

**Minutes of the 57th Meeting of the Supervisory Panel
Renewable Energy Consumer Code
Wednesday, 23 September 2020**

Present

(Meeting held on the Zoom platform)

- Steve Lisseter - Chairman
- Bryn Aldridge - Independent Trading Standards Expert
- Chris Avgherinos – Domestic RHI, BEIS (by telephone)
- Peter Broad – Citizens Advice (taking the place of Zoe Guijarro)
- Walter Carlton - Deloitte
- Frank Gordon - REA
- Sarah Howard – Customer Operations Manager, MCS
- Atif Iqbal - Certsure
- Chris Jackson - Ofgem
- Gretel Jones – Independent Consumer Expert
- David Laird - Independent Energy and Consumer Codes Expert
- Kevin McCann – Solar Trade Association

In attendance

- Virginia Graham - RECC
- Aida Razgunaite - RECC
- Rebecca Robbins – RECC
- Abena Simpey – RECC (part)
- Colin Meek – RECC (part)

Apologies

- Zoe Guijarro (see attendees, above)

1. Introduction and apologies

The Chairman welcomed attendees to the 57th Supervisory Panel Meeting. He noted how pleased he was to have such a full attendance at the meeting. He welcomed those who had not attended before, Kevin McCann and Peter Broad, and those who had not attended the recent meetings, Atif Iqbal and Gretel Jones. He noted that the meeting was being held online for the third successive time.

The Chairman explained his intention to take the update on the Green Homes Grants before the Highlight Report and the rest of the agenda since the BEIS representative had to leave the meeting early.

2. Minutes of last meeting

The Members who had attended agreed the Minutes of the 56th Supervisory Panel Meeting as being an accurate record of the meeting and agreed that they could be made available on the RECC website. The Chairman invited any participants who had missed the presentation on due diligence and compliance checking processes at the previous meeting to attend an additional presentation. He asked for anyone interested to contact Rebecca Robbins or Aida Razgunaite in the Executive. He commended the quality of the presentation.

3. Matters Arising

The Executive confirmed that all the actions in the summary had been completed or were in train. Virginia confirmed that guidance for members on public liability, professional indemnity and employer's liability insurance had been made available on the RECC website. Panel members asked to be supplied with the link. Virginia explained that the Executive was considering ways to highlight good practice among RECC Members and that the paper on joint Code membership was in draft form. Finally, she thanked Panel Members for their examples of infographics and referred them to the 2019 Annual Report.

4. Green Homes Grant scheme – update

Chris Avgherinos, BEIS representative, gave an overview of the Green Homes Grant due to launch officially the following week. He explained that Government would fund energy efficiency improvement measures up to £5,000 per household (£10,000 for those in receipt of certain benefits). Included in the category of 'primary measures' were air- and ground-source heat pumps, biomass boilers and solar thermal systems. These could be combined with 'secondary measures', including double glazing.

Chris pointed out that Government was now considering energy measures alongside building improvement measures as a combined policy area. In keeping with this he explained that, later in the year, Government would publish a Heat and Buildings Strategy.

Chris explained that Government had let a contract to ICF Consulting Ltd who would administer the Scheme which was worth a total of £2 billion. To underpin the scheme Government had set up the Simple Energy Advice website to which all applicants were being directed. By following a step-by-step process, applicants could generate a Green Homes Grant 'plan' setting out the measures appropriate for their property. There would also be a Helpline for applicants.

Panel members asked what arrangements there were to ensure that there was adequate consumer protection in place. Chris explained that all tradespeople taking part in the Green Homes Grants Scheme would have to be TrustMark registered. In addition, those installing renewable heat technologies had to be MCS-certified and members of a CTSI-approved Consumer Code, such as RECC. Virginia explained that there was now a section on the RECC website with information about the Green Homes Grants scheme. This included FAQs for both installers and consumers. Panel members asked to be kept up-to-date with developments.

5. Highlight Report

The Executive presented the Highlight Report, explaining that the figures had not been compared with the previous quarter for which no Highlight Report had been prepared. Where relevant the figures had been compared with the first quarter of the year.

Aida explained that there had been a strong demand for RECC membership during the period. This was being driven by the forthcoming Green Home Grants scheme outlined above, and by the extension of the Domestic Renewable Heat Incentive to 31 March 2022. In August RECC had received 75 new applications as against the 30 that were received on average in a month. Applications for TrustMark had also been strong. She reported that, for the first time since 2012, RECC membership was set to increase year-on-year.

Rebecca summarised the monitoring and compliance activity during the period. As part of this she confirmed that 39 compliance checks had been carried out and that 8 desk-based audits had been allocated as part of the 14th round of audits. She confirmed that 6 Members had been issued with compliance notices and 2 further Members had had compliance action invoked against them. Finally, she explained that notices had been sent to 2 businesses regarding the misuse of the RECC logo.

Abena reported that, during the period, RECC had received 58 complaints (17 for RECC) and that, of these, 42 had been about solar PV, 10 about air source heat pumps, 3 about ground source heat pumps, 3 about solar thermal, 1 about biomass, 1 about a solar assisted heat pump, 4 about battery storage systems and 2 about other technologies. Panel members asked for figures to be provided to show clearly where there had been notable changes in the proportion of complaints registered as a proportion of the total systems installed.

Abena confirmed that, during the period, the Executive had resolved 8 complaints, of which 2 had been by informal mediation, 2 had been by formal mediation, 2 had been by arbitration (relating to awards published in previous quarters which the parties have complied with) and the remaining 2 of which had been quickly resolved following RECC's initial involvement.

Panel Members thanked the Executive for their summary of activities in the previous quarter. They suggested that the Executive should prepare consumer guidance on what to look for when applying for credit, hire purchase or loan associated with a renewable energy installation.

5. Results of RECC membership survey

Aida presented the results of the RECC membership survey carried out during the previous month. She explained that 174 members out of a total of 1,525 had responded (11%). Responses needed to be assessed in the light of the relatively low response rate.

She reported that, interestingly, one third of respondents had been RECC members for 9 years or longer. Most respondents' views on the support and services provided by RECC were neutral and more were positive than negative. Similarly, most respondents rated their experience the last time they spoke to RECC or heard from RECC as neutral, and more were satisfied than dissatisfied.

When asked how much value they thought being a RECC member added to their business, responses ranged from 'a little' to 'moderate'. More positively, over half of those who responded said they would recommend RECC to other businesses in the sector. When asked how often their customers had heard of RECC before they first contacted them, most replied 'rarely'.

Of a list of services provided by RECC, those used most were the RECC logo, followed by RECC Guidance on relevant consumer legislation and RECC model documents. Very few said they had used RECC's dispute resolution services, although those responding may not have had many disputes. Respondents reported that they had hardly used the affinity arrangements RECC had set up giving members access to the likes of Which? Trusted Traders, March Commercial Insurance and LawBite legal services at all. When asked whether there were any other benefits or services that RECC could offer that would add value to their RECC membership, most replied 'no' while some said that they would like to see more evidence of RECC's monitoring and policing work.

One in five respondents made additional comments and suggestions. Many said that they were only RECC Members because they were required to be as a condition of MCS certification. Others suggested setting up a loyalty programme for long-term members and those who have never had a complaint registered and promoting RECC Member benefits to more regularly.

Panel members thanked Aida for her presentation. They discussed the findings at some length and requested the Executive prepare a summary document outlining how it planned to address the responses. They asked for the summary be on the agenda for the next meeting. They suggested the Executive communicate these actions to Members.

6. RECC heat pump documents

Colin Meek joined the meeting. He outlined the Heat Pump Guide, now available on the MCS website, as well as the analysis he had carried out on of in situ performance of heat pumps. Both had been tabled in advance.

Colin explained that the Heat Pump Guide contained detailed information for installers on both the technical and consumer protection aspects of installing heat pumps. Supported by MCS, RECC, EST and Scottish Government, it represented a very complete reference for installers.

Colin outlined the work he had been doing to analyse data from Ofgem on the *in situ* performance of heat pumps on the basis of actual meter readings. He explained that this data had allowed a comparison to be made between the estimated performance, on the basis of which consumers signed the contract, and the actual performance of the heat pump once installed and in normal use. In summary, the analysis showed a worrying disparity. In the case of air source heat pumps, performance was in almost every case considerably worse in everyday use than had been predicted. In some cases, air heat pump performance was lower than that required to be considered 'renewable' under the definition in the Renewable Energy Directive.

Panel members discussed the findings and asked what steps RECC was intending to take. Colin explained that he was carrying out analysis on a larger data set. RECC intended to provide the results

to BEIS, Ofgem and MCS. The MCS heat pump working group was considering replacing the methodology for estimating performance in the current MCS standard (MIS 3005), based on the Seasonal Coefficient of Performance (SCOP), with the more accurate Domestic Annual Heat Pump System Efficiency (DAHPSSE) index. The analysis would be very helpful in informing the debate. Panel Members asked to be kept up-to-date with developments.

7. Flexible energy, demand-side response offers to domestic consumers

The Chairman suggested that this item be held over to the following meeting and that a paper be tabled in advance setting out the principal consumer protection issues.

8. AOB and next meeting

The Chairman thanked those attending the meeting for their contributions. There being no further business, the Chairman thanked Panel Members for their attendance, reminded them of the date of the next meeting, **Wednesday, 16 December, at 2.00 pm**, once again to be held online, and closed the meeting.