

**Minutes of the 63rd Meeting of the Supervisory Panel
Renewable Energy Consumer Code
Wednesday, 16 March 2022**

Present

(Meeting held on the Microsoft Teams Meeting platform)

- Steve Lisseter - Chairman
- Bryn Aldridge - Independent Trading Standards Expert
- Chris Avgherinos – Domestic RHI, BEIS (part)
- Walter Carlton - Deloitte
- Sarah Howard – MCS
- Atif Iqbal - Certsure

In attendance

- Virginia Graham – RECC
- Colin Meek – Independent Consumer Expert (part)
- Aida Razgunaitė – RECC

Apologies

- Zoe Guijarro – Citizens Advice
- Chris Jackson – Environmental Programmes, Ofgem
- Gretel Jones – Independent Consumer Expert
- Kevin McCann – Solar Energy UK

1. Introduction and apologies

The Chairman welcomed attendees to the 63rd Supervisory Panel Meeting. He noted that four apologies had been received, and that the meeting was being held online for the ninth successive time. He hoped that the next meeting would be held in person for those who wished to attend.

2. Minutes of last meeting

Members agreed the Minutes of the 62nd Supervisory Panel Meeting as being an accurate record of the meeting subject to one change. The Chairman asked that the word ‘some’ be inserted into the phrase ‘the transient nature of vulnerability’ in the section on amendments to the Consumer Code. They agreed that the updated Minutes could be made available on the RECC website.

3. Matters Arising

Virginia Graham went through the summary of actions agreed at the last meeting. She explained that all the actions were either complete or on the agenda for the current meeting other than one. She explained that there would be a further update on the Memorandum of Understanding between CTSI-approved Codes in the sector as and when it had been revised. She confirmed that work was well-advanced on this. She confirmed that Citizens Advice had been invited to present the report on

consumer protection in the small-scale energy efficiency and renewable energy sectors but had for the time being not taken this up invitation. Panel Members thanked her for the update.

4. Highlight Report

Aida Razgunaite explained that, during December 2021 and January and February 2022 RECC had gained 119 new members while having lost 41. She reported that, at the end of February 2022, RECC had a total of 2,043 members. This reflected the continuing high volume of applications being received each month.

Aida confirmed that, at the end of February 2022, 478 (out of 488) of RECC members in the MCS Code membership category had renewed their RECC membership while 762 (out of 822) of those RECC members installing heat technologies had renewed. She reported that the situation had further improved in the two weeks since the report was finalised. She concluded that the balance of RECC members had rolling membership renewal dates, meaning that the figures quoted referred only to those with a calendar year 1 January renewal date.

Virginia Graham reported that, during December 2021 and January and February 2022, RECC had carried out 42 compliance checks. Of these, 17 were of members who had not been checked during the previous 5 years while 9 were of members who were the subject of consumer complaints and 2 were of members registering exceptionally high numbers of installations. Of those checked, 9 had been required to make amendments to their websites while 6 were referred for desk-based audits.

She continued that, during the same period, RECC had allocated 14 new desk-based audits. Of these, 4 were being reviewed by an auditor, 8 were yet to respond fully and, in the remaining 2 cases, the auditor was still reviewing the information submitted. Of the 6 audits which had been allocated in the previous quarter, 4 members had resolved all outstanding issues and had now passed the audit while 2 were required to take further actions.

Virginia reported that, during December 2021 and January and February 2022, RECC had registered 102 complaints, just down from the 110 registered in the previous quarter. Of the 102, 49 had fallen within RECC's remit, 48 had been about solar PV and 8 had been about battery storage while 38 had been about air source heat pumps.

She continued that, during the same period, RECC had resolved a total of 9 disputes. Of these, 3 had been resolved after RECC's initial involvement while 6 had been resolved by informal mediation. As a result, consumers had recovered a total of **£5,957** in the period, down from £9,298 in the previous period.

Further, she explained that, during the same period, 5 arbitration awards had been published. In 4 of these the consumers' claims had succeeded while in 1 they had failed. The successful consumers had recovered a total of **£33,330** through arbitration, giving a total of **£39,287** recovered by the end-to-end Dispute Resolution Process during the period.

Panel Members thanked Aida and Virginia for their reports and explanations.

5. Air and ground source heat pump performance estimates

Colin Meek presented his update paper, circulated earlier, setting out developments with the drive to make heat pump system performance estimates more reliable and accurate. Based on his earlier analysis of an Ofgem dataset of more than 2,000 heat pump installations, he had raised concerns about the way the Seasonal Coefficient of Performance (SCOP) metric was being used to forecast the performance and efficiency of heat pump systems and, in particular, the method set out in the MCS standard for performance estimates (MIS 3005).

Colin explained that he had met representatives from Scottish Government and BEIS as well as academic stakeholders to discuss the implications of the findings of his analysis. More particularly, he described his work with MCS to replace the existing MIS 3005 performance estimate method with a new one which aimed to provide consumers with more accurate information on which to base their buying decisions.

Colin explained that the proposed new performance estimate method and calculator dispensed with SCOP and was instead based on the existing *Heat Emitter Guide*. He stressed that the new method would prevent installers from 'gaming' performance calculations and placed more emphasis on the heat emitter selection. He explained that the new method used the more realistic Seasonal Performance Factor (SPF) efficiency predictions with possible 'high' and 'low' outcomes based on his analysis of the Ofgem data.

Colin explained that, where systems included heat emitter (radiator) upgrades, the new method would prevent installers from selecting misleading flow temperatures and system efficiencies by linking them directly to their selection of heat emitter (radiator) upgrades. To prevent installers from providing unrealistically low prices before full a heat loss calculation had been carried out the new method would use the expected heat demand, floorspace (in m²) and degree days, allowing for automatic calculation of the likely Specific Heat Loss of the property and system capacity.

Colin concluded by reporting that there would be a public consultation for the proposed new method. Installers and other stakeholders would thus have the chance to feed in their views before the standard was finalised. Panel Members discussed Colin's work with MCS and clarified some points of detail. They congratulated him on the good progress being made and asked to be kept up-to-date regularly with progress on implementing the new performance estimate method. They thanked Colin for his important work in this area.

6. Consumer protection and the flexibility market

Virginia Graham presented the paper on consumer protection and the flexibility market prepared by Sue Bloomfield and circulated earlier. She explained that the paper set out the range of developments in the sector since the original RECC guidance on demand-side response had been published four years previously. Panel Members agreed that the paper was very well-written and comprehensive and asked Virginia to pass on their thanks to Sue.

Panel Members stressed that the paper raised many issues of concern for consumers. They agreed that the introduction of half-hourly settlement would be likely to herald more potential for flexibility for consumers with or without electric vehicle charging, battery storage units and solar PV systems. While this could bring advantages it could also bring risks, particularly around tied contracts and cyber and data security.

Panel Members suggested that RECC could work to develop a code of conduct for aggregators active in the domestic market, accompanied by a model contract and proposal as well as a Key Facts statement as has been successfully rolled out in the insurance market. They suggested that RECC could carry out further work to investigate the role of brokers in the market as well as protections for vulnerable consumers. They asked to be kept up-to-date with further developments.

7. Draft guidance on consumers in vulnerable circumstances

Virginia Graham introduced RECC's draft guidance on consumers in vulnerable circumstances. She reminded Panel Members that this guidance was designed to accompany the Code which had recently been amended with the section on consumers in vulnerable circumstances expanded. The guidance was intended to provide more details and practical guidance for members seeking to comply with the Code. Guidance could be updated from time to time whereas the opportunities for amending the Code itself are more limited.

Virginia explained that Abena and Rebecca had worked hard on drafting the guidance. It was structurally complete but remained a work in progress. She asked Panel Members for their comments and suggestions as to how the guidance could be supplemented and improved.

Panel Members agreed that the draft guidance was already looking good and that, with a little further work, could be finalised. They suggested that it could contain more practical information on exactly what installers should do and how they should go about doing it once they had identified that a consumer might be in a vulnerable circumstance.

Bryn Aldridge mentioned that one of the Social Services Departments he had worked with in the past had had a very good document covering what to do if you are dealing with a consumer in a vulnerable circumstance. The document underlined the need to provide ongoing as well as upfront support. He offered to source the document as it could be a useful reference.

There followed a discussion about the way in which some consumers in potentially vulnerable circumstances had provided close friends or relatives with a lasting power or attorney or had given them permission to carry out certain formal actions on their behalf. Panel Members suggested that the guidance include a section on the different types of permissions and powers that can be legally transferred and what these would mean in practice for an installer. Those Panel Members with direct experience of such arrangements offered to provide further advice if it would be useful.

Finally, there was a discussion about how to finalise the guidance. Chris Avgherinos strongly advocated consulting on the guidance, in the same way that Ofgem consults on its guidance. Other Panel Members were supportive of his suggestion. They suggested that the guidance could be made

available to members in draft form while the consultation was in progress. This would avoid any delays in making the guidance available. It could then be amended to take account of any comments received. As part of the consultation Panel Members suggested that members be offered the chance to attend a webinar training event.

6. Arrangements for return to work from the office

Virginia Graham explained that REAL staff had resumed the practice of attending the office for a minimum of two days each week. This had been arrangement had been suspended during the outbreak of the Omicron variant of COVID-19 when all staff members had worked from home.

Virginia reported that the Health & Safety Committee held regular meetings at which work arrangements were reviewed. It was unlikely that staff would be required to work in the office for five days a week without having first polled all staff to assess their views on working arrangements. No date had so far been envisaged for such a poll. Finally, Virginia reported that a further staff survey on home working had been completed that that REA and REAL would be working to ensure that the findings were acted on promptly. Virginia invited Panel Members to attend the next Meeting in person should they so wish. She confirmed that the meeting would make use of hybrid meeting technology in order that those Panel Members who did not wish to attend in person could continue to attend remotely.

Panel Members thanked Virginia for her update. They asked other Members for an update on their working arrangements. They reported that they were operating a hybrid system according to which they worked from home for at least half the week.

7. AOB and next meetings

Virginia Graham proposed to Panel Members that the dates for the forthcoming Supervisory Panel Meetings be moved forward by a month. She explained that it would be more efficient, from reporting purposes, for the meetings to be held after the end of each quarter rather than in the last month of the quarter. In this way, the Highlight Report would cover a complete quarter each time and, at the end of the year, the four Highlight Reports could simply be aggregated to provide the annual figures.

Virginia asked Panel Members for their views. They were supportive of the proposal and noted that this would mean that there would be meetings in July and October of 2022 and in January and April of 2023. Given that Citizens Advice had asked that the meetings not be held on a Wednesday, she proposed that they be held on a Thursday going forward. Panel Members agreed with the proposal and asked for the amended dates to be sent round as soon as possible.

There being no further business, he thanked Panel Members for their attendance and closed the Meeting.