

Hi,

We are an installer who work directly with the energy companies to deliver ECO eligible measures. Please see below some feedback on the initial scoring methodology.

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**General Feedback Q1 - Do you have any comments about the overall process of this consultation?**

- This would have been much easier if it had been set out in the same way as the main consultation, with a web-based feedback form, rather than having to compile and email with the question sets.

**General Feedback Q2 - Do you have any comments about its tone and content?**

- The tone feels that a decision has already been made and although this is out for consultation, it reads that nothing will really be taken into consideration, and this is pretty much how the scheme will look and be rolled out. We need to be mindful that the installers are the ones carrying out the installs to achieve targets, so we need to look at the potential of them having a full understanding and input from the start as it may be that they know best. We understand that the industry needs to be regulated and of course there is a need to reduce risk and the potential fraud, however we also need to be aware that there are now new procedures already in place to monitor this.

**General Feedback Q3 - Was it easy to read and understand? Or could it have been better written?**

- The layout is fine; however, it is obvious that it has been made complicated. Some of the examples given are too much and the scheme itself could cause issues just purely on how complicated it seems to be being made.

**General Feedback Q4 - Were its conclusions balanced?**

- In some ways, the conclusions are balanced however as previously mentioned, they're as balanced as can be when it looks like a decision has already been made. It could be more balanced if we could also understand what other options you had looked at to get to the point we have now.

**General Feedback Q5 - Did it make reasoned recommendations for improvement?**

- Reasons are there for improvement and we understand the approach you have taken, however we should really have a view of different thought processes beforehand, so it doesn't seem too obvious that the routes have already been decided. It would also allow the installer to understand more.

**General Feedback Q6 - Any further comments?**

- We would just ask that the installer is taken into consideration with this scheme as they are the ones carrying out the measures and are the ones left carrying the risk and cash burden. As you will see from our answers, we have various concerns that we need addressing to feel reassured that the scheme is going to be fair and we're going to be able to operate. We have an industry which has already dwindled, and we feel that if this scheme isn't looked at with the installer in mind, then there may not be many installers left to install measures, meaning the targets and scheme won't be delivered.

**Question 1: Do you agree that full project scores should be based on starting and finishing intermediate SAP bands?**

- It would be easier to allow the DEA to determine the starting and ending U-Value, rather than using assumptions. It would then be an accurate reflection of each property, rather than grouping all property types together and assuming they're the same. There have been

enough advances with the accreditation bodies to monitor irregularities and fraud and new procedures and systems put in place to detect, which would mean that giving the DEA the power and freedom to determine the true reflection, would be much fairer and more accurate. This system has been used previously, so there shouldn't be a need to overcomplicate by introducing a new and not necessarily fair or true system.

**Question 2: Do you agree that scores should be segregated into four floor area segments?**

- The only reason this is needed, is because of not allowing as stated above. If the normal system was allowed, then the score would naturally reflect the floor area anyway. If the new proposed system is introduced, then we would need the floor area segments to be implemented, making it a fairer reflection of a bigger or smaller property. It is common sense that a larger property will produce more carbon, so would need a greater score.

**Question 3: Do you agree with the methodology used to determine the full project scores?**

- Again, although it makes sense what the scheme is trying to do, it is making it too complicated for a scheme and an industry which doesn't need to be. The accreditation bodies are monitored with processes in places. There are enough DEAs in the industry, and many had been upskilled to cater for the increase in workload. Why not make it simple and not try to reinvent the wheel? There is a system that already works and would mean we don't have to have calculations.

**Question 4: Are you aware of any further advantages or disadvantages in respect of the options presented to determine the finishing SAP band?**

- The biggest disadvantage is that we're not allowing an accurate reflection and are grouping all properties together to make the scheme easier in a sense.

**Question 5: What are your views on the advantages and disadvantages identified?**

- In some cases, the disadvantages outweigh the advantages. We can see the need and the benefit of making it easier by only having one SAP assessment and how easy it could be updated due to rejections etc, but our argument is it still isn't a true or fair reflection. We should want installers to target the better performing/higher scoring measures, not simply make it easier to just achieve or fall into a band with minimal measures. Accuracy is key for this scheme, and it should be looked at more.

**Question 6: Do you agree with the proposal to use pre-calculated deemed partial project scores based on the floor area, and starting intermediate SAP band?**

- Partial scores are not fair and could potentially put strain on the installer with cash flow. There would be no need for PPS if the original system is introduced because you would only ever get paid for the carbon saved on that one measure. Surely it is easier to just allow the original system to play out, carbon to be added and attributed in stages with each measure installed and then some form of multiplier added at the end to still incentivise installers to install multi-measures?

**Question 7: Do you agree with the process used to develop the partial project scores?**

- No, we cannot let the PPS be as low as 40% as this isn't a true reflection and seriously could harm the industry. We have detailed more frustrations and reasons in the main ECO 4 Consultation; however, it wouldn't be fair to penalise the installer as for some reason not all measures might go ahead that may not necessarily be down to the installer. If PPS needs to be introduced and a simpler system cannot be used, then the 40% needs to be revisited as this is way too low. It makes sense why the scheme is choosing to do this, to create more of an incentive to install more measures, however we need to be realistic that not all

properties are going to have more than one measure even available to be installed. We are going to create cherry picking, in the same way that the current scheme is allowing for.

**Question 8: Do you agree with the use of a single fixed correction factor to account for interactions between measures?**

- Yes, the correction factor makes sense from the analysis to support ECO 4 Scoring document.

**Question 9: Do you agree with the use of the actual percentage of property treated to determine the partial project score for a measure?**

- This would put even more strain on the installer and make it even harder for them. It would mean that more properties and measures would be avoided if they cannot achieve close to 100% when surely, we should be looking at the benefits of even just allowing partial measures to be installed? If we are multiplying it by an already low PPS, then we can expect that the installer will be paid next to nothing for the measure they have installed, and they are essentially being punished twice. The 67% rule is now something that is working, and the industry have adapted too, and captures most cases to show a true and fair reflection.

**Question 10: Do you agree with our proposal to calculate the innovation measure uplift by using the partial project score for the innovation measure?**

- Any uplift on innovation measures is encouraged and the proposal here works.

**Question 11: Do you agree with our proposal to have two routes for new measures to enter the ECO4 scheme – a standard alternative methodology route and a new “data light” route?**

- More routes would be encouraged as if something comes to the industry, then we should allow for all options to allow for as many measures to be incorporated and accepted throughout the scheme.

**Question 12: Do you agree with our proposed evidence requirements for the data light route? If not, please inform us of your preferred requirements.**

- Yes, the evidence requirements seem fair. There should be an emphasis on approving these as soon as possible and letting the industry professionals guide this as they will understand their product more than anyone. It would be beneficial that once a product or system is approved, then this is rolled out to the industry to allow for more of these measures to be installed. The biggest frustration sometimes can be feeling that the product is fine and approved by Ofgem, so if a seal of approval could be given and then rolled out and communicated to supply chain, this would make installers feel more reassured and more likely to explore this option.

**Question 13: Do you think we should have additional mechanisms, such as a review stage or an open call for evidence, to account for the inherent risk associated with data light scores?**

- We don't feel there is a need to overcomplicate this process and if anything, we should be looking at how we encourage more measures and systems coming into the industry. Ofgem should take responsibility and be in control of accepting and declining products so that the installer feels safe in banking a measure and knowing that it will stick, and no problems will arise.

Regards,

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