

Template for response to “Administration of the Boiler Upgrade Scheme” consultation

<p>This template relates to “Administration of the Boiler Upgrade Scheme” consultation and contains all the questions posed within the document. Through this template we’re aiming to collect your feedback on our proposals on how we will administer the Boiler Upgrade Scheme. We welcome your views and encourage you to respond to the questions on the questions that are of most interest. Please provide your contact details in the fields below. To respond, please provide your views in the space below the relevant question.</p>	
Organisation Name:	Nu-Heat UK Ltd
Organisational Type:	Underfloor Heating & Renewable Systems
Completed by:	Christian Oram
Contact details:	<div style="background-color: black; width: 100%; height: 1.2em;"></div>
Confidential response:	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Partially <input type="checkbox"/> Anonymous <input type="checkbox"/>

Questions on the proposed administration of the Boiler Upgrade Scheme

<p>1. Do you agree or disagree with the proposed approach to evidencing existing heating systems? If you disagree, please say why.</p>
<p>This is sensible if checked online by Ofgem when reviewing the voucher application.</p>
<p>2. Do you agree or disagree with installers being the party to provide evidence to Ofgem regarding custom-build properties? If you disagree, please say why.</p>
<p>There needs to be a simple way for the homeowner to prove this. The homeowner may not want to share the title deeds and it may be challenging to get the required proof from the homeowner. Updated documentation should be produced such as the ES895 DRHI Help sheet (last updated in 2016 and references the RHI scheme).</p>
<p>3. Is there any other evidence we should request to prove that properties are custom-build?</p>

<p>If there is an easier way of doing this then yes but certainly not any additional proof on top of those already listed as eligible as it could become too onerous and prevent homeowner take-up of the scheme which would be counter-productive.</p>
<p>4. Do you agree or disagree with the proposed approach to evidencing that a property is not social housing? If you disagree, please say why.</p>
<p>Will this be a case of the installer ticking a box on the online application? Audit potential should mitigate the risk of false information being provided by homeowners/installers but there needs to be a clearly defined set of criteria and a process referenced by OFGEM to ensure understanding and adherence.</p>
<p>5. Do you agree or disagree with the proposal to use an API to access the information we need from a property's EPC? If you disagree, please provide alternative suggestions, including any evidence, to support your response.</p>
<p>It makes sense but it does seem like the part of the voucher application administration process that will be the most challenging for installers. The onus is on the customer to ensure their EPC is correct and that they have undertaken all of the requisite measures before obtaining potentially a second EPC so that the voucher payment can be released to the installer. The installer will occasionally be working on trust that the homeowner has had all of the relevant insulation work completed, for example, and there is therefore a risk (albeit small) that a subsequent audit could find that some of the works outlined on the EPC haven't been completed to standard, resulting in the voucher being revoked and the installer (who has already passed on the money to the homeowner upon initial release of the voucher) being left out of pocket.</p> <p>Also, for reasons of clarity it should be communicated that a valid EPC does not necessarily automatically mean that a property is suitable for a heat pump (think hard to insulate buildings). A system may fail the CoP criteria especially as the minimum CoP is rising from 2.5 to 2.8, plus to include DHW which will always have a lower CoP than space heating only.</p>
<p>6. Do you agree or disagree with the approach to administering insulation exemptions? If you disagree, please say why.</p>
<p>Agree.</p>
<p>7. Is there any other evidence that Ofgem should consider when determining the eligibility of a low carbon heating system?</p>
<p>No, they seem comprehensive and fair, however clarification is required as to whether the this is 45kW per heat pump, or per entire system.</p> <p>Also, what does "full heating of the property" mean in reality, for example: What if the property has a swimming pool? Could a heat pump just provide heat and hot water to an extension only?</p>

<p>What if the property has an Annex that is heated differently to the main house?</p> <p>Also, is the eligibility based on the individual or property, i.e. could a private landlord benefit from BUS on their entire housing stock?</p>
<p>8. Do you agree or disagree with our proposed approach to evidencing whether a property is connected to the gas grid? If you disagree, please provide alternative suggestions, including any evidence, to support your response.</p>
<p>Agree</p>
<p>9. Do you agree or disagree with our proposed approach to evidencing whether properties are in a rural area? If you disagree, please provide alternative suggestions, including any evidence, to support your response.</p>
<p>Agree</p>
<p>10. Do you agree or disagree with our classification of parts that can and cannot be used before the heating system is first commissioned? If you disagree, please say why.</p>
<p>Agree</p>
<p>11. Do you agree that the 'authorised signatory' for business accounts should be an individual with legal authority to represent the organisation eg a Director, Chief Operating Officer, Chief Executive Officer or Company Secretary? If you disagree, please provide alternative suggestions, including any evidence, to support your response.</p>
<p>In circumstances where the Installer is a subsidiary of a group, it may be the case that directors of that subsidiary are not listed at Companies House if the group policy is for Holding Company Directors only to be listed. In this event subsidiary directors with delegated authority to handle such matters could be enabled to register a BUS account if either a) an Authorised Signatory for banking purposes where the required identity checks will have been performed, or alternatively, b), if the director is the Nominee or Nominated Technical Person under MCS and therefore already holds some accountability in this area.</p>
<p>12. Do you agree or disagree with the proposed sets of user permissions? If you disagree, please provide alternative suggestions, including any evidence, to support your response.</p>

Agree
13. Should we collect other information contained on the quote for the purposes of assurance that the property owner has been consulted and reducing speculative applications?
No, it would make it too time consuming at that point if you do. The fact that the homeowner provides confirmation of consent at this initial quote stage surely reduces the risk of speculative quotes going too far through the process.
14. Do you agree or disagree with the proposed approach to obtaining evidence of property owner consent? If you disagree, please say why.
Agree, a simple process of responding to an email from Ofgem and giving consent through an online link to their voucher application portal (or similar) seems the best way to do this and will speed up the process, making it far easier for all parties concerned.
15. Do you agree or disagree with the 7-day period for property owners to provide consent? If you disagree, please say why.
Agree it should be a short time period but would 14 days give more flexibility where the homeowner may be busy or on holiday for example?
16. Is there any additional information that you think should be included in the boiler upgrade voucher notification?
No, but communication should be made to both installer and homeowner to ensure both parties are informed and updated simultaneously.
17. Do you agree or disagree with our proposed approach to issuing vouchers? If you disagree, please say why.
Agree
18. Do you agree or disagree with the proposed approach to administering applications for voucher redemption? If you disagree, please say why.
Agree
19. Do you agree or disagree with weekly payment cycles? If you disagree, please set out why?
Agree

20. Do you agree or disagree that installers should be required to inform property owners about the possibility of audits at the application stage and to confirm this to Ofgem? If you disagree, please say why.
Agree, although it could be backed up through email comms from Ofgem upon voucher issue or similar.
21. Do you agree or disagree with our proposed administration of withholding payments? If you disagree, please say why.
Agree
22. Do you agree or disagree with our proposed administration of offsetting payments and requiring repayments? If you disagree, please say why.
Agree
23. Do you agree or disagree with our proposed administration of the right of review? If you disagree, please say why.
Agree
24. How frequently would you like Ofgem to publish reports on vouchers issued and available budget? Please provide a frequency and your reasoning behind it.
<p>Monthly to provide enough clarity for homeowners and installers on approximately how much funding is left at any given time.</p> <p>This will prevent homeowners getting too far along the process before finding out at the last moment that there is no grant funding available, thus raising the cost of their installation by £5k and creating a very difficult situation for both the homeowner and the installer.</p>
25. What additional information could be included in the reports? Do you have any suggestions for additional information that could be included in reports, or on the format of the reports?
<p>Cumulative value of vouchers issued to date and the remaining available budget are vital.</p> <p>Also the value that has been issued against each technology type (air source heat pump/ground source/biomass etc.) will be good to see.</p>