chairman thanked those attending the meeting for their contributions. The BEIS representative commented that the Go To Meeting platform was not convenient for civil servants as they were unable to download the app. He asked that an alternative platform be used for the next meeting, favouring Microsoft Teams. The Executive agreed to consider his request.

There being no further business, the Chairman thanked Panel Members for their attendance, reminded them of the date of the next meeting, **Wednesday, 23 September, at 2.00 pm**, once again to be held online, and closed the meeting.