

Ofgem ECO4 Administration Consultation Part 1 and 2 Decision v1.1

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The previous Energy Company Obligation (ECO) scheme ECO3, ended on 30 March 2022. The Department for Business, Energy and Industrial Strategy (BEIS) consulted on a new ECO scheme (ECO4) covering the period from 1 April 2022 until 31 March 2026.

On 2nd November 2021 and 13th June 2022, we published consultation's part 1 and part 2 respectively seeking stakeholder views on our proposed administration of the policies set out by BEIS and included in the draft ECO4 Order. These included policies where we were exercising our discretion in administering new legislative provisions for ECO4 or where we were making further improvements to our current policies.

This document summarises the responses to our consultations and details our final administrative position. Where relevant, we also explain where we were unable to incorporate suggestions made. The minor v1.1 revision of this document relates to paragraph 9.76. regarding the three calendar month rule.

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1. Introduction

Context and related publications

1.1. The ECO3 scheme ended on 31 March 2022. The Department for Business, Energy and Industrial Strategy (BEIS) consulted on a new ECO scheme covering the period from 1 April 2022 until 31 March 2026. Details of the changes to the scheme can be found in the BEIS ECO4 Government Response.¹

1.2. Ofgem ('we', 'us' and 'our' in this document) will administer ECO4. We have consulted on our proposed administration of any new policies outlined in the BEIS consultation response and included in the draft ECO4 Order², as well as some administrative improvements. Since then, the draft Order has been made final and came into force on 27 July 2022.

1.3. We have published two consultations, Part 1³ and Part 2⁴ on how we proposed to administer the changes set out in the ECO4 Order. We are publishing a response to both consultations in this decision document.

1.4. In this document, 'ECO4 Order' means the Electricity and Gas (Energy Company Obligation) Order 2022 that introduces ECO4. The ECO4 Order was made on 26 July 2022 and came into force on 27 July 2022.

1.5. A list of related publications is detailed below:

- BEIS ECO4 consultation response⁵
- The ECO4 Order⁶

¹ <https://www.gov.uk/government/consultations/design-of-the-energy-company-obligation-eco4-2022-2026>

² [The Electricity and Gas \(Energy Company Obligation\) Order 2022 \(legislation.gov.uk\)](https://www.legislation.gov.uk/uksi/2022/875/made)

³ [Ofgem ECO4 Administration Consultation Part 1 | Ofgem](#)

⁴ [Ofgem ECO4 Administration Consultation Part 2 | Ofgem](#)

⁵ <https://www.gov.uk/government/consultations/design-of-the-energy-company-obligation-eco4-2022-2026>

⁶ <https://www.legislation.gov.uk/uksi/2022/875/made>

- Ofgem ECO4 scoring consultation decision⁷
- Ofgem ECO4 Guidance: Delivery⁸
- Ofgem ECO4 Guidance: Supplier Administration⁹
- Ofgem ECO4 Guidance: Local Authority Administration¹⁰
- Ofgem ECO4 Data Dictionary¹¹
- Ofgem Administration Consultation Part 1¹²
- Ofgem Administration Consultation Part 2¹³

Our decision-making process

1.6. We worked closely with BEIS so the consultation process for our administration of ECO4 could open as soon as the finalised policy and draft legislation was made public. The Part 1 administration consultation ran for four weeks, and Part 2 ran for five weeks.

1.7. We received 16 responses to our Part 1 and 20 responses to our Part 2 administration consultations from a variety of stakeholders including energy suppliers, managing agents, installers and charities with an interest in fuel poverty. Once the consultations closed, all responses were collated and reviewed by Ofgem. All responses and views were considered, and decisions were collectively made on all of the question areas. A full list of non-confidential respondents can be found in Appendix 1, however we will not be publishing the responses as the majority of them were confidential or no response was provided.

⁷ <https://www.ofgem.gov.uk/publications/energy-company-obligation-eco4-consultation-scoring-methodology-part-1-and-2-decision>

⁸ <https://www.ofgem.gov.uk/environmental-and-social-schemes/energy-company-obligation-eco/contacts-guidance-and-resources/eco-guidance-and-associated-documents>

⁹ <https://www.ofgem.gov.uk/environmental-and-social-schemes/energy-company-obligation-eco/contacts-guidance-and-resources/eco-guidance-and-associated-documents>

¹⁰ <https://www.ofgem.gov.uk/publications/final-eco4-guidance-local-authority-administration>

¹¹ <https://www.ofgem.gov.uk/publications/eco4-supplier-data-dictionary>

¹² <https://www.ofgem.gov.uk/publications/ofgem-eco4-administration-consultation-part-1>

¹³ <https://www.ofgem.gov.uk/publications/ofgem-eco4-administration-consultation-part-2>

1.8. This decision document outlines our final position on the policy areas detailed in the consultations. The following chapters consider each consultation area in turn. Each section, relating to a specific consultation question, summarises stakeholder responses. This is followed by Ofgem’s comments on those responses and our decision on the administration question. It is recognised that both carry-over, early-delivery and Interim Delivery relate to the delivery of measures prior to the ECO4 commencement date. Additional sections have therefore been provided for these areas containing further detail on our administrative approach.

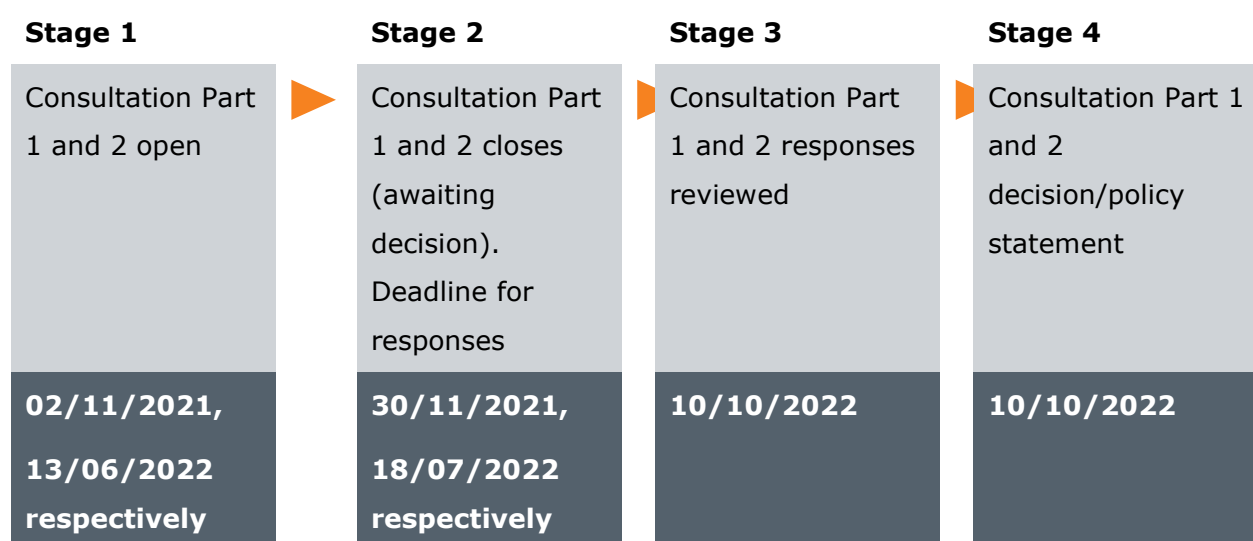
1.9. We will take all views, both written responses as well as those received during the virtual consultation events, into account as we develop the administration processes. However, following the consultation events and having reviewed the consultation responses, we have provided some further information on the process and answered some of the questions asked in this document.

1.10. In our consultations there were a number of sections which set out an administrative approach that didn’t include any questions. As no question was posed, and no decision needed to be taken, these sections are not featured within this document.

1.11. There were some general feedback questions which have been incorporated into the specific areas where relevant, or dealt with separately, communicating via standard means if necessary.

1.12. In developing our final policy, we carefully considered all of the points raised by respondents, even if they are not specifically mentioned in this document.

Figure 1: Decision-making stages



Your feedback

General feedback

1.13. We believe that consultation is at the heart of good policy development. We are keen to receive your comments about this report. We'd also like to get your answers to these questions:

1. Do you have any comments about the overall quality of this document?
2. Do you have any comments about its tone and content?
3. Was it easy to read and understand? Or could it have been better written?
4. Are its conclusions balanced?
5. Did it make reasoned recommendations?
6. Any further comments?

Please send any general feedback comments to stakeholders@ofgem.gov.uk

2. Administration Part 1: Domestic Premises

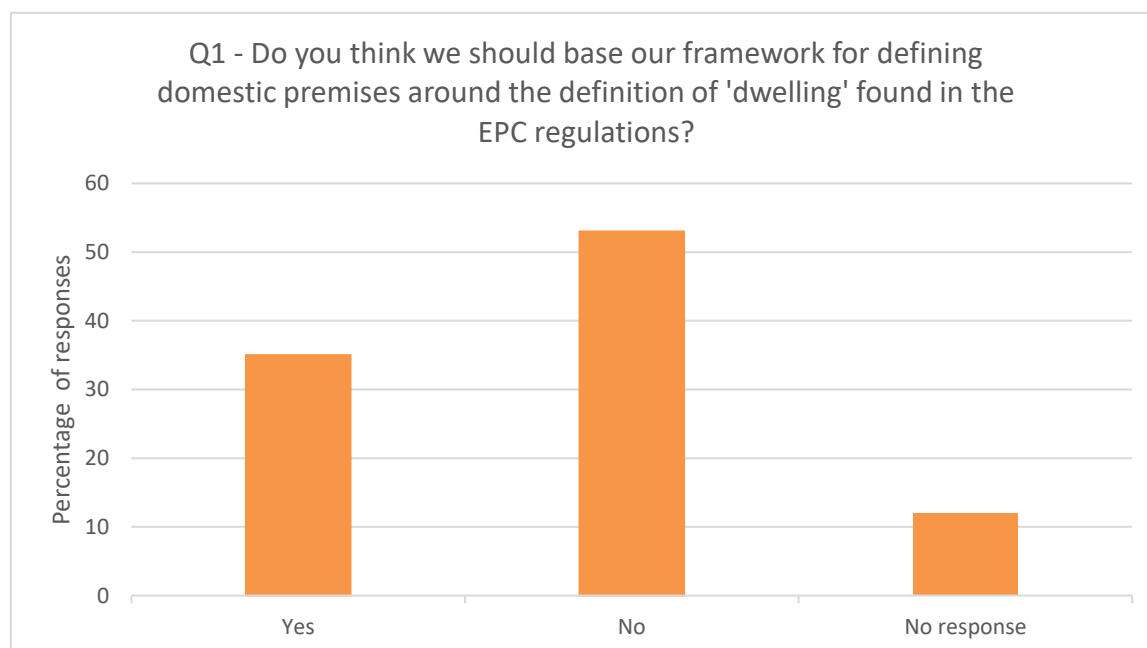
Section summary

This section outlines our proposed administration of the definition of dwelling and our interpretation of the definition of domestic premises. This section also discusses the evidence requirements related to this.

Question 1

Do you think that we should be looking to base our framework for defining domestic premises around the definition of 'dwelling' found in the Energy Performance of Buildings (England and Wales) Regulations 2012 and The Energy Performance of Buildings (Scotland) Regulations 2008?

Figure 2: Summary of stakeholder feedback to Question 1



Summary of responses

2.1. The majority of respondents (53%¹⁴) disagreed with this approach. Most of the respondents who disagreed emphasised the need to have a fully SAP-centred definition of domestic premises without any reference to legislation. Some stakeholders were particularly worried that having two separate definitions could increase confusion or even evidencing requirements and add unneeded complexity to the issue.

2.2. A minority of respondents (35%) agreed – they thought that this would be a good approach in part given the small role that Energy Performance Certificates (EPCs) play on the scheme. Many respondents also did not see any particular contradiction between the two definitions as laid out in our proposed approach.

Ofgem response

2.3. We have decided to adopt this approach and interpret domestic premises in line with the definition found in the Energy Performance of Buildings (England and Wales) Regulations 2012 and The Energy Performance of Buildings (Scotland) Regulations 2008.

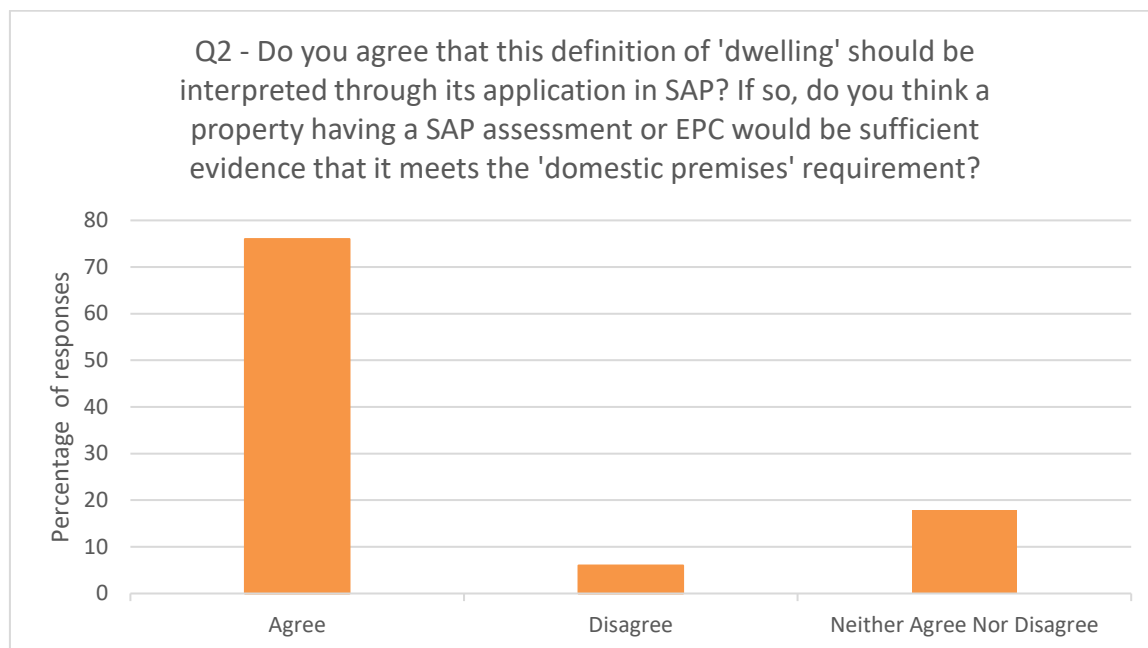
2.4. We understand the points that some stakeholders raise surrounding having dual definitions, but these two definitions on the whole do not conflict and in fact support each other. This is the legislation that ultimately governs EPCs, and EPCs ultimately rely on SAP methodology. We are taking this route in order to give us a firm legislative underpinning to ground our use of the term 'dwelling' and therefore 'premises', as Reduced Data Standard Assessment Procedure (RdSAP) does not provide one. This approach has also been used on other schemes such as the Renewable Heat Incentive and has not caused any eligibility issues of note in those instances.

Question 2

Do you agree that this definition of 'dwelling' should be interpreted through its application in SAP? If so, do you think a property having a SAP assessment or EPC would be sufficient evidence that it meets the 'domestic premises' requirement?

¹⁴ Percentages in this document relating to 'respondents' do not include where stakeholders did not provide a response for a given question. For a comprehensive breakdown of responses for each question, see Appendix 2

Figure 3: Summary of stakeholder feedback to Question 2



Summary of responses

2.5. The majority of respondents (76%) agreed with this approach. Most stated that this should be the sole approach and without any reference to legislation in order to minimise any potential administrative burden – one response emphasised that this would also provide a uniform definition across the whole of Great Britain. Other respondents did not take a clear view or disagreed that the two definitions conflicted.

2.6. Many respondents who agreed with this approach, whether by itself or paired with the legislative definition, took the view that this would help to reduce the paperwork involved in the process and ease any potential issues with EPCs and the domestic premises definition. They also expressed confidence in the ability of Publicly Available Specification (PAS) and certification bodies to ensure the integrity of the process.

2.7. One respondent took the view that Ofgem should be looking to a different definition entirely to define domestic premises (see question 3).

Ofgem response

2.8. We will be interpreting the meaning of 'dwelling' through a property's eligibility for a SAP assessment – if a SAP or RdSAP assessment at the property can be carried out and lodged, either as an EPR lodged with TrustMark or an EPC, it automatically meets the 'premises' test for domestic premises (see Chapter 3 of our Delivery Guidance). Rules around meeting the 'domestic' and 'private' tests can also be found in that section of the

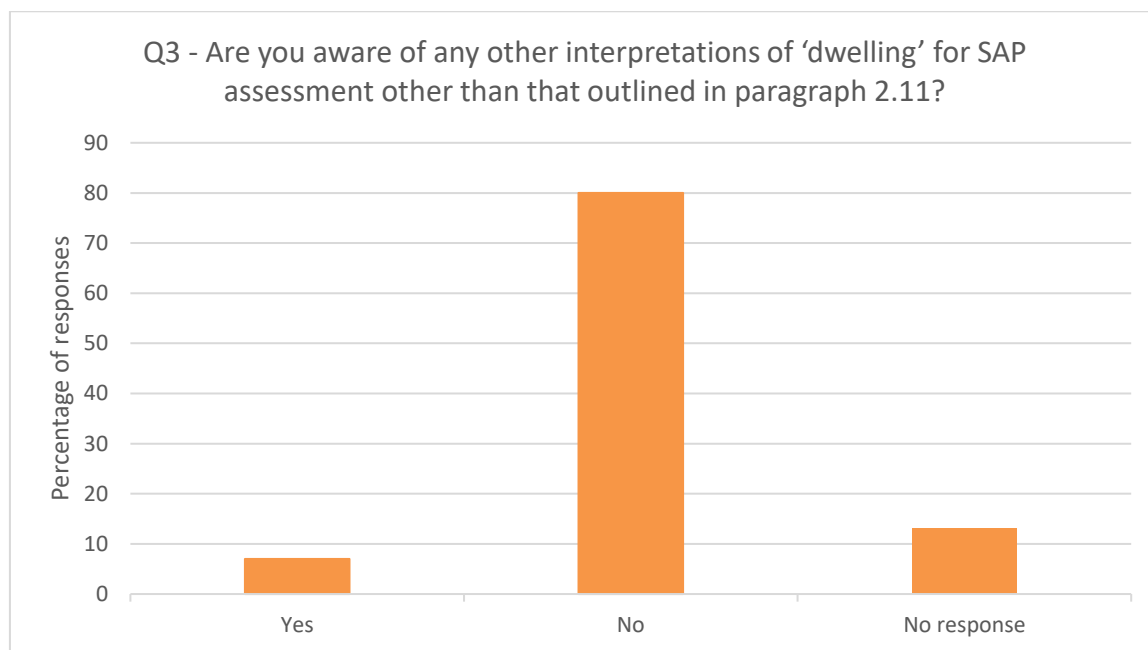
Delivery Guidance – these are the largely unchanged rules from ECO3 concerning occupancy and relevant interest issues. This is also preferred to the approach that only relies on the Energy Performance of Buildings Regulations, as we will be relying on RdSAP assessments in most cases, with EPCs only being needed for non-TrustMark retrofits.

2.9. We are adopting this largely because of the reasons listed by respondents relating to paperwork and duplication. In order to ensure the success of this approach, we are keen to work with industry bodies to develop strong industry oversight practices.

Question 3

Are you aware of any other interpretations of 'dwelling' for SAP assessment other than that outlined in paragraph 2.11? If so please provide as much information on the definition and its implementation.

Figure 4: Summary of stakeholder feedback to Question 3



Summary of responses

2.10. Only one respondent said they were aware of an alternative definition for the definition of 'dwelling' under RdSAP rules, which they said could be found in the DLUHC (Department for Levelling Up, Housing and Communities) guide to EPCs. In this, they define a dwelling as 'a self-contained unit designed to provide living accommodation for a single household'. The stakeholder did not say whether this definition should be used.

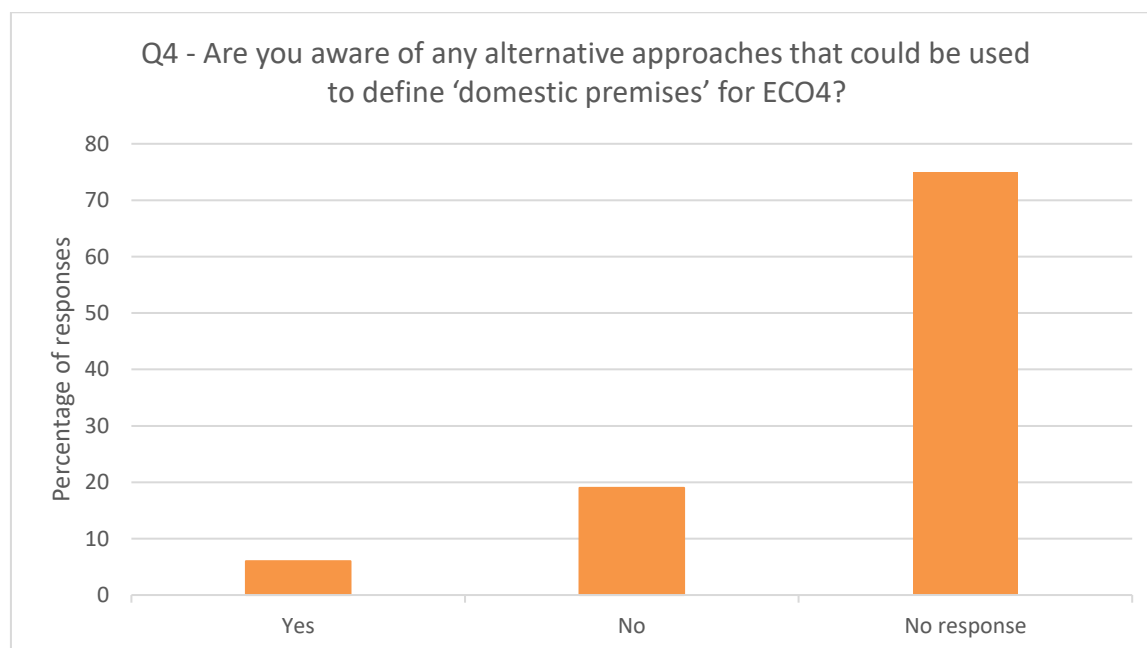
Ofgem response

2.11. We find the DLUHC definition would not solve any potential issues from relying on RdSAP conventions, as the above definition is vague and has no rules surrounding shared kitchens, which opens it up to abuse. It would also cause issues if any aspect conflicted with how SAP defines dwellings in practice given the SAP-based nature of the scheme. We will not be adopting this definition.

Question 4

If you do not agree with either of the approaches outlined above, are you aware of any alternative approaches that could be used to define 'domestic premises' for ECO4?

Figure 5: Summary of stakeholder feedback to Question 4



Summary of responses

2.12. One respondent put forward an alternative definition from the Building (Scotland) Regulations 2004 in order to more accurately capture the domestic nature of a dwelling.

2.13. A "dwelling" means a unit of residential accommodation occupied (whether or not as a sole or main residence) –

- a) by an individual or by individuals living together as a family; or
- b) by not more than six individuals living together as a single household (including a household where care is provided for residents) and includes any surgeries,

consulting rooms, offices or other accommodation, of a floor area not exceeding in the aggregate 50 square metres, forming part of a dwelling and used by an occupant of the dwelling in a professional or business capacity.

2.14. Another respondent said all the proposed and existing definitions for the term 'dwelling' were unsatisfactory and a novel one should have been constructed by BEIS and Ofgem and written into the Order in order to ensure that ECO4 was being targeted to the right households.

Ofgem response

2.15. Whilst we recognise some of the benefits of such an approach, we believe the above definition would lose the benefits of aligning with SAP and would pose additional challenges from taking a Scotland-specific definition to apply across the whole of Great Britain. Additionally, our requirements under the previously mentioned 'domestic' test in the delivery guidance, which largely mirror ECO3 requirements for evidencing tenancy or ownership of a property, help to cover these concerns.

2.16. Putting a new definition into the Order is not within our remit, as the legislation is written by BEIS – we administer the legislative requirements. The concerns regarding alignment with SAP also apply to creating a new definition, especially since there are many other mechanisms, such as income requirements in Help To Heat Group (HTHG) eligibility, which help to target the scheme to fuel poor households.

Question 5

What evidence requirements could be provided to confirm that a property receiving measures under ECO4 is not a second home? Please provide any information on possible evidence routes.

Summary of responses

2.17. The majority of respondents agreed that providing evidence to confirm a property is not a second home creates an additional administration burden for all properties. Responses also highlighted energy suppliers should not be required to prove that a property is or is not a second home.

2.18. Some agreed with the use of council tax liability to determine if a property is a second home. One response outlined that suppliers should not have to verify that a

property receiving measures in ECO4 is not a second home if they have confirmed the property and householder's eligibility based on the information provided by the householder (eg Department for Work and Pensions (DWP) verification, benefits award notice addressed to that property).

2.19. Given that ECO4 is primarily a fuel poverty scheme, they thought that it is highly unlikely that eligible householders would have a second home.

2.20. Many respondents who agreed with this approach, whether by itself or paired with the legislative definition, took the view that this would help to reduce the paperwork involved in the process and expressed confidence in the ability of certification bodies to ensure the integrity of the process.

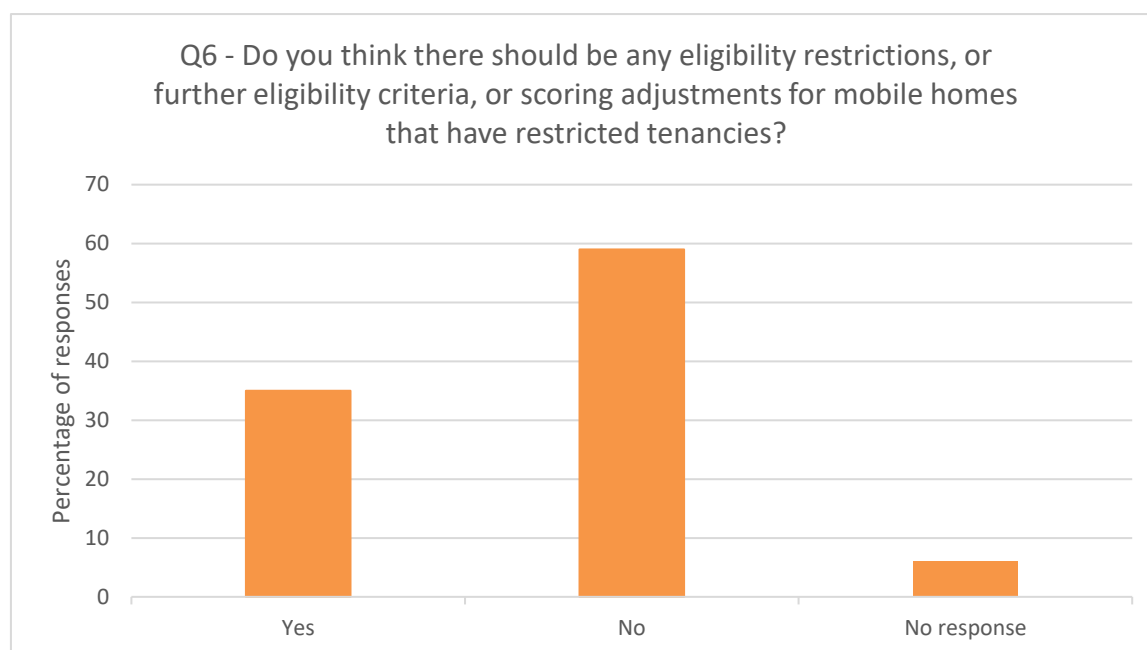
Ofgem response

2.21. We acknowledge the points raised around council tax eligibility. We do not believe council tax eligibility would be a viable route for evidencing primary residence. Empty and second homes are potentially still liable for council tax, even if this is a discounted rate. Business rates would only apply if the property is being let commercially. Additionally, some occupants may be exempt from council tax for reasons which would not make them ineligible for ECO funding. To remove the burden from the suppliers, we believe that a declaration section within the ECO4 Post-Installation Customer and Installer Declaration which is signed by the customer to state that this is their only residence should be deemed to be sufficient.

Question 6

Do you think there should be any eligibility restrictions, or further eligibility criteria, or scoring adjustments for mobile homes that have restricted tenancies (ie the occupant is not able to live in the property all year)?

Figure 6: Summary of stakeholder feedback to Question 6



Summary of responses

2.22. The majority of respondents do not think there should be any eligibility restrictions, further eligibility criteria, or scoring adjustments for mobile homes that have restricted tenancies.

2.23. It was highlighted that there are very few of these properties eligible for ECO4 as the measures they can receive are restricted, therefore additional requirements on these cases would be disproportionate. As a result of this, many respondents are against scoring restrictions due to the extra level of complexity this would entail. Instead, respondents proposed that a declaration of primary residence is obtained from the park home site management company.

2.24. The respondents who think there should be eligibility restrictions, further eligibility criteria, or scoring adjustments, stated that they do not consider mobile homes with restricted tenancies to be eligible for ECO4 as they are not liable for council tax.

2.25. It was requested that we use evidence of liability to pay council tax to confirm whether a mobile home is a permanent domestic residence, and therefore whether it is eligible for ECO4 support.

These respondents also proposed a scoring methodology whereby the months the mobile home can be occupied determines the percentage of funding available. Alternatively, mobile

homes on a holiday home site that has a licence agreement of less than 12 months residency should not be allowed in ECO4.

Ofgem response

2.26. We believe that there should be no further eligibility requirements in line with stakeholder input which stated only a small number of eligible households would fall under this category.

2.27. Similar to our response in question 5, to remove the burden from the suppliers, we believe that a declaration section within the ECO4 Post-Installation Customer and Installer Declaration which is signed by the customer to state that this is their primary residence should be deemed to be sufficient.

Question 7

Apart from council tax bills or official council tax correspondence (eg exemptions or notifications of bills), what other pieces of evidence could be used to provide assurance that the mobile home is chargeable for council tax purposes? Please provide information to support the approach.

Summary of responses

2.28. Many respondents suggested using the Council Tax Valuation Office Agency's (VOA) / One Scotland Gazetteer website, a searchable register of all domestic properties listing the current council tax band. Respondents noted that these are publicly available, place no administrative difficulty on the supply chain and can be double checked to avoid fraudulent address submissions.

2.29. Some respondents suggested that a council tax bill or exemption letter would be sufficient evidence, with one respondent suggesting that proof of payment of council tax should also be deemed to be acceptable, as evidenced through bank statements/screenshots from online accounts.

2.30. Two respondents suggested that a copy of the Written Statement under the Mobile Homes Act 1983 should be applicable evidence.

2.31. One respondent suggested that evidence could be collected from records for the mobile home site. They noted that confirmation of accumulated duration of stay would give

an indication of council tax occupation based on time spent using the property. They also suggested that there be a requirement to evidence the accumulated period in which the property has been occupied.

2.32. One respondent suggested to review a public record of mobile home sites; specifically, the licensing arrangements of the site and the regulations that are in place. The licence states whether the site is fully residential or a holiday site (and some sites may have both types of licence).

2.33. One respondent suggested that a lodged domestic EPC would provide sufficient assurance that the property meets the domestic premises requirement. They also suggested that the council tax eligibility requirement is restricted to park home / mobile homes¹⁵ only, and that the terminology relating to park and mobile homes throughout ECO4 guidance is limited to a single consistent term to avoid confusion.

Ofgem response

2.34. We welcome the feedback from respondents regarding mobile home/park home terminology with regards to park homes and will update the guidance document to reflect this and ensure consistency.

2.35. Ofgem welcomes the suggestions from respondents regarding evidencing park homes. Ofgem appreciates that using the Council Tax Valuation Office Agency's (VOA) / One Scotland Gazetteer website, in order to provide assurance that a mobile home is chargeable for council tax purposes, would reduce administrative burden, and is also verifiable for fraud purposes, therefore we will allow this form of evidencing. Similarly, a council tax bill or exemption letter would be acceptable.

2.36. Proof of payment of council tax as evidenced through bank statements or screenshots from online accounts will not be acceptable as they do not necessarily identify the address. This form of evidencing would likely only identify the property reference number, and without either of the evidencing methods listed above, they cannot be tied to a specific property.

¹⁵ Park homes are classed as mobile homes according to the Mobile Homes Act 1983. A park home is the commonly used term for a mobile home that is located on a protected site.

2.37. A copy of the Written Statement under the Mobile Homes Act 1983 would be acceptable.

2.38. Ofgem is unable to accept mobile home site records or publications of mobile home sites as evidence as these do not provide proof that a property is council tax chargeable.

2.39. A lodged domestic EPC is not an acceptable form of evidence of council tax chargeability, as these are associated with a fraud risk.

3. Administration Part 1: ECO4 Evidence Documentation

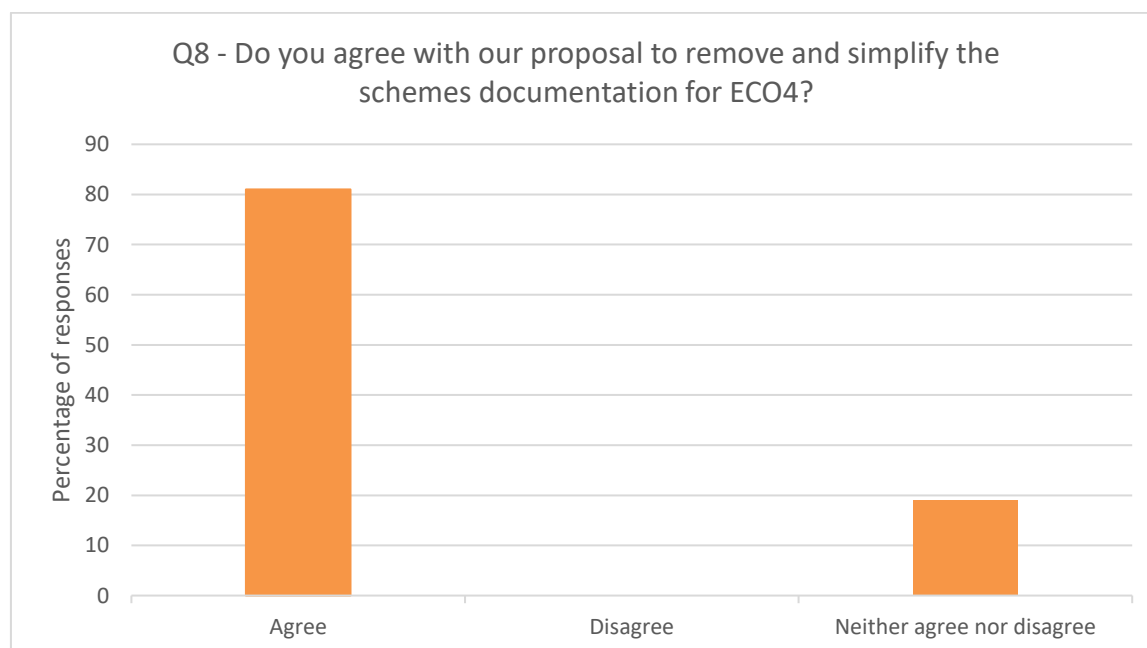
Section summary

This section outlines our proposed administration of ECO4 evidence documentation, including the removal, simplification and retainment of existing documentation for ECO4. This section also discusses the evidence that should be held by Ofgem and any general feedback we have received regarding evidence documents.

Question 8

Do you agree with our proposal to remove and simplify the schemes documentation for ECO4? If so, please provide information on what requirements or sections should be removed.

Figure 7: Summary of stakeholder feedback to Question 8



Summary of responses

3.1. Almost all stakeholders who provided a response on our proposal to remove and simplify the schemes documentation for ECO4 welcomed our proposal. A common point raised on responses was that there should be no duplication of requirements and documentations from the PAS 2035:2019 process.

3.2. A stakeholder suggested that for auditing, legal and compliance purposes each body should have its own thorough documentation which is collected. Another addition to that is

removals should be judged against what allows these processes to take place effectively for each organisation, therefore both Ofgem and TrustMark should have separate documentation. However, if it's a duplication of data issue then that can be seen differently. If the duplication can be removed in a way that means all parties still have access to the data for sharing, there is no issue with removal.

3.3. The same stakeholder commented that Ofgem and TrustMark use the data differently, but for related reasons. If the documentation was collected in one shared space which all government bodies, and schemes associated with Energy could access that would prevent duplication.

3.4. There were several stakeholders who commented that there are many additional documents requested by suppliers such as Asbestos Risk Assessment, Heat Calculation Report etc, which are not Ofgem templates and containing a lot of duplicate information.

Ofgem response

3.5. We note that most respondents agreed with our proposal to remove and simplify the schemes documentation for ECO4. Therefore, our decision is to minimise the documentation and information collected throughout the ECO4 project where possible.

3.6. We appreciate the suggestion from stakeholders regarding separate documentation between Ofgem and TrustMark, however the purpose of each organisation is different. Ofgem work is related to administer the legislation written by BEIS and TrustMark to PAS requirements.

3.7. Our plan is to work closely with TrustMark, suppliers and the supply chain to develop the ECO4 forms. We believe that this will have the desired effect on efficiently delivering the ECO4 scheme.

3.8. For ECO3 we had a quarterly Working Group meeting to discuss areas around ECO documentation and we found that this was beneficial throughout the ECO3 scheme. Based on that we are planning to continue running those meetings during ECO4.

3.9. In ECO3 all documents were owned and belonged to respective Supplier Working Group, or Supply Chain. However, for ECO4, the relevant forms will be owned by Ofgem, and therefore the responsibility of the forms will be with Ofgem, however as mentioned above during ECO4 Working Group meetings there will be opportunity to discuss further changes and improvements. The main document that belongs to Suppliers and the Supply

chain is the Privacy Statement that was developed for and is optionally used by stakeholders.

3.10. In response to stakeholder who commented regarding additional documents, Ofgem plan is to remove and simplify documentation requested during ECO4 scheme. However, additional documents requested from suppliers is something that sits within suppliers' remit.

Question 9

Which of the existing documentation do you believe should be retained for ECO4?

Summary of responses

3.11. Stakeholders who responded to our question suggested some documents should be retained with some amendments to reflect the ECO4 scheme.

3.12. A stakeholder commented that it must be clear from the outset the documentation that is expected to be kept by suppliers – e.g. areas for the yearly audit. If there is a reduction in paperwork, it's important to know what level of responsibility supply chain has and what responsibility Retrofit Coordinators will have. Another point which is raised is that the paperwork requested under ECO should be standardised across suppliers and the completion requirement must be the same for all.

3.13. A stakeholder stated that the responsibility for ensuring compliance with PAS and guarantees sits with TrustMark, and the only documentation that suppliers should be responsible for are those which relate to scoring and eligibility.

Ofgem response

3.14. At the time we published part 1 of our consultation, some details of the split of responsibilities between Ofgem and TrustMark were still in development, and this was touched on in several stakeholders' responses. Further clarity was provided in a letter to ECO stakeholders issued by the BEIS on 31 May 2022, and by the publication of the ECO4 legislation.

3.15. The letter sets out that Government intends to rely on TrustMark and TrustMark-licensed Scheme Providers to protect the integrity of the PAS2035 and other standards and specifications, and that the ECO4 Order was drafted with the above considerations in mind.

Government does not consider it necessary for ECO-obligated suppliers to store and verify RdSAP assessments carried out under the PAS framework and lodged with TrustMark.

3.16. In accordance with this approach, Ofgem will seek where possible to remove elements of scheme documentation where their only purpose was to provide evidence of compliance with PAS2035 and associated standards as oversight of this rests with TrustMark. Remaining documentation will therefore focus on legislative elements such as ECO eligibility and scoring, as requested by stakeholders. Further, we aim to make use of information collected and held by TrustMark where possible, to minimise duplication.

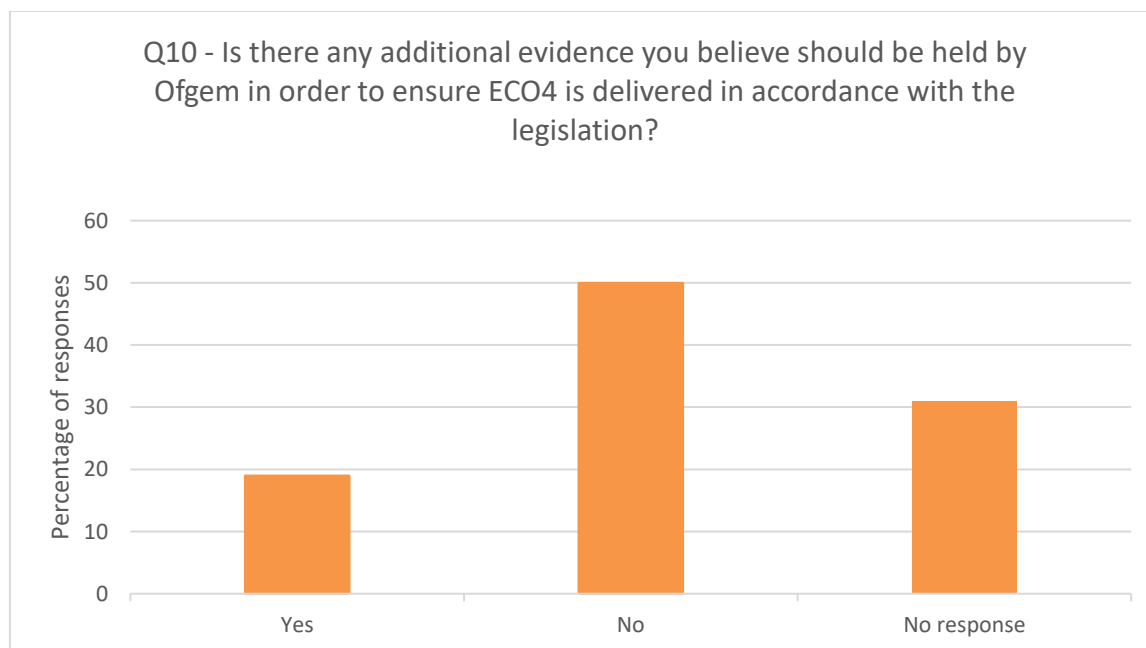
3.17. We acknowledge all responses and as mentioned on Question 8 and we've reviewed ECO4 forms feedback from stakeholders. Upon completion of the process and based on the feedback we received we have made changes to the ECO4 forms accordingly.

3.18. In response to the stakeholder who commented on the level of responsibility, Ofgem work is related to administer the legislation written by BEIS. As mentioned above ECO4 forms will focus on legislative elements such as eligibility and scoring.

Question 10

Is there any additional evidence you believe should be held by Ofgem in order to ensure ECO4 is delivered in accordance with the legislation?

Figure 8: Summary of stakeholder feedback to Question 10



Summary of response

3.19. Of those who responded, the majority disagreed that additional evidence should be held by Ofgem, whereas a few stakeholders who agreed noted that it is impossible to fully answer this question due to the ECO4 Legislation not being in place at the time. There were also a few stakeholders who had neither agreed nor disagreed.

3.20. However, there were a few of respondents with a neutral view on the topic but suggested that Ofgem as the regulator should have access to as much data as possible as this would allow Ofgem to regulate any installations under ECO.

3.21. A stakeholder who also had a neutral view commented that TrustMark's requirements for PAS 2030 and Microgeneration Certification Scheme (MCS) compliance enable a process that ensures appropriate evidence is completed and carried out for measures. So, any additional evidence requirement outside of specific definition under the scheme, e.g. householder evidence and premises evidence, should not be required.

3.22. Two respondents commented that additional documentation will be required for new delivery routes such as supplier flex as well as additional evidence requirements such as sign off from the retrofit coordinator.

Ofgem response

3.23. The majority of respondents agreed that additional evidence shouldn't be held, however this is something we might need to consider further in the following ECO4 Working Group meetings.

3.24. We acknowledge and understand the comments raised regarding the publication of the ECO4 Order and forms. Going forward, we will discuss and seek feedback on the ECO4 forms from the Suppliers and Supply chain in the Working Group.

3.25. We understand that PAS 2030 and MCS requirements enable a process that ensures appropriate evidence is completed and carried out for measures. Our focus is to design and develop simplified forms that gather appropriate evidence for the ECO4 scheme that is not covered by TrustMark's evidence collection.

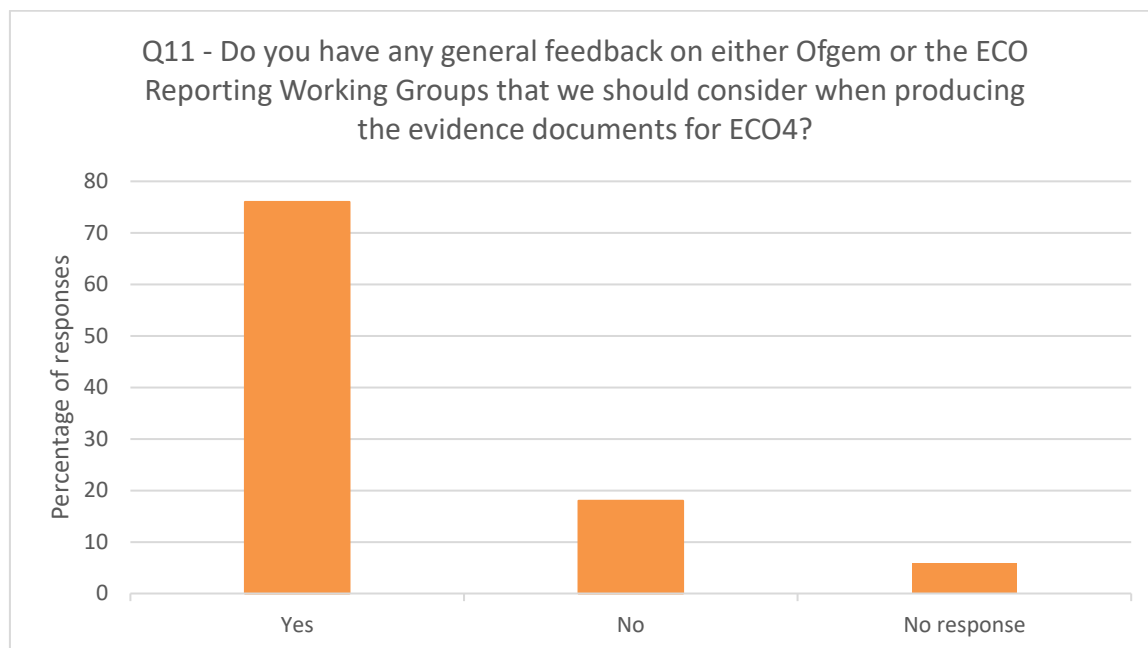
3.26. In response to suppliers who commented that additional documentation will be required for new delivery routes, we welcomed those comments, but we believe the

structure of ECO4 forms is developed in such a way to capture all the important information on an ECO4 Project for the duration of the scheme.

Question 11

Do you have any general feedback on either the Ofgem or ECO Reporting Working Groups that we should consider when producing the evidence documents for ECO4?

Figure 9: Summary of stakeholder feedback to Question 11



Summary response

3.27. One stakeholder stated that there's no need for duplicated information across documents. A respondent stated that we must allow sufficient time for implementation and example formats to help address any supply chain queries on correct completion. A stakeholder noted that any documentation that installers are required to give to TrustMark should not also be required for energy suppliers to hold on to.

3.28. One respondent stated that the ECO Reporting Working Group has been highly effective at providing commonality of documentation, and this should continue for any element of evidence that needs to be retained by suppliers. The Working Group can potentially also provide a feedback loop to TrustMark should issues with documentation not held by the supplier be raised by the supply chain. A stakeholder suggested that for auditing, legal and compliance purposes each body should have its own thorough

documentation which is collected. Another addition to that is removal of ECO3 documentations should be judged against what allows these processes to take place effectively for each organisation, therefore both Ofgem and TrustMark should have separate documentation.

Ofgem response

3.29. We acknowledge the valuable input the ECO Reporting Working Group provided in the last scheme and confirm we are retaining it for ECO4. In addition, TrustMark are a key part of the group and will be involved in discussions going forward.

3.30. As highlighted by a stakeholder, we have sought to create ECO4 documents that remove any unnecessary duplicate information.

3.31. The ECO Reporting Working Group will review and provide feedback to develop the forms.

4. Administration Part 1: General Questions

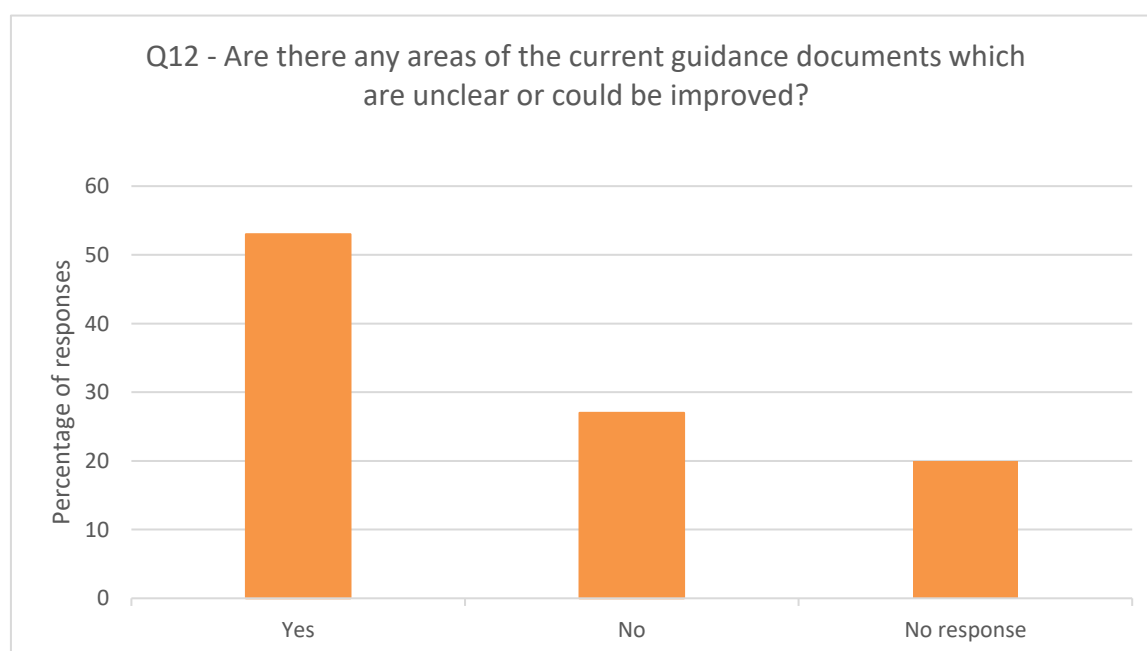
Section summary

This section focused on the scheme guidance in general, including its clarity, whether any documents could be consolidated or improved, and if any further guidance would be helpful. It also sought wider feedback on Ofgem’s overall administrative approach.

Question 12

Are there any areas of the current guidance documents which are unclear or could be improved?

Figure 10: Summary of stakeholder feedback to Question 12



Summary of responses

4.1. The majority of respondents (53%) agreed there were areas of the guidance documents which required further clarity or could be improved, compared to 27% who disagreed.

4.2. One said they would like to see less ambiguity on rule setting within the guidance, and a notable reduction in caveats to ease administration. Aligning document naming conventions with BEIS, would also be welcomed.

4.3. The guidance format was described by some as 'large' and 'difficult to navigate'. In contrast, another respondent said the split, between Administration and Delivery, was useful for the supply chain.

4.4. Several welcomed removing the duplication of TrustMark's Framework. However, there were calls for clearer sub-divisions and contents listing; including diagrams, tables and graphics. One respondent commented that guidance typically uses "happy path" examples, rather than problematic scenarios.

4.5. More clarity was requested on 'room in roof' cases; evidencing removal of a heating source; evidencing First Time Central Heating (FTCH) insulation pre-conditions; cross-supplier duplicates; evidence of agreement between suppliers; resolving residual addresses; and further guidance on completion of paperwork.

4.6. Where guidance errors were highlighted, respondents asked that these be amended and republished as soon as possible. Ofgem was also asked to consider when it was practical for guidance changes to be implemented. A live FAQ guide - updated as soon as any new information was published, or issues were resolved - would be welcomed.

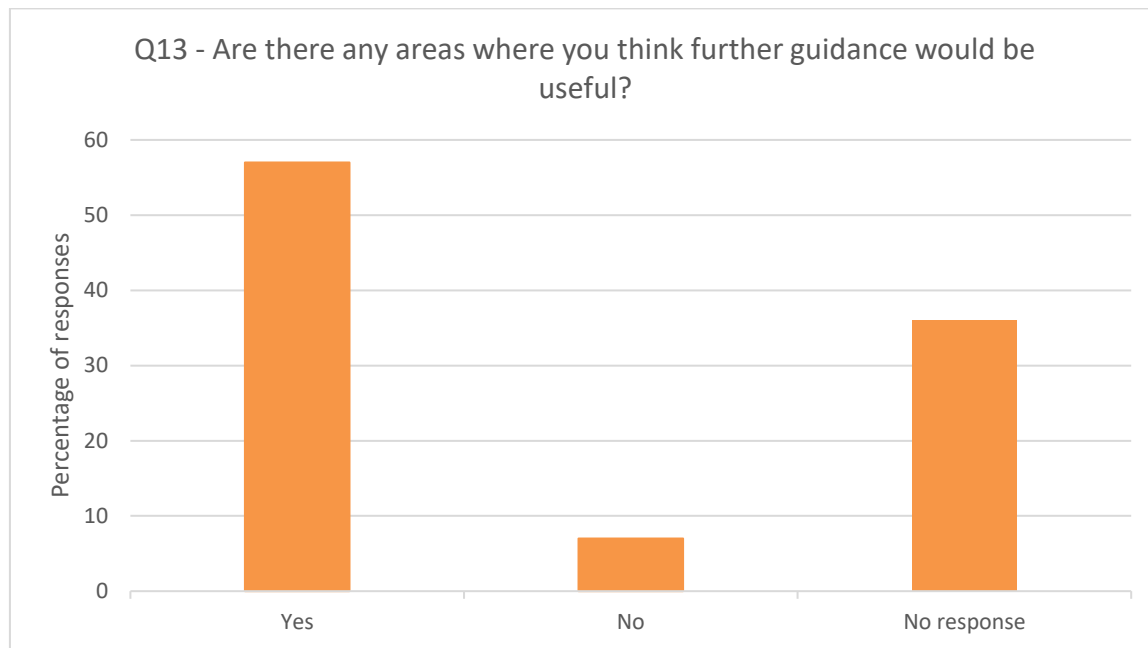
Ofgem response

4.7. We always strive to ensure all guidance is as contemporaneous as possible. We will seek to improve the frequency of policy updates when issuing key or urgent changes, whether that is through a full publication or in a newsletter outlining the clarifications. Minor updates will be incorporated as soon as possible via general guidance amendments. This is an ongoing process throughout the scheme and we welcome continued feedback where there is unclear guidance.

Question 13

Are there any areas where you think further guidance would be useful?

Figure 11: Summary of stakeholder feedback to Question 13



Summary of responses

4.8. Although some respondents said it was difficult to answer this question comprehensively at this stage, the majority (57%) felt there were some areas where further guidance would be useful, compared to 7% who disagreed.

4.9. One called for clear requirements around evidencing eligibility and EPC banding, as well as accepted practice and evidence for calculating floor areas. Another said they would support the inclusion of a simple table detailing eligibility, measures, and any pre-installation requirements. There should also be clear delineation between the responsibilities of suppliers and of TrustMark in the guidance documentation.

4.10. Other feedback suggested further definition as to what constitutes a park home or mobile home would be useful, including construction types. Terminology relating to park and mobile should be consistent to avoid confusion.

4.11. Other useful guidance would be further information on scoring in advance of the scheme. One respondent suggested an approved 'best practice' guide for each measure be released before installations were allowed.

Ofgem response

4.12. In terms of tables detailing ECO requirements, the ECO4 Delivery Guidance will include tables laying out rules regarding tenure eligibility, measure eligibility, and on-gas and off-gas requirements. A separate measures table has also been released that summarises much of this information.

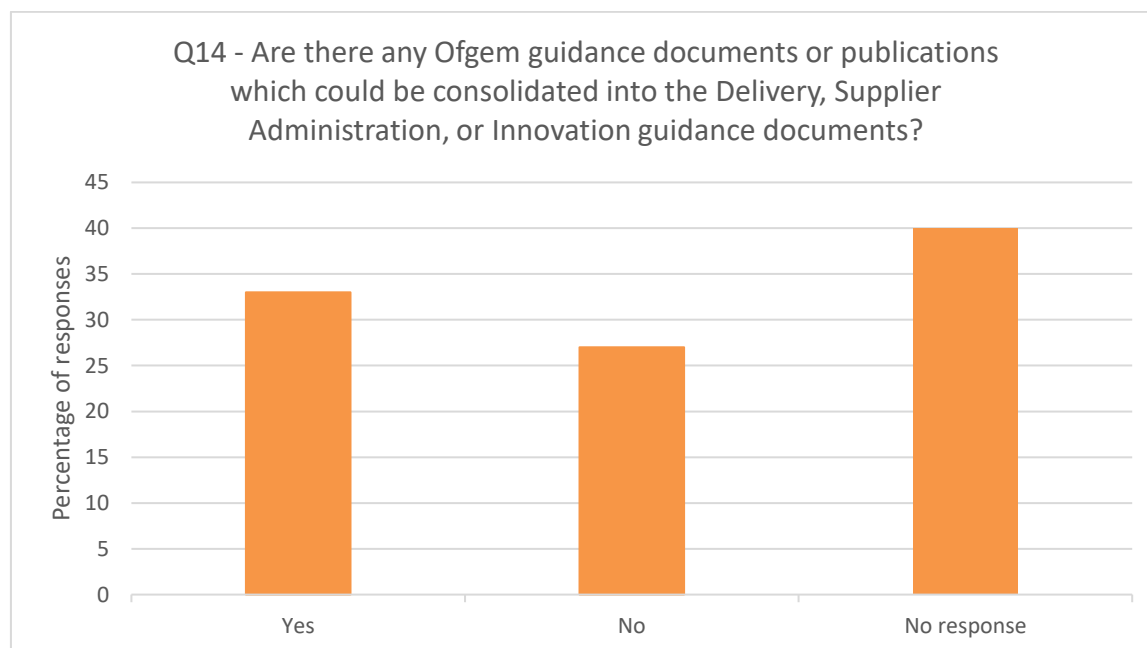
4.13. As will be detailed in the Delivery Guidance, the internal total floor area must be used. RdSAP allows assessors to enter external dimensions, and the software automatically makes allowances for wall thicknesses in calculating the internal total floor area. Floor area should therefore always be taken from the SAP/RdSAP assessment output, rather than manually calculated using input dimensions. The Supplier Administrative Guidance details the aspects of the scheme that suppliers are responsible for.

As for best practice guides, we broadly agree that best practice guides for individual measures are of benefit however we are not best placed to develop these and instead rely on PAS as set out in the legislation. BEIS have released best practice guides on certain measures such as [Internal Wall Insulation](#) (IWI) and will soon be releasing a best practice guide on Park Home Insulation. In cases where such best practice guides exist, they must be followed as per TrustMark requirements.

Question 14

Are there any Ofgem guidance documents or publications which could be consolidated into the Delivery, Supplier Administration, or Innovation guidance documents?

Figure 12: Summary of stakeholder feedback to Question 14



Summary of responses

4.14. There was a relatively narrow gap between respondents who would like to see change in this area - 33% were in favour of consolidation, compared to 27% who favoured keeping the same structure of documentation as was present under ECO3.

4.15. Several did not consider adjustment or integration of documents a crucial factor at this stage, apart from guidance updates. One respondent, however, called for a 'master' ECO4 document, incorporating all guidance, with a version-controlled library / archive accessible to industry stakeholders.

4.16. Another agreed that, provided any contents section was clear, all guidance and associated information could be consolidated, with weblinks used for anything deemed extraneous. A log recording all changes to a master guidance document could be updated as and when changes occurred. That log could be included as a last appendix in the guidance itself, as well as on the Ofgem webpage.

4.17. On the same theme, one stakeholder said that often when issues were resolved and further clarification supplied, this information can currently sit in different places, (such as a newsletter or a technical update) or it can be difficult to access. If all this information were contained in the guidance it would allow consistency of delivery to the same standard.

4.18. One stakeholder suggested that the amount of documents held by suppliers should be reduced, and that all Working Group templates could be consolidated into an appendix.

4.19. It was suggested by a further stakeholder that any learnings gained from interim guidance produced during the COVID pandemic should also be utilised for the long term. For example, where it is acceptable not to obtain wet signatures.

Ofgem response

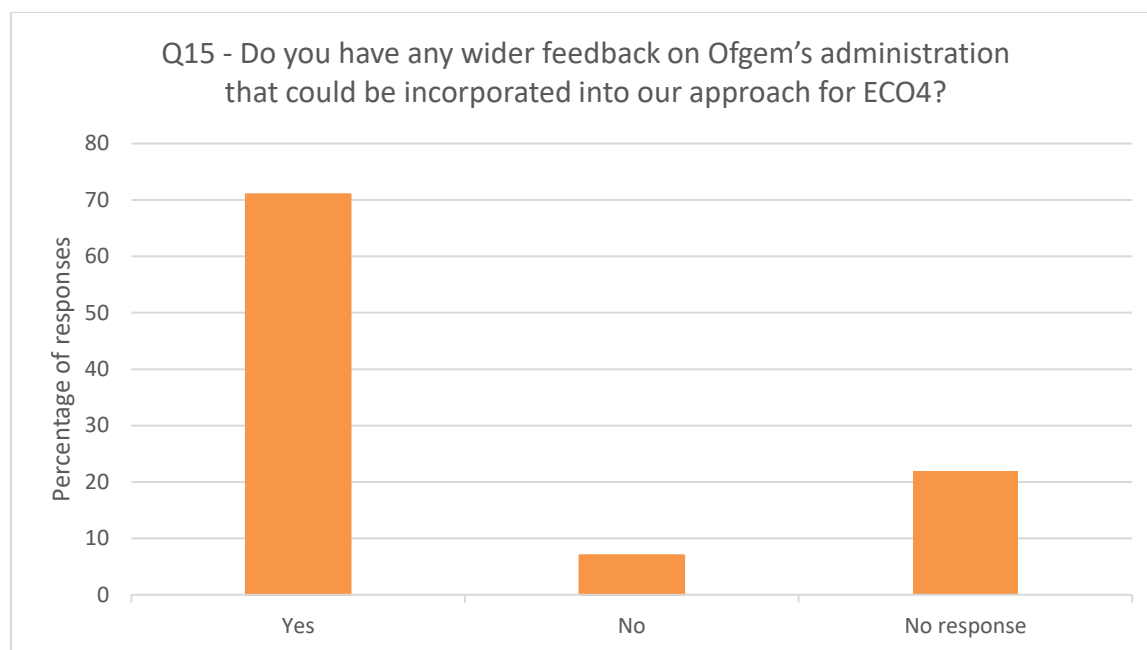
4.20. The majority of the Working Group publications will be consolidated into the Pre Installation Heating Checklist, the Pre Installation Project Survey, and the Post Installation Customer and Installer Declaration and focus solely on legislative requirements. This will help to reduce the amount of paperwork held by installers and reflects the greater responsibility held by TrustMark for the oversight of PAS.

4.21. We will not be consolidating these documents further given the fundamentally different functions they serve, as combining them might make them more difficult to use and lead to confusion on the purpose of each document. Given this, we also do not see the purpose of creating a 'master document'. We do however understand complaints about ease-of-use for the website and will be looking to make scheme documentation more easily accessible in the future.

Question 15

Do you have any wider feedback on Ofgem’s administration that could be incorporated into our approach for ECO4?

Figure 13: Summary of stakeholder feedback to Question 15



Summary of responses

4.22. The majority of respondents (71%) provided feedback on Ofgem’s administration that could be incorporated into our approach for ECO4 and the remaining did not have any feedback to provide.

4.23. Four stakeholders asked for quicker responses to ECO queries and requested for clear timelines and one stakeholder suggested a service level agreement on timescales for Ofgem to respond to queries.

4.24. A stakeholder asked for sufficient implementation time to be provided once the consultation decision document is published.

4.25. A number of stakeholders have asked for regular guidance updates instead of larger changes which may happen later in the year. Further to that, respondents also requested that Ofgem should provide lead times for any rule changes and that plenty of time should be provided in order to reach and manage the changes.

4.26. One respondent requested that a measure table is created for ECO4, similar to ECO3.

4.27. A respondent highlighted that the instability of the ECO Register has caused issues and that IT releases have failed to fix the original issues. This has impacted the stakeholder's ability to process measures and has had an effect on the internal reporting accuracy. They recommend that Ofgem should improve the testing regime prior to releasing an IT fix.

4.28. A few stakeholders suggested improving the sharing of data between government schemes. A respondent has outlined that managing agents have lost a number of measures due to the measure being identified as a duplicate. One stakeholder suggested that the data collected for BEIS monthly reporting should be used in a similar way to Energy Saving Trust (EST) data matching services. They suggested a small fee can be implemented to check if the measure is part of a duplicate if a register is built to store and check such information. One respondent suggested that a duplicate process should be developed by TrustMark.

4.29. A few respondents suggested that wider communication and transparency of non-conformances raised under TrustMark Quality Assurance processes is required and timely real time inspection results should be shared with stakeholders.

4.30. A stakeholder pointed out that it would be beneficial for current internal processes to be integrated on the ECO Register, e.g. rejection, duplicates. This approach has been adopted with residuals.

4.31. One stakeholder suggested that a scoring tool should be created in order to calculate and understand the scoring method which should incorporate partial scores as well as whole house scores.

4.32. There was a suggestion that the technical monitoring should be reverted back to Ofgem as inspections are being delayed which is causing access issues with the consumers. The stakeholder has outlined that there is no control to view, manage risk or drive quality install and able to communicate on failures with the new system.

Ofgem response

4.33. Currently our key performance indicator (KPI) is 10 working days to respond to queries, however some queries we receive will require input from several internal/external

teams and this may cause delays in stakeholders receiving response within KPIs. We do see a high influx of queries specifically at the start of a new ECO scheme and the team will continue to prioritise the queries being sent. As part of the process, we will ensure a holding email is sent which will provide an update to the sender.

4.34. We will continue to work with stakeholders to ensure that sufficient implementation time is provided once our consultation decision document is published. We will aim to use several methods of communication in advance such as the monthly newsletter, supplier bilateral, BEIS' quarterly supplier meetings with obligated suppliers and formal emails to obligated suppliers. If the implementation is driven by the legislation, then we will require the supply chain to deliver those changes as per the ECO4 Order.

4.35. In ECO3 we were consolidating every minor amendment to publish collectively, but we recognise that there is benefit to greater frequency of publications. However, going forward we will aim to minimise the time it takes for us to publish the guidance documents. We will also ensure that any rule changes that impact the supply chain have enough time to adapt to the changes.

4.36. We are currently working on creating a measure table for ECO4 which will be published separately.

4.37. For ECO4 we have worked on performance fixes that we had in ECO3 and have also updated our infrastructure to improve the stability of the ECO Register.

4.38. We have been having ongoing conversations internally and with relevant stakeholders on how we manage duplicates. We are exploring options to automate the duplicate process, however in the short term the process will remain the same.

4.39. We are generally keen to see as much automation as possible in integrating some of the internal processes to the ECO4 register, however the legislative changes are the immediate priority.

4.40. We don't think a separate scoring tool is required as we are building more detail into the Register on how scores are calculated so that it is clear how scores will be applied.

4.41. Bringing technical monitoring under the remit of TrustMark was a BEIS policy decision. Feedback on this should be directed to BEIS.

5. Administration Part 2: Carry-over and ECO4 Early Delivery

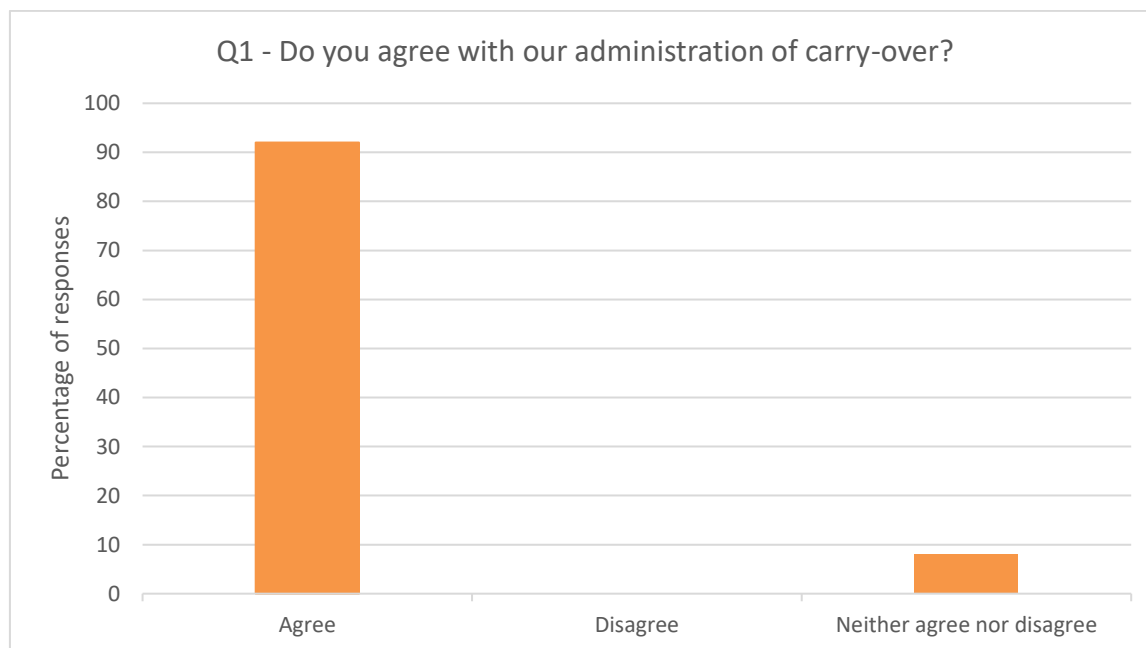
Section summary

This section outlines our proposed administration of the transfer of measures from ECO3 to ECO4 'carry-over' and the delivery of measures during a gap between schemes 'early delivery'.

Question 1

Do you agree with our administration of carry-over? If you disagree, please provide alternative suggestions, including any evidence, to support your response?

Figure 14: Summary of stakeholder feedback to Question 1



Summary of responses

5.1. The majority of respondents (92%) agreed with our proposed approach to carry-over and agreed with the approach that Ofgem used for ECO3 surplus action. As part of the proposal a stakeholder suggested an opportunity to comment on draft carry over template before it is finalised and shared with suppliers.

5.2. A stakeholder highlighted that further clarity is required on boiler carry-over and whether primary measure alone can be carried over without the secondary measures. One stakeholder requested further clarification on whether ECO3 LA Flex over delivery can count towards ECO4 LA Flex cap. Stakeholder also wants further clarification on how ECO3 interim delivery period rules differ to ECO3 Rules.

5.3. One stakeholder suggested that supplier could collect the removed boilers Product Characteristics Database (PCDB) ID to check if the boiler is non-condensing and suggested this could be spot-checked by Ofgem.

Ofgem response

5.4. We will administer surplus actions for ECO4 in a similar manner to how we administered surplus actions for ECO3. Where a supplier has achieved savings that exceed its ECO3 obligations it can apply to credit these excess measures or 'surplus actions' towards its ECO4 obligations, providing the necessary criteria are met.

5.5. An ECO4 surplus action is a measure that:

- Is an ECO3 qualifying action which was promoted by the supplier applying for the surplus action
- Is not required by the supplier to meeting its obligation under ECO3 Order
- The ECO3 qualifying action is not:
 - A repair
 - A demonstration action
 - installation of equipment for the generation of heat from biofuel, oil or liquid petroleum gas (LPG)
 - installation of a connection to District Heating Connection (DHC) that delivers heat generated from biofuels, oil or LPG
- For ease of reference. These are referred to as "excluded measures" below.

5.6. A measure is not required by a supplier to meet its ECO3 obligation where:

- the supplier has achieved the obligation against which the measure is credited; and
- the measure was not counted towards achievement of the obligation.

5.7. Suppliers will only be able to apply for surplus actions once we have made our final determination for ECO3, which will be done by no later than 30 September 2022. Following this, suppliers must apply to credit a surplus action towards the ECO4 obligation no later than 30 June 2023.

5.8. Where a measure installed under ECO3 exceeds one of the caps set out in the ECO3 Order (such as the 25% cap on LA Flex measures) it can be carried-over to ECO4.

5.9. ECO3 can have measures that are divided into 'primary insulation measures' and 'secondary heating measures. There are three scenarios for consideration when both the primary and secondary measure have been notified in ECO3:

- Both primary and secondary measures are carried-over. This scenario is valid as long as all other ECO3 rules are adhered to and the measures are not excluded measures.
- The secondary measure is carried-over, leaving the primary in ECO3 Valid. This scenario is valid as long as all other ECO3 rules are adhered to and the measures are not excluded measures.
- The primary measure is carried over. This scenario remains valid due to the sequencing of events. The primary and secondary measure are together and meet the definition of qualifying action in ECO3 at the time of final determination. Although the secondary remains in ECO3, it has already satisfied the appropriate requirements, so as long as the primary measure subsequently meets all of the ECO4 rules then this scenario is valid.

5.10. In order to apply to carry-over measures, suppliers should notify us using the ECO4 surplus actions notification template detailing the relevant measures. Before we share the final template with suppliers for final determination, we will give suppliers an opportunity to comment on the draft template. We encourage suppliers to send us the completed templates in advance to allow us to review them ahead of formal notification. We can then provide feedback ahead of the statutory deadline. We will communicate a timeline for an informal review of ECO4 surplus actions separately.

5.11. We will approve applications to credit a surplus action against an ECO4 obligation if we are satisfied that the measure is a surplus action as defined in paragraph 5.5.

5.12. Details of all surplus actions credited against suppliers' ECO4 obligations will be included in our public reports.

6. Administration Part 2: Obligation targeting

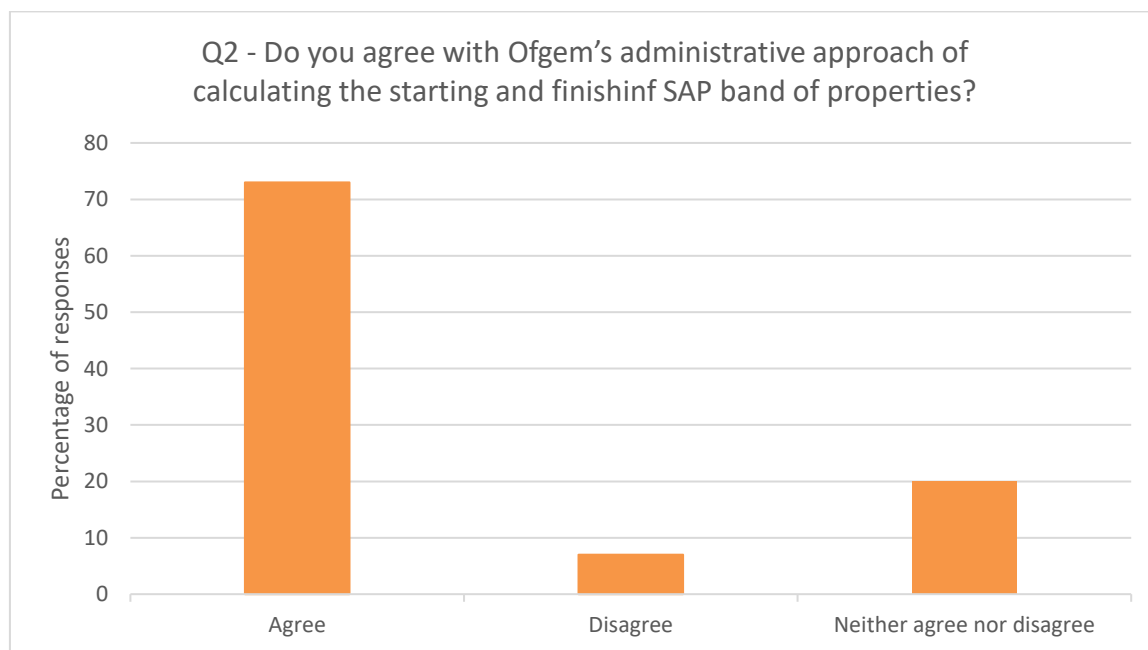
Section summary

This section outlines our proposed administration of calculating the starting and finishing SAP band of properties.

Question 2

Do you agree with Ofgem’s administrative approach of calculating the starting and finishing SAP band of properties?

Figure 15: Summary of stakeholder feedback to Question 2



Summary of responses

6.1. Most respondents who agreed with our proposed approach did not give reasons for their views, however two welcomed the proposal to make use of formally lodged assessments.

6.2. One respondent disagreed and proposed that EPCs are used throughout instead of RdSAP assessments lodged with TrustMark under the PAS 2035 framework. The respondent stated that EPC system offers greater controls and quality assurance and would provide better protection against fraud.

6.3. Many of the respondents who agreed with our proposal overall provided comments on specific aspects.

6.4. One respondent raised concerns that the restriction on installing non-ECO measures in between the pre and post-project assessments is not consistent with building regulations in specific scenarios. They suggested that when installing a heat pump, a hot water cylinder with thermostat must also be installed if not already present, and these are not ECO measures.

6.5. One noted that in ECO4 scores will not be notified to Ofgem and instead will be calculated by Ofgem in the Register. They are concerned that this may make it difficult for energy companies to pay installers correctly and track progress towards achieving their obligation. The same respondent was concerned that energy suppliers may not be able to access EPC input data, and also suggested there may be problems with data comparison if pre and post-project assessments are lodged on different registers. Other respondents questioned whether TrustMark will validate RdSAP assessments prior to a final project score (FPS) EPC, and how scoring will be affected for projects which are in progress when the update to RdSAP 10 occurs.

6.6. Two respondents were concerned that FPS will not be awarded where homes are improved to a SAP band A. Another requested clear and swift SLAs when assessing whether a project meets the minimum requirement (MR), in order to support prompt payment of installers by suppliers.

6.7. One respondent suggested Ofgem clarify that RdSAP assessments lodged with TrustMark cannot also be lodged as EPCs, due to restrictions in the Energy Performance of Buildings regulations on the use of EPC data. They also suggested it is clarified that post-project RdSAP assessments must be carried out by a Retrofit Assessor, and can be carried out using evidence from the Retrofit Coordinator on the measures installed without requiring a second site visit.

Ofgem response

6.8. Ofgem will implement the approach to administering the start and finish SAP ratings of properties set out in the consultation document.

6.9. Whilst one respondent argued for the use of lodged EPCs throughout, the decision to use RdSAP assessments lodged with TrustMark for projects carried out under PAS 2035 was

set out in the government response to their ECO4 consultation. Differences in controls and quality assurance were considered as part of this decision.

6.10. We can confirm that for projects which fall under the PAS 2035 framework, pre and post-project RdSAP assessments must be carried out by Retrofit Assessors. The post-project RdSAP assessment can be completed without a second site visit based on the measures installed and evidence supplied by the Retrofit Coordinator. As noted, if it is intended to also provide the homeowner with a lodged EPC, a separate set of data must be collected, due to restrictions in the Energy Performance of Buildings regulations around the use of EPC data.

6.11. Pre- and post-project assessments will always be on the same register. Projects consisting of a district heating connection (DHC) only (other than DHC that use a shared ground loop) or a DHC and one or more data light measures must have full SAP assessments lodged as EPCs; all other projects must have RdSAP assessments lodged with TrustMark.

6.12. The restriction on the installation of non-ECO measures during a project is a requirement of the ECO4 legislation. However, the partial project scores for boiler installations assumes the new heating system supplies the hot water. Required upgrades to domestic hot water equipment is therefore considered part of the measure and will not be prevented. Indeed, as chapter 6 of the ECO4 Delivery Guidance v1.0 sets out, where a boiler measure does not supply hot water, the percentage of property treated (POPT) must be reduced.

6.13. As noted by a respondent, the scores awarded to measures and projects in ECO4 are calculated in the ECO4 Register. The calculated scores will be visible to energy suppliers via the Register, to enable tracking of progress.

6.14. We note there is some confusion around the FPS awarded where a home is improved to band A. Whilst such projects will receive an FPS, legislation requires that this is the same FPS as if they had been improved to a band B.¹⁶

¹⁶ Article 54 (3) of the ECO4 Order.

7. Administration Part 2: Household eligibility

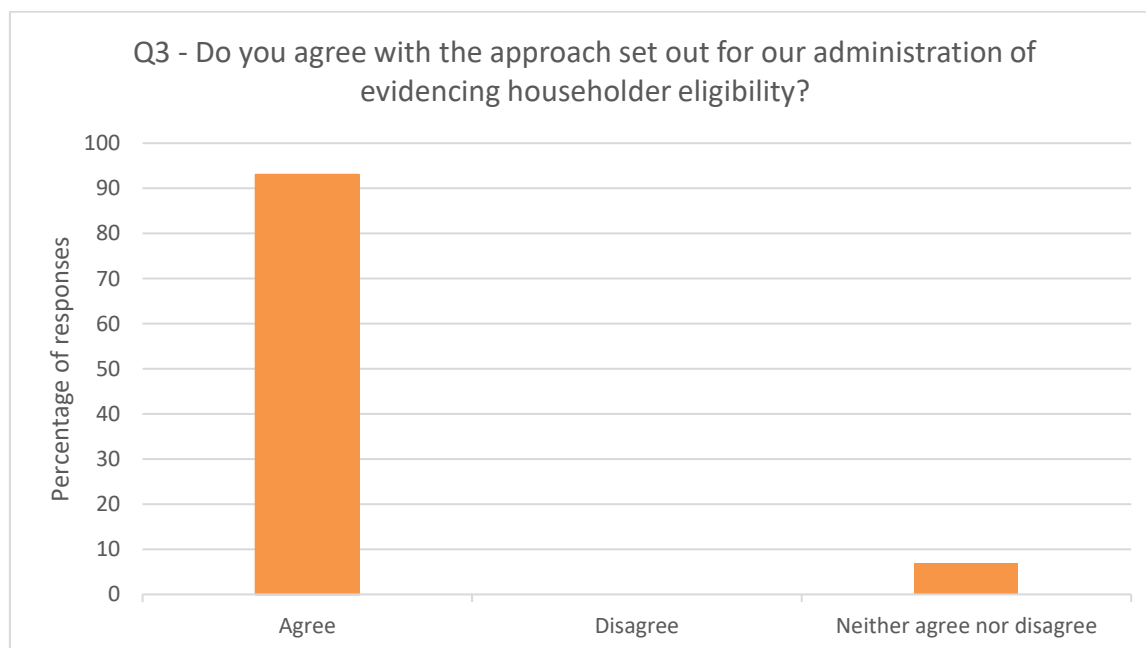
Section summary

This section outlines our proposed administration of evidencing householder eligibility. This section also discusses our proposed administration of domestic premises through SAP assessments and EPC ratings, PRS, new Social Housing rules and in-fill.

Question 3

Do you agree with the approach set out for our administration of evidencing householder eligibility? If you disagree, please provide alternative suggestions, including any evidence, to support your response.

Figure 16: Summary of stakeholder feedback to Question 3



Summary of responses

7.1. The majority of respondents agreed (93%) with our proposed approach to the administration of evidencing householder eligibility, citing that it is a similar one to previous ECO schemes and will require minimal administrative change and system development. None disagreed; however, many respondents gave responses with detailed alternative suggestions citing UK general data protection regulation (UK-GDPR) risks associated with evidencing.

7.2. Several respondents required clarity regarding the validity period for DWP eligibility, citing that the rule in paragraph 5.11, stating “is dated no more than 12 months from the start of a project” is ambiguous. One of these respondents suggested that Ofgem apply this rule either side of a project, suggesting that installers are given the functionality to see whether a DWP match is “full” or “partial” at point of upload to relieve administrative burden. Some respondents also said that if 12 months post-project is not feasible, then at least 3 months would be welcome.

7.3. Several respondents that agreed with our proposal cited that eligibility evidence gathering is in some instances being linked to fraudulent activity.

7.4. One respondent noted that where suppliers ask for documentation, in order to ensure that householders trust the approach (owing to the frequency of scams, and the low trust consumers have in suppliers to give them impartial advice), this could be done through the Local Authority contacting the householder before the supplier asks for their documents.

7.5. One respondent had concerns that some households may not be able to afford an EPC certificate if they are required to provide one as the average cost of £60 will be unaffordable to many, within the context of the recent energy price rises.

7.6. Several respondents mentioned that reducing instances where evidence is duplicated, or where more than one participant is required to hold evidence verifying the same measure or eligibility would help to reduce administrative burden and therefore costs in ECO4.

Ofgem response

7.7. Ofgem welcomes the responses given by respondents who provided suggestions for evidencing householder eligibility.

7.8. The guidance and any associated documents containing “is dated no more than 12 months from the start of a project” refers to 12 months *prior* to the start of a project. This will be updated to remove any ambiguity. However, it will not be possible for this to be applied 3 months post-project start date as this contravenes the household eligibility requirement that is set out in legislation. This states that the premises are occupied by a member of the help to heat group at any time within the 12-month period ending with the day on which the measure is completed.

7.9. Regarding giving installers the functionality to see whether a DWP match is “full” or “partial” at point of upload, this is not possible. This is because the referral must undergo additional processing before a result is returned.

7.10. Ofgem notes the importance of consumer trust as well as mitigating any fraudulent activity associated with eligibility evidence gathering. We have therefore proposed the provision of a webpage that householders can refer to that lists the eligibility criteria along with the evidencing requirement. This will offer householders increased confidence of what is being asked of them.

7.11. Most ECO4 projects will require an RdSAP assessment of the property and therefore there would be no requirement for householders to purchase EPC certification themselves. District heating connection-only projects or district heating connections with data light measures would, however, require EPCs (other than DHC that use a shared ground loop). In either case there will be costs involved, however the requirement is not on households to provide these. The requirement is on suppliers to deliver projects which include these elements, and Ofgem do not expect households to have to pay for them.

7.12. Ofgem appreciates that it is conducive to reduce instances of evidence duplication, or where more than one participant is required to hold evidence. The ECO4 documentation and forms have been developed with this goal in mind, and we have sought ensure that duplicate information need not be held by multiple parties.

Question 4

Do you have any suggestions of alternative documentation that could be used by suppliers to evidence HTHG membership, other than DWP data matching?

Summary of responses

7.13. The majority of responses had no suggestions of alternative suggestions to DWP matching for the purpose of evidencing HTHG membership.

7.14. One respondent highlighted that while it has been widely agreed to request pay slips, P45's and bank statements to evidence child benefit awards and thresholds, it must be ensured that industry remain compliant with UK-GDPR and the data protection act (DPA).

7.15. One respondent noted that that they would like the DWP data matching service to be used wherever possible as this prevents suppliers / their agents having to collect sensitive benefit, health or income related data from householders and prevents any requirement to retain this sensitive information within their Work Management Systems.

7.16. Two respondents mentioned that, in the case of data matching not being possible, they would be happy to accept bank statements as these can be produced quickly. One respondent noted that this would be valuable in situations where the waiting for copies of letters to be produced has delayed the installation.

7.17. One respondent noted that for income thresholds on child benefit, they would not wish to hold data that would be a conflict with UK-GDPR. They suggested auditing on face value when auditing bank statements and P45s so that they are not responsible for any further due diligence.

Ofgem response

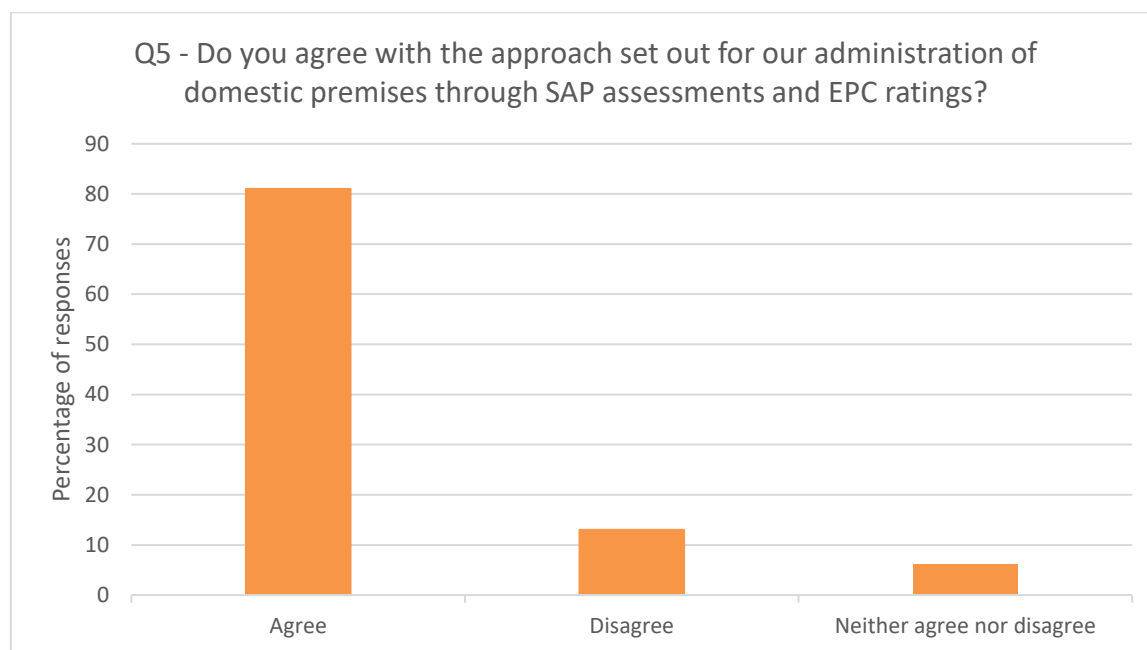
7.1. Ofgem welcomes the feedback from respondents regarding evidencing HTHG eligibility. Regarding evidencing receipt of Child Benefit, the customer will need evidence that the household is both in receipt of child benefit **and** meets the income threshold based on the household's composition. The use of customer self-declarations to prove the income threshold is not sufficient by itself, so alternative evidence such as pay-slips and bank statements will be required. Ofgem recognise the importance of adhering to UK-GDPR rules, which state that data processing must have a defined purpose. In this case, the income, name, and address would need to be visible on evidence such as pay-slips and bank statements, however other data (such as account details and transaction history) can be redacted. Please refer to the Data Protection Act 2018 for more information.

7.2. Ofgem recognise that the DWP data-matching service has proved useful under previous ECO schemes. We acknowledge that this is a preferential route for the reasons laid out by respondents, notably that this method is blinded to data.

Question 5

Do you agree with the approach set out for our administration of domestic premises through SAP assessments and EPC ratings? If you disagree, please provide alternative suggestions, including any evidence, to support your response.

Figure 17: Summary of stakeholder feedback to Question 5



Summary of responses

7.3. The majority of respondents agreed with our proposal for evidencing domestic premises, asserting that they are recognised industry standards. However, there were several responses that expressed discontent with the use of SAP and EPC assessments for scoring, for example with regard to heat pump installations, renewable electricity measures and in assessing older, larger properties. One such respondent suggested that Ofgem provide indication of when the RdSAP will be updated, urging Ofgem to urgently review the scoring mechanism.

7.4. Two respondents proposed that it is the responsibility of the relevant accreditation schemes, PAS or TrustMark for ensuring the property is a domestic dwelling. One respondent noted that suppliers must be able to rely on the EPC or SAP assessment as evidence of domestic premises eligibility when submitting measures and this should remain the case for the duration of the entire scheme. This respondent requested clarity on who will be validating this information (other than the existing accreditation schemes).

7.5. Additionally, one respondent requested clarity on eligibility of care homes in ECO4, and whether these will remain ineligible as in ECO3.

7.6. One respondent, while agreeing, suggested that although technically it should be RdSAP as that is used for a Retrofit Assessment, generally Retrofit Assessors are not SAP assessors. They noted that whilst it's widely acknowledged that there are discrepancies in the EPC data which makes this less than ideal, this is the only viable option.

7.7. One respondent who welcomed the use of SAP assessments for determination of eligibility noted that this should be EPC and not EPR.

Ofgem response

7.8. Ofgem welcomes the generally positive feedback regarding our approach to evidencing domestic premises. This question was intended to focus on scheme eligibility; however, scoring has been consulted on in the Energy Company Obligation (ECO4) Consultation: scoring methodology part 1 and 2 decision.

7.9. It will be TrustMark's responsibility to ensure that the rules relating to dwellings are applied accurately in the production of domestic SAP assessments. Government consulted on incorporating the TrustMark Government Endorsed Quality scheme into ECO. TrustMark registration is a method for demonstrating compliance with the most up-to-date relevant PAS standards. In fulfilment of its duties relating to PAS2035, TrustMark's role in ECO4 includes oversight of measures as each one is lodged by respective Registered Businesses and oversight of each ECO4 project, including SAP assessments, as it is managed and lodged by a Retrofit Coordinator, in concert with TrustMark Scheme Providers. All Government energy efficiency schemes require retrofits to be completed in line with PAS 2035. This ensures that government-funded retrofits are completed to the best available standards.

7.10. Such as in ECO3, care homes are ineligible for support under ECO4. Generally, care homes are commercial enterprises that pay business rates whilst the ECO4 Order is exclusively targeted at domestic customers. The Care Standards Act 2000 clearly defines both care homes and domestic premises separately and distinctly. "*An establishment is a care home if it provides accommodation, together with nursing or personal care...*" "*'Domestic premises' means any premises which are wholly or mainly used as a private dwelling and 'premises' includes any area and any vehicle.*" Furthermore, the definition of a care home is clear that it must include nursing or personal care, countering some claims made by respondents to previous ECO consultations that this was not always the case. It is

therefore not in keeping with section 66 of the Local and Government Finance Act 1988 which describes “*domestic property*” as being “*used wholly for the purposes of living accommodation.*”

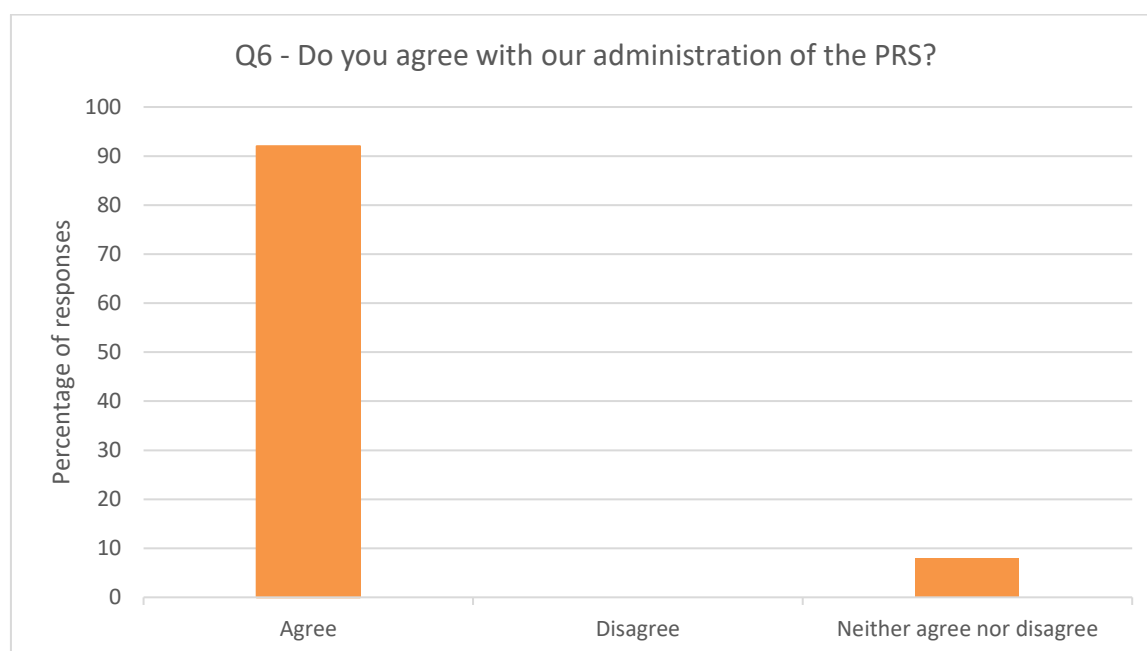
7.11. The RdSAP assessments that are lodged with TrustMark are EPRs rather than EPCs, and this was a choice made by BEIS in the legislation, so not something that Ofgem can change.

7.12. Ofgem recognise that SAP 2012 is shortly to be replaced by SAP 10.2. However, it has not been possible to develop a scoring system based on SAP 10.2 as development had to start before SAP 10.2 was finalised. As outlined in the Government Response, BEIS may consider an update of scores during the scheme, depending on the outcome of any analysis of SAP 10 scores and the impact on the scheme. However, it’s worth noting that this question was intended to receive feedback regarding SAP and RdSAP for evidencing, rather than for scoring. Due to legislative timelines, evidencing will not be possible using SAP 10 or RdSAP 10, however BEIS have indicated that they may update to these as part of a future amendment.

Question 6

Do you agree with our administration of the PRS? Please provide suggestions for alternative evidence if you disagree with our proposed approach.

Figure 18: Summary of stakeholder feedback to Question 6



Summary of responses

7.13. The majority of respondents (92%) agreed with our proposals for administering the new private rented sector (PRS) property rules. The remaining respondents did not provide an answer, and none disagreed.

7.14. Several respondents proposed to keep the administration of the PRS as simple as possible for stakeholders. They suggested that the simplest option would be to require the customer to complete a declaration confirming the tenure of the property or request that the landlord complete an updated version of the private housing FTCH declaration and landlord permission form.

Ofgem response

7.15. Ofgem has sought to simplify the administration of the PRS rules by requiring the customer to complete the ECO4 Eligibility Requirements Form; this includes an updated version of the private housing FTCH declaration and landlord permission form.

7.16. Under ECO3, this information would have been collected by the private housing FTCH declaration and landlord permission form, as well as requiring the customer to complete a declaration.

Question 7

Do you agree with our administration of the new Social Housing rules? If you disagree, please provide alternative suggestions, including any evidence, to support your response.

Question 8

Do you agree with our proposal to use a declaration to evidence a property is Social Housing and let below the market rate?

Figure 19: Summary of stakeholder feedback to Question 7

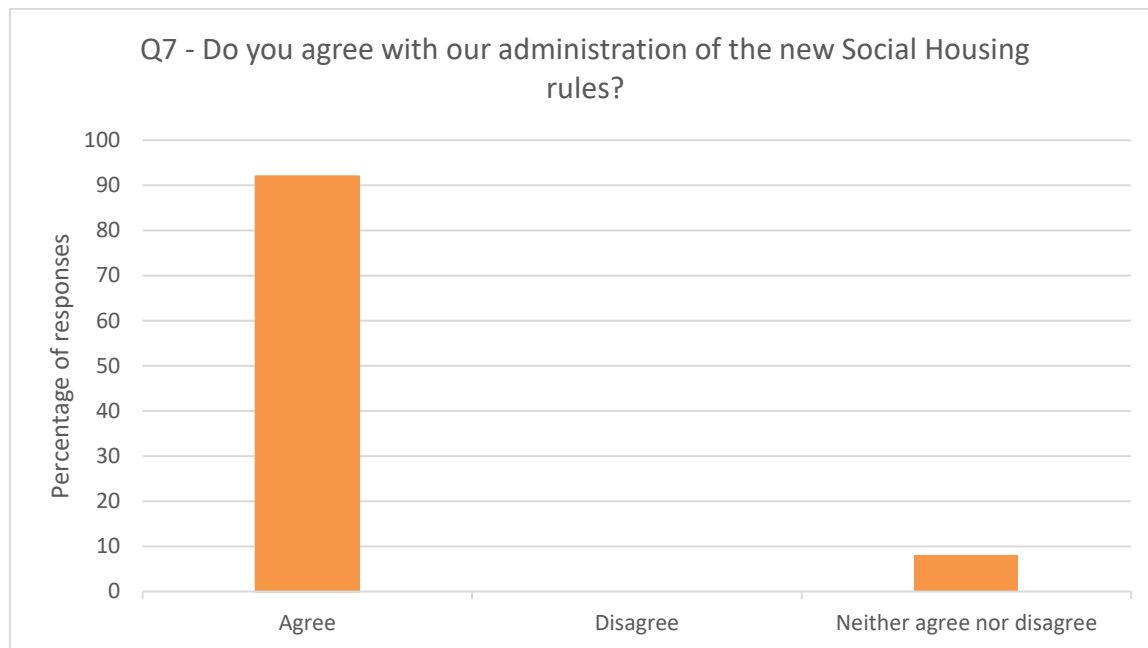
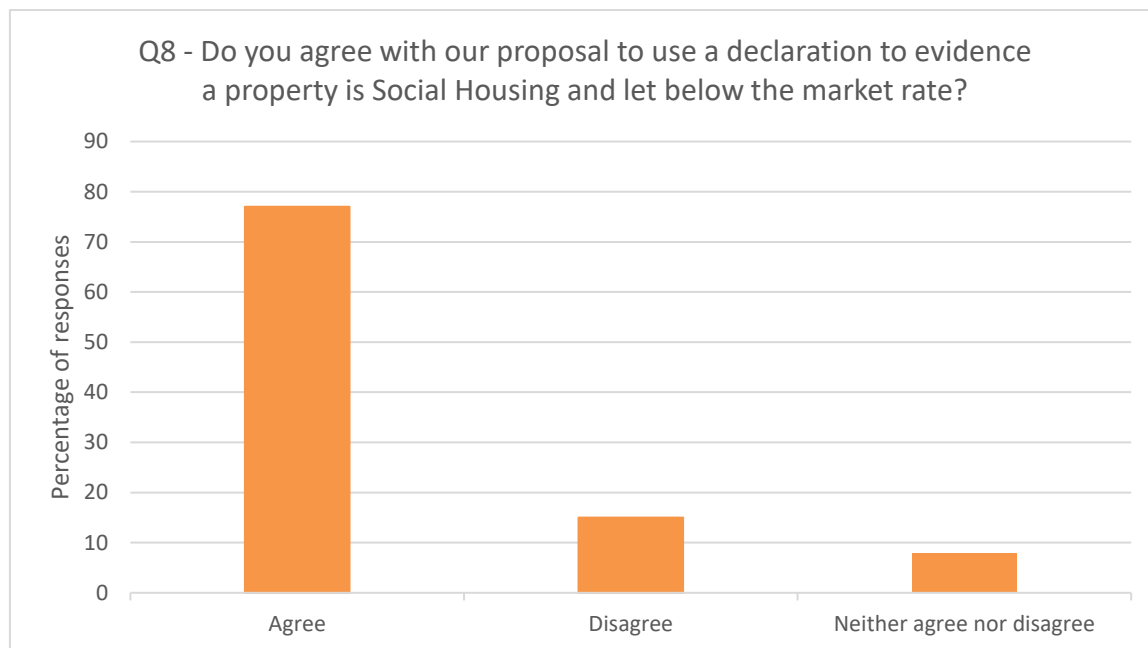


Figure 20: Summary of stakeholder feedback to Question 8



Summary of responses for questions 7 and 8

7.17. Regarding question 7, the majority of respondents agreed with our administration of the new Social Housing rules, with no one disagreeing. Regarding question 8, the majority of respondents (77%) agreed with our proposal to use a declaration to evidence a property is Social Housing and let below the market rate, whilst 15% disagreed. These responses noted that any declaration may be open to misrepresentation and suggested that Ofgem ensure that this document is very clear with respect to what the social landlord is declaring and any potential consequences of misrepresentation.

7.18. One respondent noted that they had observed fraud cases due to falsified social housing declarations and suggested that Ofgem could introduce similar requirements for this declaration as required under ECO4 Flex, in which social landlords would be required to notify Ofgem of approved projects.

7.19. In order to counteract the potential for gaming and fraud, respondents suggested that Ofgem could require emails with comma-separated values (CSVs) from the social housing company, or when such declarations are developed, could require them to be notified in the same way that LAs will have to notify declarations. They noted that on very rare occasions, social landlords give blanket approval for installers, and do not monitor what has been installed, with social landlords allowing installers to reproduce declarations without their input.

7.20. Respondents cited the need for a simple and straightforward declaration, such as was used in ECO3.

7.21. It was noted that the declaration for evidencing Social Housing has not yet been published, and that suppliers will require guidance on how to confirm this in the meantime.

Ofgem response for questions 7 and 8

7.22. Ofgem welcomes these responses and will endeavour to structure the declaration in such a way that limits any potential misrepresentation. This has been consulted on and will be included in the new ECO4 Eligibility Requirements form. We are seeking feedback on this declaration through the ECO4 Reporting Working Group.

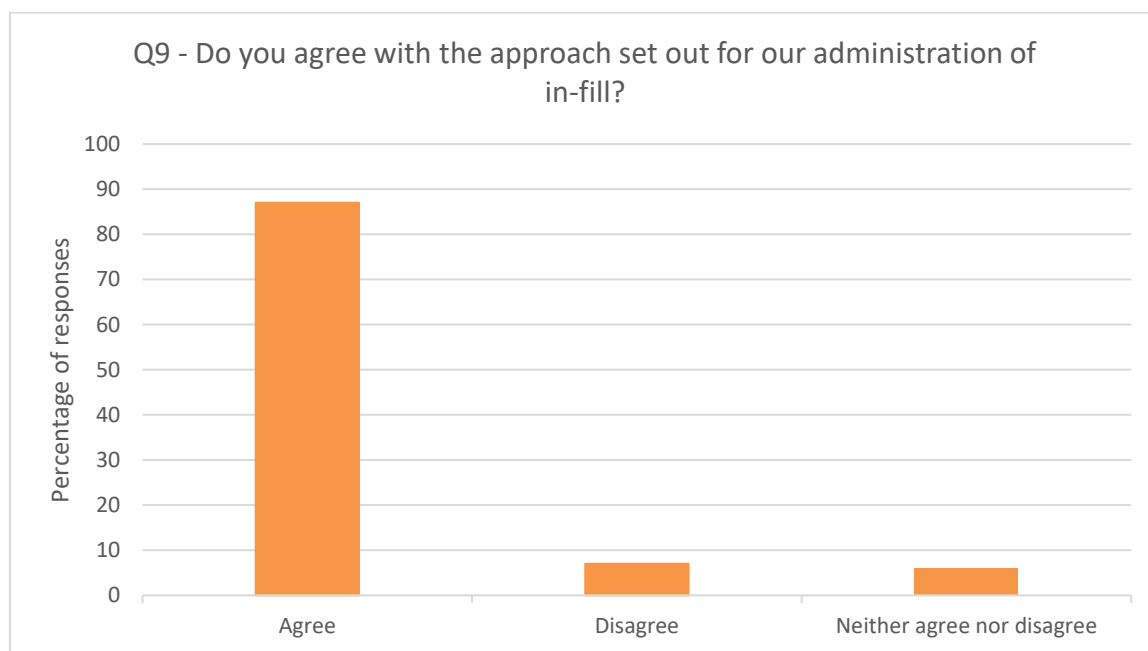
7.23. In the spirit of limiting the number of required documents (in addition to the PAS / TrustMark process), all such forms relating to household eligibility (including the PRS and SH declarations) have been merged and can be found in the ECO4 Eligibility Requirements Form. The ECO4 Eligibility Requirements Form will include a simple declaration to be signed by the social landlord officer to confirm that the property is owned by a social landlord and let below the market rate. Before the publication of the ECO4 Eligibility Requirements form (which includes the Social Housing declaration), we encourage suppliers to confirm this using the ECO3 Social housing E, F and G declaration and landlord permission form. Details of evidencing the social landlord and that the property is let below the market rate can be found in the ECO4 Delivery Guidance, under 'Identifying social landlords' and 'Determining market rate'.

7.24. Ofgem will consider introducing similar requirements for this declaration as required under ECO4 Flex, in which social landlords would be required to notify Ofgem of approved projects.

Question 9

Do you agree with the approach set out for our administration of in-fill? If you disagree, please provide alternative suggestions, including any evidence, to support your response.

Figure 21: Summary of stakeholder feedback to Question 9



Summary of responses

7.25. Nearly all respondents (87%) agreed with our administrative proposal to in-fill. The remaining respondents did not provide an answer, or they disagreed. The policy change from ECO3 to ECO4 as set out by the government in the ECO4 Order has overall been received positively.

7.26. In terms of the approach to in-fill scoring, some respondents viewed positively that in-fill partial project scores would not count towards the partial project scores cap. One respondent described that if in-fill partial project scores were to count towards the partial project scores cap it would disincentivise the uptake of in-fill projects. Another respondent asked in regard to scoring for clarification on whether full project scores could be awarded for in-fill projects if the MR was met.

7.27. A few of the respondents requested further clarification on the street address requirement for in-fill houses, including whether the street would need to have the same street name as well as the same postcode. For grey areas where a street might change its name, a respondent suggested to consider evidencing via a project plan and Google Street View.

7.28. Two respondents also asked for clarification on the validity of the pre-installation EPC requirement as this is needs to be issued within two years and three months prior to the in-fill project and flagged that this may incur further costs if there was no up-to-date EPC available. Another response regarding the EPC requirement queried whether the EPC would need to be available in addition to an RdSAP assessment if lodged through TrustMark and asked about any restrictions or rules relating to dates of assessment, lodgement and install. Another respondent asked to confirm that a lodged EPC could only be used to evidence the pre-installation SAP rating of the in-fill property for DHS connections, whereas other in-fill measures would need a pre-installation Retrofit Assessment to evidence the SAP rating.

Ofgem response

7.29. Ofgem notes the positive reaction to the in-fill policy change and to our proposed administration of in-fill measures. Ofgem recognises the request for further clarification on the address requirement for the ECO4 in-fill. The government has outlined in the ECO4 Order the requirement that an in-fill measure needs to be installed in a premises with the same street address (flats excepted) as the associated ECO4 projects. Whilst we acknowledge that there may be scenarios where a street may change its name or a premises may be located at a crossing where it geographically may be located on the same street address as the associated ECO4 project but has a different street name, we will need to reject any measures where the in-fill measure street name differs from the address of the associated ECO4 projects. This requirement will be picked up through the notification process on our register and result in an error if not identical. Given that the same street name can occur twice in the same city or in a different city with different postcodes, the in-fill premises is also required to have the same city notified as the associated ECO4 projects. We will have an automated check for postcodes which should capture the majority of cases. We will assess the street name accuracy on a case-by-case basis as required or through audits.

7.30. Regarding the EPC requirement, this applies to district heating system connections in in-fill houses only. If the in-fill measure is a DHC only then the property needs a SAP assessment which is lodged as an EPC. Where DHC is combined with other measures, such

as wall insulation, a RdSAP assessment is necessary. The ECO4 Order states that for a DHC in-fill measure installed in a house, an Energy Performance Certificate needs to be present that is the most recent issued for the domestic premises within the period of two years and three months. The government response further explains that this requirement has been introduced in order to reduce the risk of inaccurate existing EPCs being used to evidence pre-retrofit SAP ratings and floor areas. As this is set out in the ECO4 Order we do not have administrative discretion. For any other in-fill measure the property needs an RdSAP assessment which is lodged with TrustMark. In-fill measures do not require a post SAP or RdSAP assessment as they can only receive the calculated partial project score (PPS). The in-fill PPS is not subject to deflation, unlike all other PPS. In-fill measures will not be able to receive FPS as set out per the ECO4 Order¹⁷. Only ECO4 projects are eligible to receive FPS where the necessary minimum requirement is met.

7.31. We will proceed with our proposed administrative approach for in-fill and allow for in-fill measures to be notified via the register alongside one associated project for in-fill flats and three associated houses for in-fill houses.

¹⁷ Article 77 of the ECO4 Order.

8. Administration Part 2: ECO4 Flex

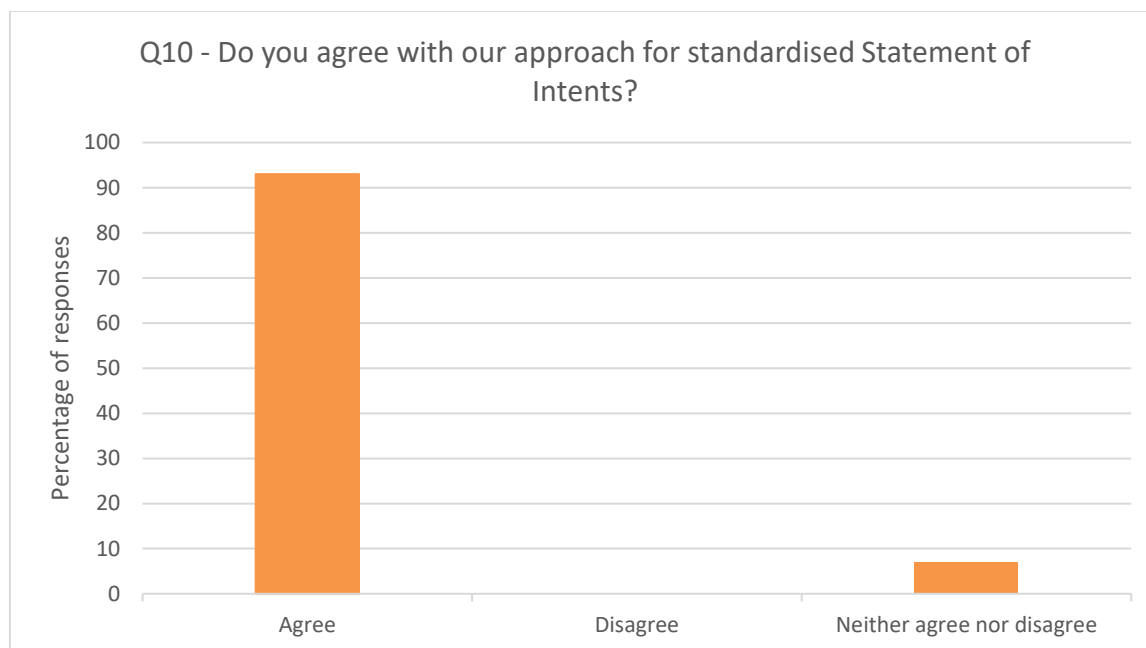
Section summary

This section outlines our proposed administration for ECO4 Flex. We asked stakeholders for their thoughts on the new ways in which Local Authorities (LAs), Devolved Administrations (DAs), and suppliers could provide and submit notifications to Ofgem to prove household eligibility. Most responses agreed with the changes we proposed, and we received a number of suggestions that we could adopt. Below, we outline our response to these suggestions and how we will administer the changes to ECO4 Flex.

Question 10

Do you agree with our approach for standardised Statement of Intents? If not, please provide detail on alternative approaches.

Figure 22: Summary of stakeholder feedback to Question 10



Summary of responses

8.1. The majority of respondents (92%), agreed with the proposal. Many stakeholders agreed that standardising the Statement of Intent created a more simplified approach for the supply chain. Concerns were raised that local authorities may not have been informed of the date on which they needed to update their Statement of Intent once ECO3 had ended.

8.2. It was also noted that Ofgem could retain information that was published on the Statement of Intent to make administration easier.

8.3. Separate points were raised about what steps Ofgem should take in relation to administering the Statement of Intent when the local authority officer leaves their post.

Ofgem response

8.4. Ofgem will require local authorities and devolved administrations to fill-out a standard Statement of Intent with the essential criteria as proposed in the consultation. Ofgem have been in communication with local authorities through Association of Local Energy Officers, (ALEO), meetings and query responses. We have reminded local authorities through these communications of their requirement to update their Statement of Intent.

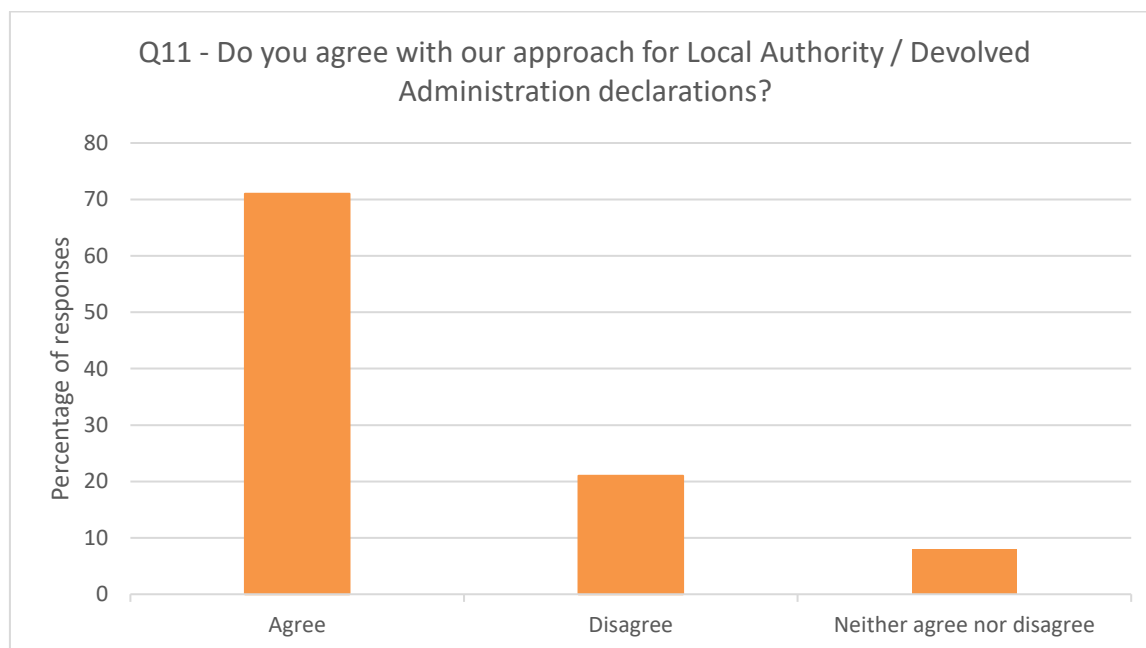
8.5. Ofgem takes on-board the suggestion to retain information from the Statement of Intent but, as this information is made publicly available and the Statement of Intent's link will be sent via the declaration notification, we do not believe that it is necessary for local authorities to submit their Statement of Intent to a central Ofgem database.

8.6. Ofgem have stated in the consultation that the Statement of Intent will need to have been signed by the local authority CEO or equivalent. This means that, assuming the next CEO or equivalent is happy to proceed in the ECO4 Flexible Eligibility (ECO4 Flex) policy, no updates will need to be made.

Question 11

Do you agree with our approach for Local Authority / Devolved Administration declarations?

Figure 23: Summary of stakeholder feedback to Question 11



Summary of responses

8.7. The majority of respondents (71%), agreed with the approach proposed and many respondents agreed that the declaration process under ECO4 Flex offered a more robust way of evidencing household eligibility.

8.8. However, several respondents highlighted their discontent with Ofgem receiving and processing declaration notifications prior to the commencement of installations or supplier notifications due to the possibility of creating a 'bottle-neck' effect.

8.9. Other concerns surrounded local authority's funding and resourcing which affects their ability to manage the declaration process. Concerns mentioned that local authorities may decide not to engage with the scheme should they feel overstretched, and that keeping the declaration process clear and simple would be beneficial for ECO4 Flex.

8.10. Some respondents disagreed with our proposal that Ofgem should verify any declarations before suppliers begin installing measures, believing that verification should happen alongside the delivery process.

8.11. Another comment suggested that Ofgem could give suppliers access to an application programming interface (API) to cross-check whether a local authority declaration has been received by Ofgem as a way to reduce the time spent on processing the declaration.

8.12. One respondent asked for more information following paragraph 6.13 of the ECO4 Administrative Consultation.

Ofgem response

8.13. As requested by some stakeholders, we have added to our final ECO4 LA Administrative Guidance that we expect both local authorities and devolved administrations to notify Ofgem of their declarations at the same time that they notify suppliers and installers. This will ensure that declarations are processed more efficiently and will not cause delay to the supply chain. Introducing this change should ease the burden for local authorities as they will not need to notify Ofgem and suppliers or installers of their declaration notifications separately.

8.14. We take on board the supply-chain's suggestion to deliver measures without an approved declaration in place. The ECO4 Order sets out that before the day on which the measure is completed, the local authority or devolved administration must be consulted by the supplier on the carrying out of the project at the premises¹⁸. However, Ofgem will allow suppliers to deliver at their own risk ECO4 Flex measures without Ofgem approving the LA declaration first, although LA declarations will have to be notified to Ofgem prior to measure installation.

8.15. Suppliers are able to use their own debt data, as well as one other Route 2 proxy (other than the local authority scheme proxy and the utility bill support proxy) to identify and refer households under ECO4 Flex without the need of a local authority declaration.

8.16. To clarify and confirm our proposal, once the local authority submits their declaration to Ofgem, we will process the notification to make sure that it meets the requirements. Ofgem will then only 'approve' the declaration once the declaration has been successfully processed. If the supplier's notification fails to match the declaration, Ofgem will notify the supplier and will expect them to remediate the error with local authority.

¹⁸ Articles 17 to 21 of the ECO4 Order.

8.17. Ofgem anticipate introducing the ECO4 LA and DA Flex Register in 2023. We acknowledge the suggestion to introduce an API to allow suppliers to cross-examine their data with the local authorities' declaration, however, we will not be introducing this functionality in the short term as it does not align with our data-sharing agreements. We will reach out to users to conduct user research on the new ECO4 LA and DA Flex Register and all feedback will be taken into consideration when designing new register functionalities.

8.18. Local authorities must be consulted by the supplier or installer about the carrying-out of measures in domestic premises before the day on which the ECO4 project is completed. This consultation may be communicated in writing or via email.

Question 12

Do you think there are any additional fields that should be included in the declaration template?

Summary of responses

8.19. The majority of respondents agreed with our proposed declaration template, but a few respondents suggested some additional fields that could be added.

8.20. One respondent suggested that the Statement of Intent version number could be added as an additional field. Another respondent recommended that the local authority representative's job title, name, contact details, as well as the date that they were consulted by the supplier, be declared on the notification template.

8.21. One respondent recommended that the house number, name, and flat number could be an additional criterion on the notification template.

Ofgem response

8.22. As an internet link to the Statement of Intent is already a mandatory field on the notification template, we will be taking forward our current proposal and will not make any further changes to the template. By using the link to the local authority's Statement of Intent, the version number and the local authority representative's details will be easy to locate.

8.23. The fields for the address details of the property are already on the notification template and headed as 'Address_Line_1' and 'Address_Line_2'. The local authority can provide the property name or number in the 'Address_Line_1' field.

Question 13

Would notifying batches of declarations to Ofgem be easier for Local Authorities to submit? Do you have any suggestions on what submission timelines would work best for you?

Summary of responses

8.1. The majority of respondents felt that local authorities were best placed to answer this question, although many commented that, based on previous schemes, local authorities would find notifying declarations in regular batches easier, as it would require less admin work and would encourage an 'area-based delivery' approach.

8.2. While Ofgem's proposal to introduce a register portal was strongly welcomed by respondents, there were some concerns about when the register would be available to use.

8.3. Another respondent raised their concerns about at which stage the supplier would receive an alert on the ECO register that their declaration had been successfully or unsuccessfully processed.

8.4. One respondent similarly stated that, as a managing agent, they would need to ensure that any declaration notifications were already registered with Ofgem before any ECO4 works commenced to avoid rejections.

8.5. One respondent suggested that if an API functionality was built into the register, it would ensure an efficient data validation process across supplier and Ofgem systems once the local authority had notified its declarations.

Ofgem response

8.6. We expect local authorities to notify their declarations to Ofgem in batches to reduce the amount of admin work ahead of the measures being installed. We also encourage local authorities to send their notifications to Ofgem monthly to reduce build-up.

8.7. As proposed in our consultation, local authorities will be required to notify declarations to suppliers or installers and to Ofgem prior to measure installation. Whilst we acknowledge the concerns raised about the interim email system, we will continue to follow the interim process as outlined in our consultation until the register portal is ready to use. During the interim period, Ofgem will notify the supplier in the case of a mismatch error report and will allow the supplier to remediate the error.

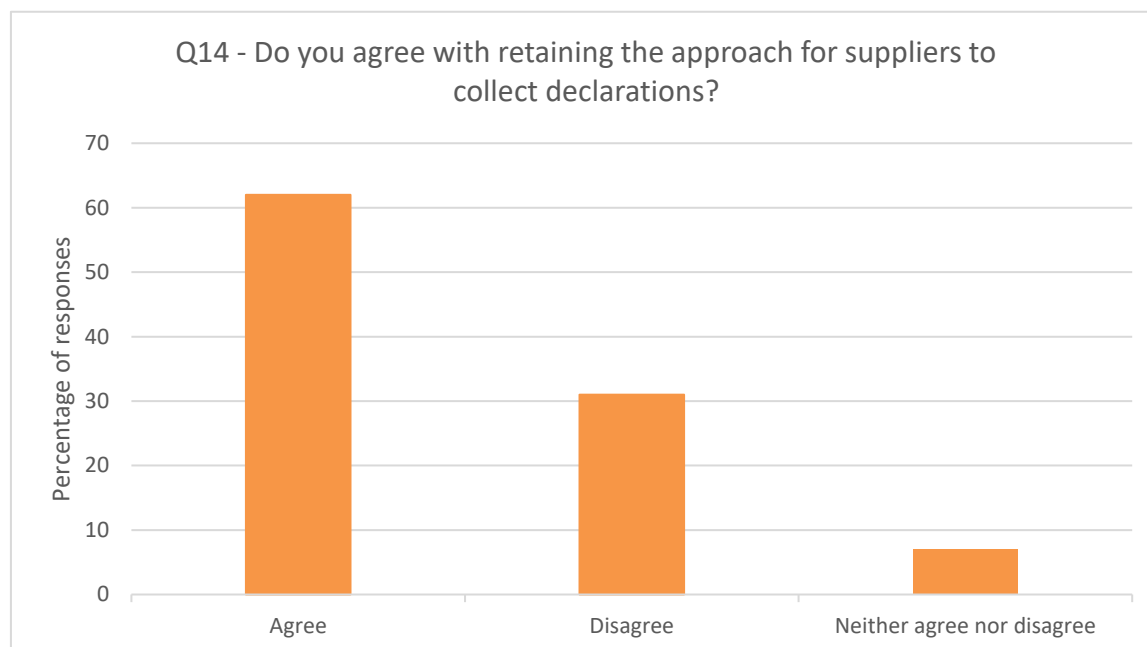
8.8. Once the register becomes available to process declaration notifications, we are considering allowing suppliers to access the accepted declarations and begin delivering ECO4 measures by searching for a property's address. Suppliers may also be able to use the register to notify a particular address and to check whether that address has already been notified and at which point the declaration was processed.

8.9. Likewise, suppliers may be able to cross check declarations by entering the declaration number to see if it had been submitted to Ofgem prior to notifying the measure. This should help suppliers to identify where notifications are missing and to rectify issues quickly and efficiently. We acknowledge the suggestion to introduce an API, however, we will not be introducing this functionality to the supplier register for ECO4 Flex as it does not align with our UK-GDPR requirements.

Question 14

Do you agree with retaining the approach for suppliers to collect declarations?

Figure 24: Summary of stakeholder feedback to Question 14



Summary of responses

8.10. The majority of respondents (62%) agreed with this proposal, and some additional suggestions were made that suppliers should also retain the declaration for future audits. The majority of respondents who disagreed commented that suppliers should not retain a copy of the Local Authorities' declaration as the notification would have already been sent to Ofgem.

8.11. One respondent commented that it should be at the discretion of suppliers as to whether they hold evidence of the declarations or the declaration unique reference number (URN), and that suppliers should be able to rely on Ofgem's notification process.

Ofgem response

8.12. Suppliers should be able to rely on the relevant authority having made an accurate assessment of eligibility and are able to rely on Ofgem's notification process. However, suppliers should have assurance that where they are notifying ECO4 Flex measures that are found to have not complied with the policy requirements, Ofgem will take steps to reject those measures. While suppliers do not face a mandatory requirement to collect and retain

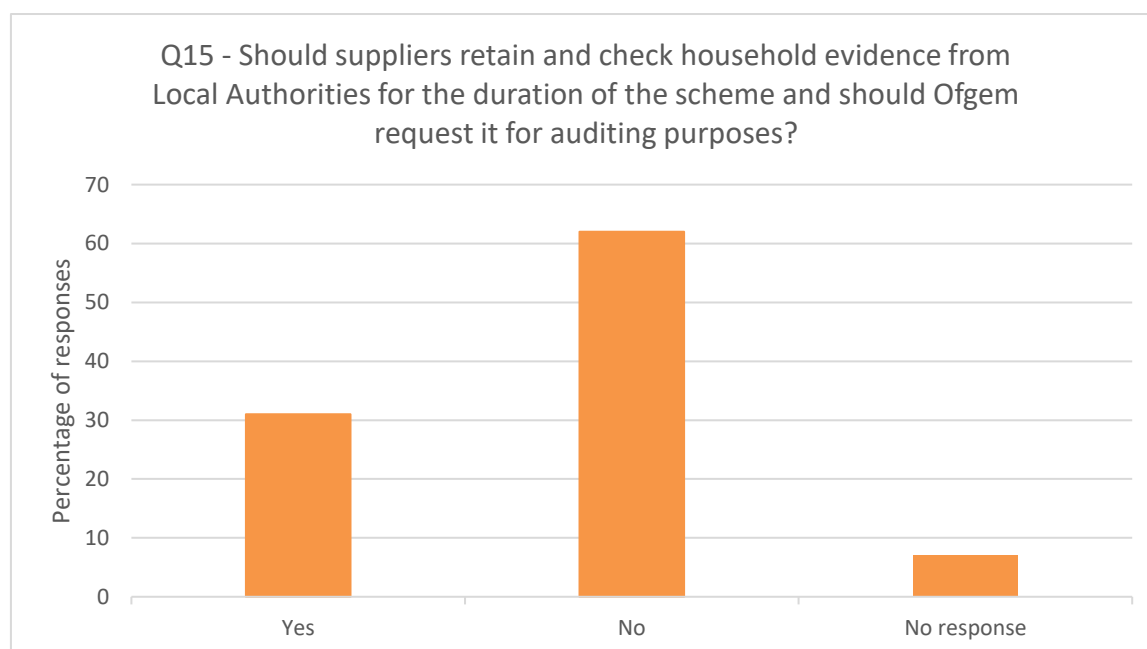
a copy of the local authorities' declaration, we would recommend that they do so to ensure that they have sufficient evidence to demonstrate compliance, and to reduce the time spent communicating back and forth with local authorities.

8.13. Suppliers are expected to collect evidence of the household's eligibility as listed in Table 7 of Part 2 of the ECO4 Administrative Consultation.

Question 15

Should suppliers retain and check household evidence from Local Authorities for the duration of the scheme and should Ofgem request it for auditing purposes?

Figure 25: Summary of stakeholder feedback to Question 15



Summary of responses

8.14. The majority of respondents (62%) disagreed with this proposal. Whilst some stakeholders welcomed the hands-on approach to auditing and evidence retention, others felt that the requirement for suppliers to collect evidence of eligibility, and to be audited on their ECO4 Flex measures, was unnecessary and could wrongly hold the supplier to account for mistakes made on the declaration.

8.15. Several other respondents who disagreed commented that, to their understanding, it is the responsibility of the local authority to collect and retain eligibility evidence and to ensure that their declaration is valid.

8.16. One stakeholder responded that they do not believe that it will be possible to gain and collect the correct eligibility evidence from local authorities.

8.17. A couple of respondents held the view that audits should only relate to the previous phase of the scheme. They commented that annual audits would reduce the risk that the evidence provided in the declaration becomes out of date, and that the organisations / individuals involved in the production of the declaration are no longer in reach of contact.

Ofgem response

8.18. With respect to the supply chain's proposal to not carry-out audits on suppliers, we have decided not to take this approach. This is because it is a legislative requirement to audit ECO4 Flex measures as set out per the ECO4 Order¹⁹. It is important to recognise that suppliers have the option to allocate 50% of their ECO obligation to ECO4 Flex, and that it is up to each individual supplier to ensure that the measures they are promoting are eligible and compliant with the policy requirements.

8.19. Ofgem strongly encourages suppliers to collect and retain eligibility evidence for their own record and security, and to minimise the cases where access to evidence becomes problematic due to changes in local authority organisations. While suppliers must have *access* to the evidence to support the measures that they are promoting, it is not a mandatory requirement for them to *keep* it. If a supplier decides that they do not wish to retain the evidence, they must ensure that they have strong relationships with the local authority, with whom they are working with, to access the evidence as and when required.

8.20. Should a supplier choose not to retain the evidence, and they find that they cannot access it during the audit process, the measures may be rejected. It is the responsibility of the supplier to have sufficient processes in place to support their ECO4 Flex measures.

8.21. Local authorities have been informed of their responsibility to identify and evidence eligible households under ECO4 Flex. We have also published our draft [ECO4 LA](#)

¹⁹ Article 84 of the ECO4 Order.

[Administrative Guidance](#) separately for local authorities, and Ofgem has taken additional steps to engage with them in ALEO meetings or other meetings held with Devolved Administrations. Additionally, suppliers are encouraged to build their own relationships with local authorities to make the evidence processing as smooth as possible. While it is unlikely that local authorities will fail to provide sufficient eligibility evidence, the supplier is able to reach out to our Audit and Compliance team at eco@ofgem.gov.uk to raise any concerns, and we will be happy to help.

8.22. Ofgem will send suppliers an annual sample of measures that they have notified throughout the duration of the year and request that suppliers confirm via a compliance report the outcome of their checks and present any mismatches with the scheme's requirements to ensure compliance. Ofgem will then publish their own annual report to summarise the overall findings of the audit. This report will assess the reasons for non-compliance and further auditing may be carried out where necessary.

Question 16

What evidence can be collected by LAs / DAs for Routes 1-3?

Summary of responses

8.23. There was widespread agreement with the suggestions that Ofgem provided for evidencing ECO4 eligibility in Table 7 of the consultation.

8.24. One respondent sought clarity on evidencing Route 2, Proxy 1.

8.25. Another respondent helpfully provided some more examples of evidencing types for Route 1.

Ofgem response

8.26. Ofgem wishes to clarify that Table 7 in the consultation provides a non-exhaustive list of evidence types that local authorities and suppliers can use to confirm householder eligibility for routes 1-3. Third parties, such as Citizen's Advice and NHS medical professionals, will be able find referral forms on our website.

8.27. To evidence Route 2, Proxy 1, Ofgem suggested that a screenshot of the [Office for National Statistics \(ONS\) Postcode Directory look-up tool](#) would be sufficient to prove that a household lives in a Lower Super Output Area (LSOA) area, providing that the address on

the declaration and the address in the look-up tool match. This means that suppliers are able to use publicly available LSOA data to evidence Proxy 1.

8.28. Ofgem requires suppliers to collect household eligibility evidence under Route 2, Proxy 7 and 8; (PPM/ non-PPM data proxies). This means that in both cases of referring households either independently, or with support from the local authority under the Supplier Flex mechanism, the supplier will need to provide evidence that the household meets the relevant criteria.

8.29. We thank the respondent who suggested further evidencing examples for Route 1. We agree that payslips, P45s and P60s are suitable evidencing types to use to prove that a household is on low-income, providing they show the gross income of the household. However, because the other examples suggested, such as medical letters, rent statements and tenancy agreements, do not display the household's gross income, we will not accept these evidence types under Route 1.

9. Administration Part 2: Measures

Section summary

This section outlines our proposed administration of conducting checks for the minimum insulation requirement via TrustMark and whether there should be a table benchmarking the cost of boiler repairs. This section also discusses off-gas criteria and measure declarations.

Question 17

Do you agree with our proposal to conduct checks for the minimum insulation requirements via TrustMark?

Figure 26: Summary of stakeholder feedback to Question 17



Summary of responses

9.1. The majority (86%) of stakeholders agreed with us that the minimum insulation checks should be conducted via TrustMark validation. Suppliers in particular strongly agreed with the proposal, as they thought it would help to reduce instances of fraud due to TrustMark’s expertise and ease the administrative burden by reducing the amount of paperwork for the scheme.

9.2. One concern that was raised in multiple responses concerned data sharing – one response stressed the need for suppliers to have access to information in TrustMark’s Data

Warehouse to help validate the requirements, whilst another response emphasised the need for Ofgem to have easy access to TrustMark information via the API to make the checks work. One installer also raised the point that if suppliers are not given sufficient satisfaction that the TrustMark validation works well, then they might ask additional evidence and paperwork from installers and counteract many benefits of the TrustMark centred approach.

9.3. One respondent disagreed with the proposal, stating that it would make it difficult for non-TrustMark registered installers to carry out ECO measures.

Ofgem response

9.4. We have decided to move forward with this proposal, but implementation will take place at some point after scheme launch. This is due to the way in which the SAP scheme organises the data resulting in a lack of a one-to-one relationship, and hence the need for a significantly more complex solution if verification of these requirements is to be achieved beyond just the most basic scenarios. We remain ultimately committed to this approach, as it will eventually allow us to have even greater confidence in validation of the checks and cut down on paperwork.

9.5. However, for the start of the scheme, we will be validating the checks using the Pre-Installation Heating Checklist. This is to allow for adequate time to develop some of the more core functions of the ECO register. Suppliers will be able to evidence on the forms which components of the insulation requirements are already present in the property and met the prescribed standard before the ECO4 project started, which were met during the project as a result of installing a measure, and which do not apply to the property due to exemptions or the property construction type not being present in the property.

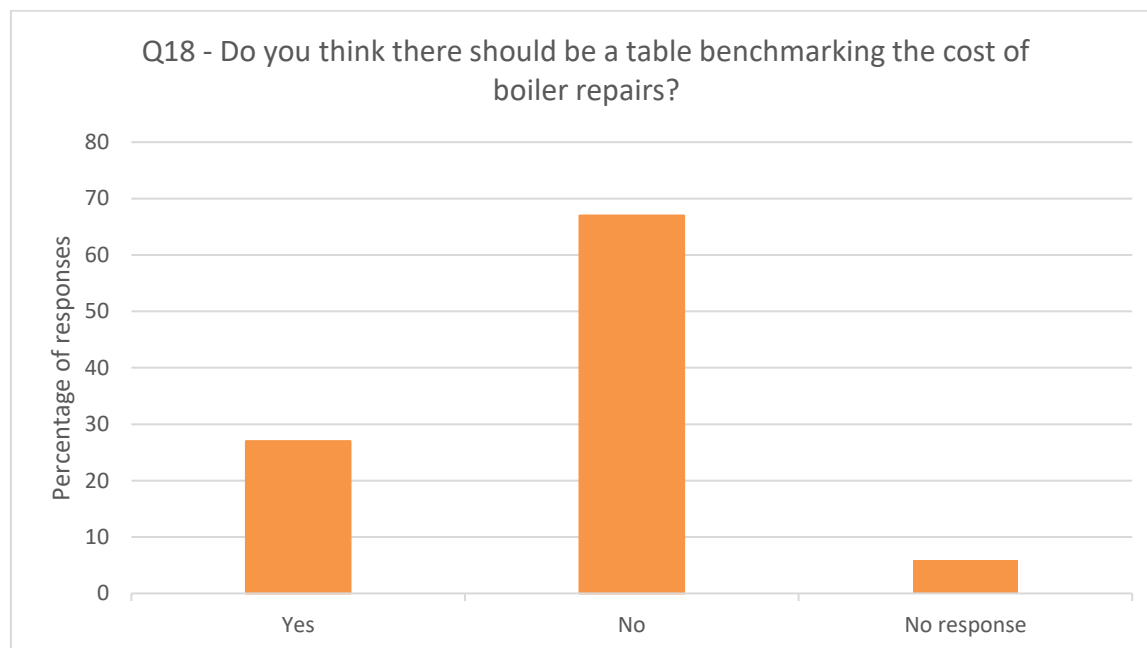
9.6. As we look to implement automatic validation of the insulation pre-conditions, we will seek to maintain an active dialogue with industry and TrustMark about how to best structure a transparent data sharing regime so as to give industry the highest amount of assurance possible. No matter how we go about this task, industry should have assurance in the fact that the information is ultimately being derived from the SAP assessment.

9.7. In terms of projects that do not need to be lodged with TrustMark, the insulation pre-conditions will be captured via other documentation that we are looking to release in the coming months. It is worth noting that the majority of retrofits will go through TrustMark.

Question 18

Do you think there should be a table benchmarking the cost of boiler repairs? If so and you have the relevant expertise, please do provide estimates of the average boiler repair costs along with evidence supporting these estimates.

Figure 27: Summary of stakeholder feedback to Question 18



Summary of responses

9.8. The majority of respondents (67%) disagreed with this approach. Most of the respondents who disagreed emphasised the fact that servicing costs are likely to change throughout the course of the scheme and that setting these prices now could restrict future delivery without constant updates to the table. Other points that were raised included the potential for the prices listed in the table to act as a minimum for reported costs rather than an average, which could act to disincentivise repairs. Finally, many stakeholders thought that the effort to maintain and update the table would not be worth the resources given the negligible amount of repairs the scheme has seen historically.

9.9. Those who agreed with the proposal (27%) emphasised the need for this to be part of a broader approach to ensure the accuracy of reported costs, and one response suggested a stronger evidencing regime and spot checks to help give further assurance to the validity of reported costs.

9.10. No responses included any suggested values of listed repair costs.

Ofgem response

9.11. The Average Repair Cost Table will be introduced for ECO4 in order to help installers by providing benchmarks for reported costs. This will be included as part of the Pre-Installation Heating Checklist. The values were set using a combination of internal and external data and were developed in tandem with industry.

9.12. Stakeholder comments about the need for regular updates will be taken on board, and we will maintain constant communication with industry on the accuracy of the boiler repair cost threshold table over the course of the scheme.

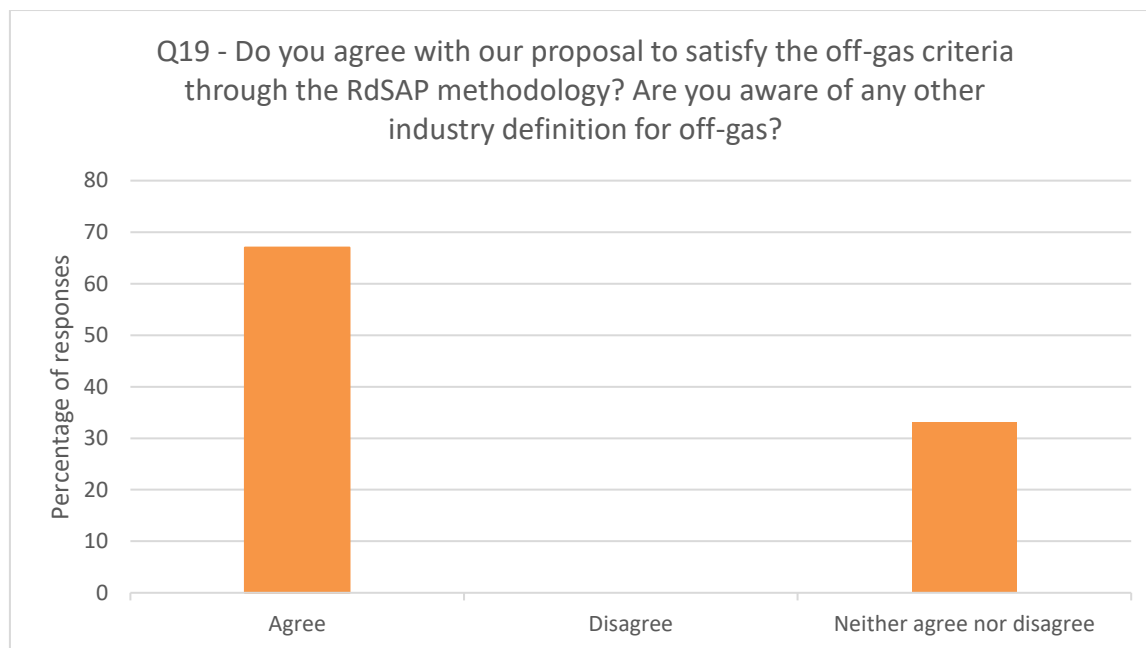
9.13. We agree that there is a potential for this to function as a minimum reported cost – however, given the high number of relatively new boilers that were replaced rather than repaired over the course of ECO3, we believe that this effect is likely to be minimal and outweighed by the benefits of standardising reported costs. This is something that we will look to monitor.

9.14. We also disagree that the lack of repairs during ECO3 means that this pattern will definitely continue – policy changes to the way repairs and replacements are scored on the scheme are designed to incentivise repairs, and we should be prepared for this outcome. By introducing measures such as an average repair cost table, we hope to manage this expected increase. We will be monitoring repairs and replacements during ECO4 in order to ensure compliance with scheme rules and policy intent. Even if this increase does not materialise, such a table would still be useful as benchmarks are perhaps even more relevant to replacements than to repairs.

Question 19

Do you agree with our proposal to satisfy the off-gas criteria through the RdSAP methodology? Are you aware of any other industry definition for off-gas?

Figure 28: Summary of stakeholder feedback to Question 19



Summary of responses

9.15. 67% of the respondents agreed with our suggested approach to satisfy the off-gas criteria through the RdSAP assessment. Two respondents that agreed with this proposal were opposed to the requirement for suppliers to retain additional evidence as they think it should be part of the RdSAP methodology and be covered under TrustMark’s lodgement and validation process as well as the PAS framework.

9.16. One response further highlighted that the responsibility of adhering to the rules relating to off-gas eligibility as well as EPCs and RdSAP assessments is with the relevant accreditation schemes and TrustMark so that suppliers should be able to rely on the assessment process for the duration of the scheme without facing the risk of this being questioned at a later stage.

9.17. Furthermore, it was questioned whether the RdSAP convention would satisfy the ECO4 off-gas definition, which defines off-gas premises as premises that were not connected to the mains supply of a relevant gas transporter immediately before 1 April 2022. As an alternative to RdSAP, two respondents suggested to evidence the connection to a gas supply by connecting to the gas market data service provider XOSERVE through an

API. A few concrete scenarios were described where it may not be clear whether the off-gas requirement would be considered met, such as whether a gas supply on the street would qualify as a gas connection if availability of mains gas and a gas meter at the dwelling were assessed only. Another example was where a block of flats had a gas supply, but an individual flat was not connected to it or where the property had a gas pipe connected to it, but no meter installed or awaiting the installation following a connection application. Clear guidance from Ofgem on which scenarios would be considered as a gas connection was requested.

Ofgem response

9.18. The ECO4 definition sets out 'on-gas premises' as premises which are connected to a pipe-line system operated by a gas transporter on 31 March 2022; and 'off-gas premises' as premises which are not on-gas premises. This includes homes which are connected on this date but were first connected previously. The connection also has to be existing and operative for the start of the ECO4 project. In order to satisfy the criteria for a gas connection suppliers need to be able to provide a form of evidence for both the 'connected on the start of the ECO4 project (day of pre-retrofit assessment)' requirement as well as the 'connected before 1/4/22'.

9.19. Ofgem recognises the overall support to the suggestion to validate the connection to the gas grid via an RdSAP assessment. As the ECO4 scheme relies on RdSAP assessments prior to the start of an ECO4 project (with data light measures (DLM) and DHC measures requiring a SAP assessment) which include the assessment and lodgement onto the TrustMark Data Warehouse of 'mainsgas' we consider the gas connection requirement to be suitably assessed through the RdSAP assessments whilst minimising additional administrative burden for industry.

9.20. As part of the RdSAP assessment, photos or gas bill are considered as evidence which will be lodged on the TrustMark Data Warehouse. Where there is no operating connection to a pipeline operated by a gas transporter evident in the premises through a gas meter or a gas burning appliance such as a gas cooker, the premises is considered off-gas. A closed-off gas pipe does not count. Where evidence from the RdSAP assessment is stored and accessible on the TrustMark Data Warehouse we do not require suppliers to hold on the documents from the RdSAP assessment.

9.21. Whilst we consider the RdSAP assessment the main route for showing that a gas connection is in place, we welcome respondents' suggestions such as providing evidence through XOSERVE. We have provided a table of potential evidence in our ECO4 Guidance:

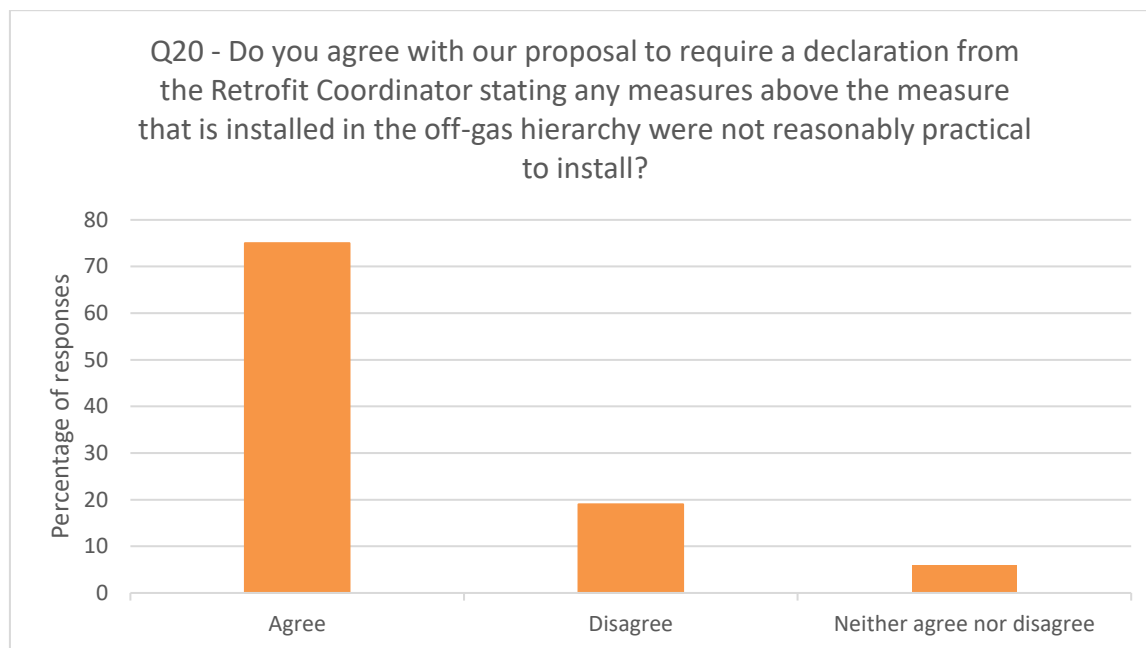
Delivery. In order to prove that a connection existed prior to 1 April 2022 proof in form of gas bills, EPC, gas meter exchange date, XOSERVE or historic property listings dated prior to this date can be provided. To show a connection exists for the start of the ECO4 projects (on the day of the pre-retrofit assessment) suppliers may provide an EPC, RdSAP assessment or gas bills dated after 1 April 2022, a connected gas cooker or XOSERVE. Other evidencing routes may be presented to us as long as there is a gas supply **within** the property. A supply to the street will not be deemed sufficient. Where evidence is provided outside of the table in the ECO4 Guidance: Delivery we will decide whether we deem the evidence appropriate on a case-by-case basis.

9.22. Where a premises is found to be on-gas and evidence is provided outside of the scope of the RdSAP assessment which is lodged on the TrustMark Data Warehouse, suppliers need to ensure they are in a position to make the documents and data available to an auditor, if required. It is possible for a supplier to choose to enter an arrangement with a third party, such as an installer, under which the third party agrees to hold these documents and data and make them available to the supplier on request.

Question 20

Do you agree with our proposal to require a declaration from the Retrofit Coordinator stating any measures above the measure that is installed in the off-gas hierarchy were not reasonably practical to install?

Figure 29: Summary of stakeholder feedback to Question 20



Summary of responses

9.23. The majority of respondents agreed with our proposal to require a declaration from the Retrofit Coordinator to declare that the measures in the off-gas measure hierarchy above the measure that was installed were not possible to install. Two of the respondents that agreed with this proposal asked for the declaration not to be challenged at a later point and requested confirmation that the measures would remain compliant in case of disagreement at a later stage. It was also raised that in case of an audit suppliers should not be held accountable for the validity of the declaration as suppliers should be able to rely on the qualified professional that verify compliance. Further information as to how the declaration would be audited and any possible ramifications if TrustMark or Ofgem were to disagree was requested.

9.24. Two respondents questioned whether the Retrofit Coordinator was suitably qualified to make the determination or whether other suitably qualified professionals should be considered, such as a heating engineer or MCS Heat Pump qualified installer. Another respondent asked for clear guidance on the installation of the most cost-efficient measure. In reference to BEIS's Electrification of Heat programme in 2020-2021, one respondent explained that there should be limited technical reasons that may hinder the installation of a heat pump. One respondent also stressed that customer refusal should not be considered as a suitable reason for measures of the heating hierarchy not to be installed and reasons should be limited to technical reasons only.

9.25. Rather than adding further assurance, three of the respondents that disagreed stated that such a declaration from a Retrofit Coordinator (RC) would rather increase suppliers' administration burden. Furthermore, they suggested that for the purposes of ECO, verification should take place via TrustMark's Qualify Assurance Framework on Retrofit Coordinator submissions without any further additional evidencing requirements beyond the PAS process. Any additional requirement may disincentivise the installation of measures under the ECO scheme, putting the delivery at risk.

9.26. One respondent asked for clarification on whether all scenarios of the heating hierarchy would allow for innovation measures (IM) and heating controls to be installed.

Ofgem response

9.27. Ofgem notes the overall positive response to a declaration signed by the Retrofit Coordinator regarding the adherence to the off-gas measure hierarchy. Ofgem will continue working with the ECO Reporting Working Group to develop forms and declarations for the

purposes of ECO4, including the Pre-installation Heating Checklist. This checklist will include a declaration that none of the measures above the measure that is installed in the off-gas hierarchy were possible to install and allow for the Retrofit coordinator to note the reason. The government response outlines that "a measure will be reasonably practicable to install where it is shown to be technically feasible to install and does not result in an increase in energy bills". The reasons for an installation not to be considered reasonably practicable to install are outlined by the Government in the ECO4 Order²⁰ and are limited to particular scenarios. Consumer choice is not a valid reason for not installing the measures according to the off-gas heating hierarchy.

9.28. An ECO4 retrofit project will be coordinated by an approved Retrofit Coordinator who ensures the compliance with PAS 2035 and is qualified in overseeing the assessment of dwellings. The Retrofit Coordinator also oversees the specification, monitoring, and evaluation of energy efficiency measures. Based on a retrofit coordinator's qualification and the requirement for a retrofit coordinator to undertake a pre-retrofit assessment for ECO4 projects, we feel that the Retrofit Coordinator is best placed to fill out this section of the Pre-installation Heating Checklist which aligns with the timing of the off-gas measure assessment to take place. Ofgem does not provide guidance on the nature of the retrofit assessment as this falls under the remit of PAS 2035 and is acquired as part of a RC's training. However, Ofgem will provide information in the ECO4 Delivery Guidance on the reasons as to why an installation was not able to go ahead according to the off-gas measure hierarchy as set out in the ECO4 Order.

9.29. A supplier is expected to mitigate the risk of fraud within its ECO activity including sufficient requirements within third party contracts, such as with Retrofit Coordinators, to ensure that work is completed in accordance with the ECO4 Order and our guidance documents. The documents and data that a supplier must make available to us are detailed in the ECO4: Supplier Administration Guidance, including the Pre-installation Heating Checklist. Where there are concerns of any fraudulent activity including falsifying statements and falsifying signatures we will investigate. Where such activity is detected, we will be minded to refuse or revoke approval of the measure, and this activity may be reported to the police or Action Fraud.

9.30. We have reduced the amount of evidence and documentation for suppliers to retain and intend to rely on data TrustMark holds where applicable. However, the off-gas heating

²⁰ Article 30(3) of the ECO4 Order.

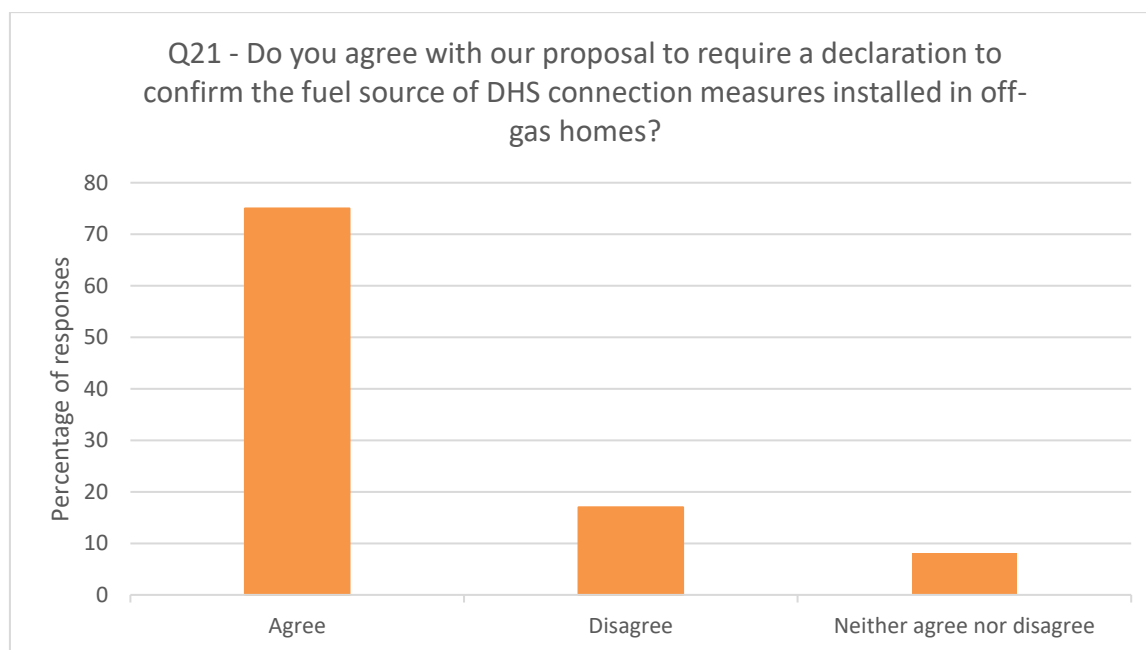
measure hierarchy is an ECO4 requirement that is not part of the RdSAP assessment. Hence, the most straightforward way to declare adherence to the heating measure hierarchy is via a declaration on the Pre-installation Heating Checklist. We have reduced the information to be filled out on declarations and forms through a reform of the ECO documents to minimise the administrative burden, and limited these to forms and declarations necessary to ensure adherence to ECO4 regulations.

9.31. In terms of the installation of IM and heating controls in off-gas premises, these can be installed as per the ECO4 Order.

Question 21

Do you agree with our proposal to require a declaration to confirm the fuel source of DHS connection measures installed in off-gas homes?

Figure 30: Summary of stakeholder feedback to Question 21



Summary of responses

9.32. The majority of respondents agreed with the proposal to require a declaration to confirm the fuel source of DHC measures in off-gas homes. A few of these agreed on the basis that this would not be challenged at a later stage. In line with our proposal, one respondent stated that this would be well suited through the SAP/RdSAP assessor. Another respondent suggested the use of photos to evidence the information on the declaration.

9.33. Of the few respondents that disagreed, one stated that having a form to declare the fuel source of the DHC connection would add administrative burden to suppliers as the fuel source of DHS connection would be captured in the post-install EPC / RdSAP assessment and District Heating Connection Template prior to installation. Another respondent said that the pre-main heating source would be sufficiently detailed within the MCS survey and commissioning certificate, which is subject to external oversight by MCS, Heating Equipment Testing and Approvals Scheme (HETAS) and other qualified bodies.

Ofgem response

9.34. Ofgem notes the overall positive feedback to a declaration for confirming the fuel source of a DHS connection measures installed in off-gas homes.

9.35. As explained under question 20, we have reduced the amount of evidence and documentation for suppliers to retain through a reform of the ECO declarations and forms. We intend to rely on data held by TrustMark where applicable and limit the information collected through forms and declaration to what is not captured by TrustMark. However, DHC measures do not fall under TrustMark's remit and do not require lodgement on the TrustMark DataWarehouse. Thus, we will proceed with our proposal to include a declaration of the fuel source of a DHC measure, which will be captured in the Post-Installation Customer and Installer Declaration.

9.36. As the fuel source of the DHC distinguishes whether the DHC measure is part of level 1 or level 2 of the off-gas measure hierarchy, we will require a declaration to be signed by the Retrofit Coordinator or DHC Operative stating the fuel source. This way we can check whether the off-gas measure hierarchy has been adhered to in compliance with ECO4 rules. The heating source will be captured on the Post-Installation Customer and Installer Declaration. We will also require a declaration stating the fuel source of DHC measures in on-gas homes.

10. Administration Part 2: Projects & Scoring

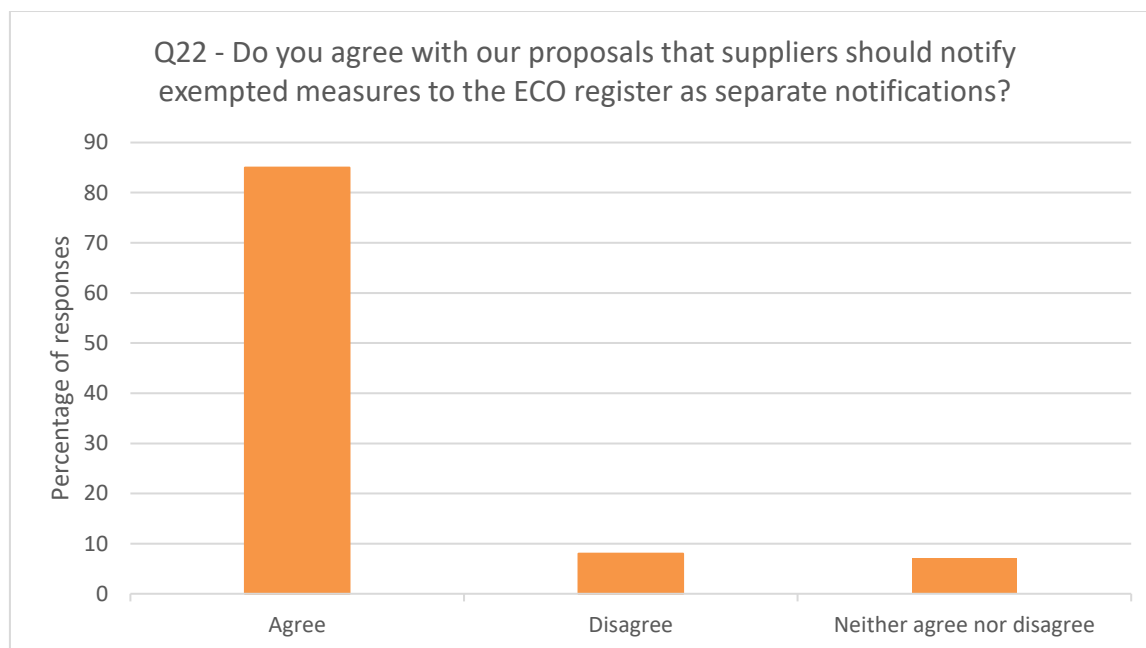
Section summary

This section looks at the suggestions from stakeholders on how we should administer and evidence exempt measures, proposals to approach measure or project caps, and how we should administer project timings and extensions, including evidence to support extensions. We received a large volume of responses which we analysed and determined if they were viable. Below we outline which of the suggestions we will be taking on-board and how we plan on administering them moving forward.

Questions 22

Do you agree with our proposals that suppliers should notify exempted measures to the ECO register as separate notifications?

Figure 31: Summary of stakeholder feedback to Question 22



Summary of responses

9.37. The majority (85%) of respondents agreed with question 22. Several respondents who agreed stated concerns over the complexity of the proposal and the potential confusion of notifying measures that weren't installed but acknowledged the need for a solution to exemptions and could not provide a better alternative.

9.38. One respondent who agreed noted potential challenges. They raised that the measure type name for certain measures such as insulation contained details like the U-value that would not be available for measures that haven't been installed. In addition, they noted it is difficult to determine if the installation of exempt measures would result in a project meeting the MR.

9.39. Only one respondent disagreed outright. They suggested the proposed system added too much complexity for the supply chain and could lead to scores being claimed for exempt measures in the case of mistakes in data inputs. They proposed all exemption data should be handled through TrustMark, where the retrofit co-ordinator could update lodgements to show exempt measures.

Ofgem response

9.40. We will implement our proposed approach to exemptions. Suppliers should notify individual exempt measures to the register using the measure notification template. Suppliers should indicate where they request an exemption from the MR through the completed project re-notification.

9.41. We acknowledge concerns over the complexity of the proposal and will ensure our guidance and data dictionary clearly state which information is and is not required for exempt measures. We would re-iterate that the notification of exempt measures is optional. Suppliers do not need to notify every exempt measure in a project, and do not need to notify any at all unless they would serve a specific purpose: exemptions from insulation conditions, exemptions from the off-gas hierarchy; and exemptions from the minimum requirement for SAP improvement.

9.42. As certain details contained within the measure name may not be available for exempt measures, suppliers will be able to notify any measure type within the specific measure category. For example, if a property could not have external wall insulation installed, then the supplier could notify an exempt measure with the measure type listed as 'EWI_solid_1.7_0.3' or 'EWI_solid_1.7_0.55' or any other variant of external wall insulation and it would be considered simply as external wall insulation for validation purposes.

9.43. We consider the risk of the supply chain accidentally claiming scores for exempt measures to be small, as details required to pass eligibility checks for completed measures would not be available for exempted measures such as a date of completed installation (DOCI) or installer name. Mistakenly listing an exempt measure as complete alone would

not result in a score being awarded, as it would quickly be identified because of these differences.

9.44. We cannot rely on TrustMark alone to identify exempt measures because exempt measures may be relevant for projects that are not lodged with TrustMark. These would need to be notified to the ECO register and having different routes for the two scenarios would create significant administrative burden. Exempt measures should be lodged with TrustMark by retrofit co-ordinators, and we will verify the exempt measures notified to us against those on their system. This also allows suppliers the ability to decide which exempt measures are relevant to the project and when they wish to request an exemption from the MR – otherwise we would need an IT solution that automatically detects where exemptions may be required for projects, which could be complex and slow down notification processing.

9.45. We acknowledge the difficulty in determining the impact an exempt measure would have had on the on the SAP rating. This is why, where suppliers request an exemption from the MR, we do not plan on implementing automatic checks to ensure that the exempt measure(s) notified to the project would result in the MR being met had they been completed. Instead, we ask suppliers to declare as such and we may check this later at audit.

Question 23

What evidence do you think will be available for exemption categories beyond those listed in Table 8? Do you agree this evidence should only be required where they cannot be validated through TrustMark?

Summary of responses

9.46. Respondents overall perceived [table 8 in the draft ECO4 Delivery Guidance](#) which shows the exemption categories and consumer circumstances for ECO4 as comprehensive and covering a magnitude of potential circumstances alongside suitable evidence. Several respondents stated that no further category was necessary as table 9 covers several eventualities.

9.47. Few respondents highlighted that cost and consumer refusal should not be an acceptable exemption and that the measure feasibility should be based on technical reasoning, produced by vocationally competent persons rather than consumer decision. A

few respondents asked for further guidance on technical reasons for certain measures not to be installed.

9.48. Many respondents requested that there should be leniency and flexibility for exemption categories and discussions with Ofgem about scenarios outside of this table. The table should not present an exhaustive list in case further categories needed to be added throughout the scheme as exemption categories might develop once ECO4 starts progressing. Respondents explained that despite the assessment undertaken by the Retrofit Coordinator, there may be circumstances which we will need to be discussed on a case-by-case basis with Ofgem. A few respondents also highlighted that the exemptions should primarily be validated by TrustMark and evidence beyond the TrustMark Data Warehouse should only be retained where validation was not possible. One respondent also requested for the exemption categories to be available to suppliers via a TrustMark API.

9.49. However, one respondent flagged that some of the exemptions listed would not be taking the 'fabric first approach' enshrined in PAS2035 sufficiently into account as PAS2035 urges for other solutions to be sought under the whole house approach.

9.50. Other responses explained that it was too early in the scheme to determine the categories and flagged that there might be potential costs in obtaining evidence for the exemption criteria.

Ofgem response

9.51. We note the positive feedback to the exemption criteria in table 9 and that evidence should be retained where validation through TrustMark was not possible. Ofgem expects the Retrofit Coordinator to assess the premises in the pre-retrofit assessment and pick up any exemption criteria and any situations where there are too few suitable ECO-eligible measures to meet the MR as set out in the PAS Improvement Option Evaluation (IOE). Any technical reasons should fall under the remit of PAS. Where the project in question has been lodged with TrustMark, we will validate these exempt notifications against the TrustMark Data Warehouse. For projects not lodged with TrustMark we expect the operative or assessor to determine whether an exemption is present and require suppliers to hold on the relevant evidence where this cannot be validated via TrustMark. The list of valid exemption categories is set out in the ECO4 Order²¹ which mostly mirror those used by the

²¹ Article 79 of the ECO4 Order.

Domestic Renewable Heat Incentive (DRHI) scheme. We do not have administrative discretion over these, so we don't have scope to add further exemption categories throughout the ECO4 scheme.

9.52. Given no further evidencing suggestions were put forward, we will limit the evidence for the exemptions to the ones listed in table 9 which is aligned with the list provided in the government response to ECO4. In case the evidencing documents from table 9 are not available, certain evidence may be presented to Ofgem to be assessed on a case-by-case basis. We will be minded to reject any measures where evidence that does not sufficiently prove the exemption categories.

Question 24

What consumer circumstances do you think might occur and what evidence do you think might be used to support them?

Summary of responses

9.53. Most respondents agreed with the proposed consumer circumstances and respective evidencing. Many responses suggested to include circumstances where a person in a household with an ongoing ECO4 project suffers from ill health or a medical condition. Certain medical conditions were explained to potentially result in a project no longer able to continue as the works and continuation may exacerbate this illness or hamper recovery. Severe ill-health or disablement could also inflict access to premises which would be necessary in order to continue works. Potential evidencing for such consumer circumstances could be in form of a letter from a person's GP or a medical letter. Some respondents suggested that such scenarios may need to be dealt with on a case-by-case basis as they may occur unexpectedly and suddenly.

9.54. Another suggestion was to include scenarios where a resident is admitted to hospital for an extended period of time. Proposed evidence for such cases could include letters from the hospital. Also, a suggested circumstance was explained where a resident moves into a nursing home or care facility which may impact the finalisation of ECO4 works. In treating such cases, respondents have flagged that special care to DPA and UK-GDPR compliance should be given.

9.55. Another scenario was a situation where a fire, flood or similar occurred which could be evidence via insurance claims, police reports, fire reports, photographic evidence.

9.56. One respondent also stated that given the customer is at the heart of the obligation, they should be able to change their mind due to personal circumstances and refuse completion of the project which could be validated by a signed declaration.

9.57. Other respondents said that it was too early at this stage in the scheme to comment on such circumstances similar and explained that consumer circumstances may increase over the course of ECO4, as already flagged in question 23.

9.58. Regarding evidencing, a respondent suggested that where a consumer moves house, communication from a Solicitor or an OFGEM declaration template should be accepted as proof. Regarding death in the household, death certificates were criticised as they might take beyond the project deadline to produce. Communication from any regulatory body including local authority, councils or hospitals were suggested as evidence instead.

Ofgem response

9.59. Ofgem notes the overall positive response to the suggested consumer circumstances. We acknowledge the number of suggestions to include medical circumstances in the list of consumer circumstances. However, the government laid out in the government response to the ECO4 consultation²² the reasons why scenarios related to physical or mental ill health would not be included, such as exposure to the risk of fraud and increase administrative costs. Furthermore, it would entail having to distinguish which medical issues or illnesses would and would not be considered reasonable for ending a project early as well as handling and processing sensitive personal data to evidence these medical issues. Hence, consumer circumstances have been limited to death in a household and change of occupancy.

9.60. Given that consumer circumstances are not covered by TrustMark, we will proceed with our proposed approach to require suppliers to request an exemption from the MR based on a consumer circumstance through the completed project notification. Suppliers will be required to hold evidence in all cases where a consumer circumstance is notified and to produce this evidence if requested.

22

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1065823/eco4-government-response.pdf

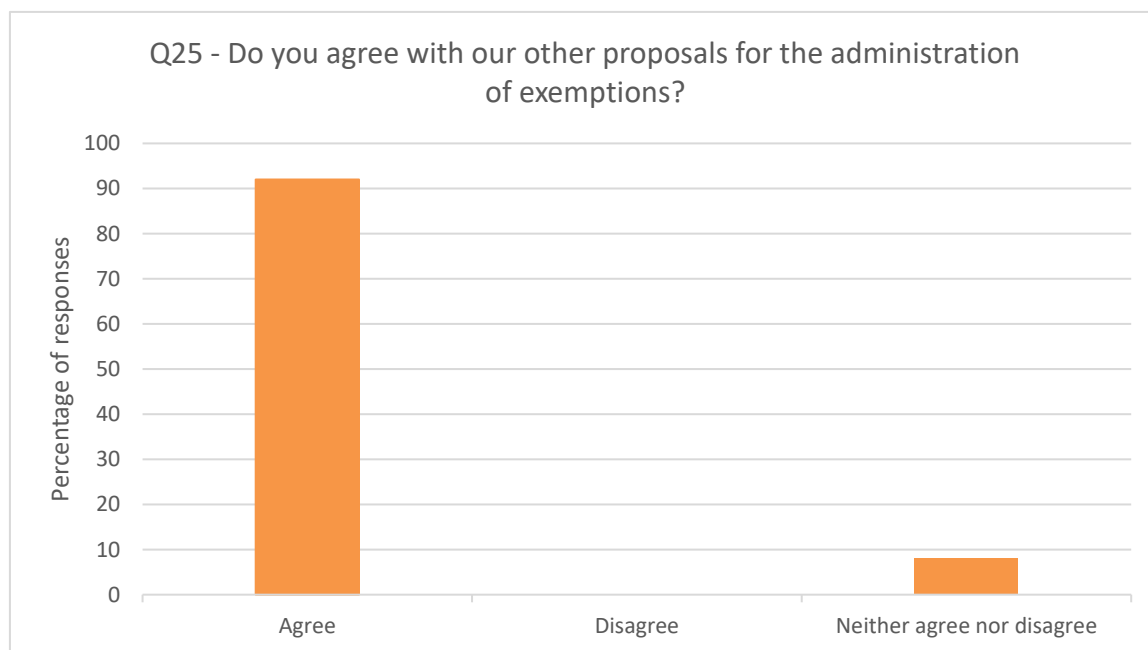
9.61. In terms of evidencing, we expect change of occupancy to be primarily evidenced via a tenancy agreement, and death in a household primarily via a death certificate. In some specific circumstances suppliers may contact Ofgem to discuss evidence on a case-by-case scenario in advance of notification, particularly given the potentially sensitive nature of the circumstances. We may be able to accept evidence outside of the required evidencing documents on a case-by-case basis alongside proof that the standard evidence is not available. Where evidence is presented from a regulatory body such as a local authority, councils or hospitals as suggested by respondents it will be assessed on a case-by-case basis and may be deemed appropriate provided Ofgem is content with it evidencing the respective consumer circumstance. If we do not consider the evidence to be appropriate, we reserve the right to deny an exemption to the consumer circumstance. Where we identify that documentation had been tampered with at any point after the of approval, we will be minded to reject the measure or project in question retrospectively.

9.62. Regarding a situation where a fire or a flood occurs, an extension may be granted to the project completion, if required, but such scenarios do not fall under consumer circumstances.

Question 25

Do you agree with our other proposals for the administration of exemptions?

Figure 32: Summary of stakeholder feedback to Question 25



Summary of responses

9.63. The majority of respondents agreed with question 25. No respondents disagreed. No respondents who agreed provided further thoughts except for one, who requested that Ofgem keep the administration as simple as possible and avoid duplicating information already captured by the PAS/TrustMark process.

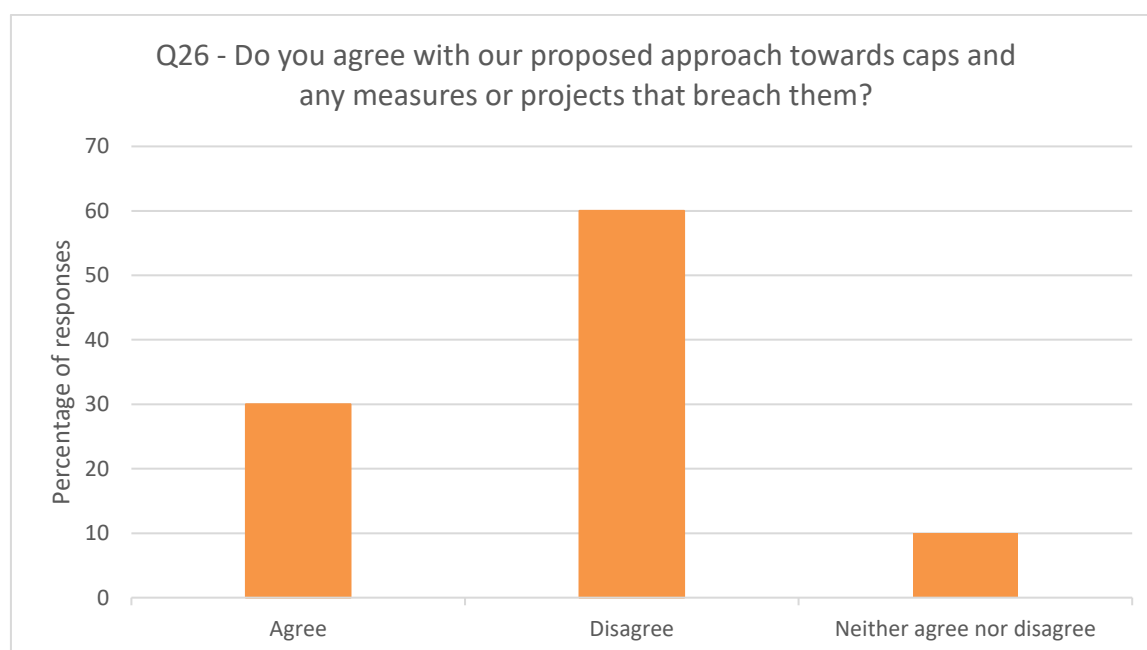
Ofgem response

9.64. We will implement our proposed approach towards exemptions.

Question 26

Do you agree with our proposed approach towards caps and any measures or projects that breach them?

Figure 33: Summary of stakeholder feedback to Question 26



Summary of responses

9.65. The majority of respondents (60%) disagreed with question 26. None of the respondents who agreed provided further reasoning. Respondents who disagreed all proposed that suppliers should be allowed to choose for themselves which notifications should have their scores changed as a result of breaching a cap rather than use an automatic selection process.

9.66. Across those who disagreed, two common concerns were raised about using an automatic selection process. Firstly, the measures or projects selected might contribute towards sub-obligations and other targets, and that losing these scores could result in a failure to comply with these targets. If suppliers could choose themselves, they would be able to avoid this issue. Secondly, this selection process places more of an admin burden on Ofgem and require timely and accurate reporting. Allowing suppliers to choose themselves reduces this admin burden.

Ofgem response

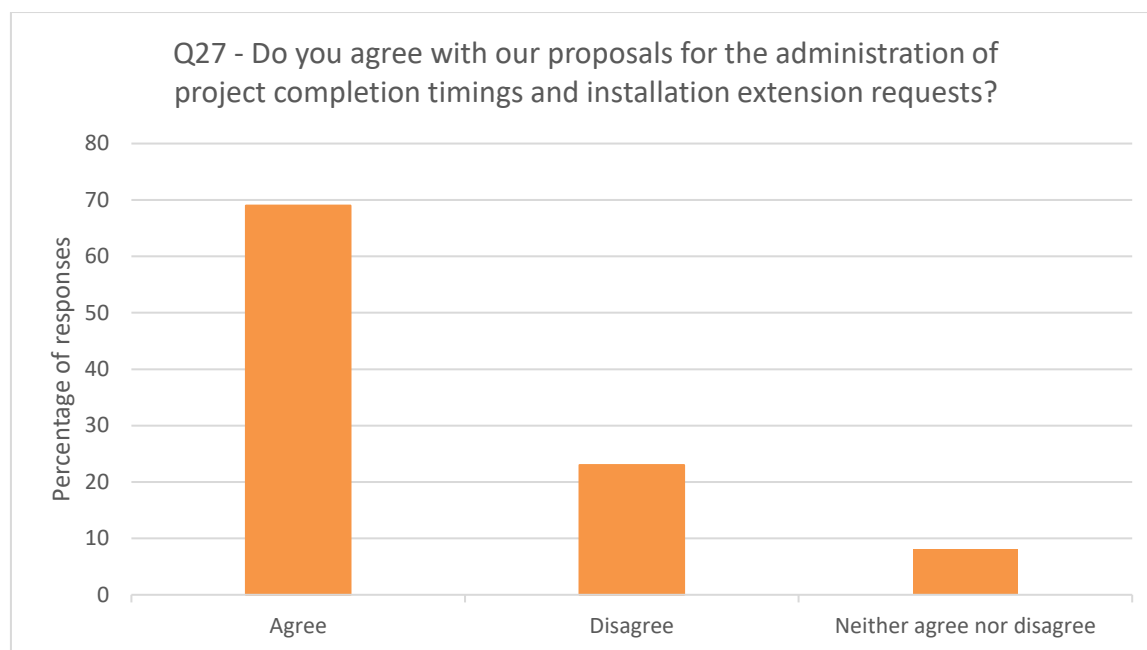
9.67. After further discussion with BEIS, we have determined that the legislation does provide room for Ofgem to allow suppliers the choice of which notifications will be impacted where a cap has been breached. We agree that providing suppliers a choice could avoid the scenario where changing or revoking a score would result in non-compliance of an obligation or sub-obligation. We also agree that giving suppliers a choice creates less of an admin burden for Ofgem.

9.68. Therefore, we will not implement our original proposal to use an automatic selection process to determine which notifications will be impacted by being over a cap. Instead, as part of the final determination process at the end of ECO4, we will contact suppliers that are at risk of breaching a cap and arrange with them which notifications will be impacted.

Question 27

Do you agree with our proposals for the administration of project completion timings and installation extension requests?

Figure 34: Summary of stakeholder feedback to Question 27



Summary of responses

9.69. The majority of respondents (69%) agreed with question 27. No respondents provided explicit reasoning for why they agreed. However, there were several concerns or requests raised.

9.70. Multiple respondents requested an example calculation of a late penalty, and for clearer wording to be used to explain how the penalty is applied. Another common concern among those who agreed was regarding the late penalty being applied to measures that fail monitoring and are remediated beyond the deadline. One respondent noted that remediation is reliant on timely action by TrustMark, and that most remediations would require an extension request. They also raised that the remediation evidence can sit with the supply chain for long periods, which could result in late penalties applied beyond the installers' control. They suggest the remediation deadline should be based on the inspection date rather than the completion date.

9.71. Another respondent requested clarification as whether a late penalty would be applied when a remediation takes place on site within the deadline, but the quality assessor notifies it beyond the deadline. They also asked if a late penalty is immediately applied

where a measure is installed in the month before the deadline and results in a monitoring fail, or if they would have a change to remediate the measure.

9.72. Respondents who disagreed expressed concerns over Ofgem’s ability to process and respond to extension requests in a timely manner, given the financial risk posed to the supply chain should extensions not be granted in some cases. One respondent stated days should be used instead of months for the deadline to avoid confusion caused by months having differing lengths. Another stated that 3 months was not enough time to complete external wall insulation (EWI) measures and they should receive the same 6-month deadline as DHS.

Ofgem response

9.73. We will implement our proposals for installation extensions. Suppliers may request an extension of an extra three months to the installation of a measure. Suppliers don’t need to notify these extensions to the register as part of the notification template; once our assurance team approves an extension they will change the measure on the register to show it as having an extension. This will be used to determine if the measure results in a late penalty being applied to the FPS of the project where relevant. Suppliers don’t have to wait until the measure or project is notified – they can and should submit a request as soon as they determine the measure will not be complete within the deadline.

9.74. Where a measure fails technical monitoring and the remediation takes place after the deadline, the measure will be considered late and attract a late penalty to the project. For these purposes the date of remediation will be the remediation date recorded with TrustMark. Therefore, the remediation date will be the date work is completed, and will not be impacted by delays in notification of the remediation.

9.75. The late penalty is only applied to a project that receives FPS. This is only determined at the last stage of project processing, which only begins once all measures in that project are either approved or rejected so the monitoring fail has to be remediated or rejected. Therefore late penalties won’t be applied until after the fail has been remediated. Suppliers may submit an extension request to give more time for a remediation.

9.76. We do not have scope to decide which measure types receive the longer installation deadline – this is set by BEIS and laid out in the ECO4 Order²³. Thus, only DHC connections have a six-month deadline (and 9 months with an extension). We can confirm that the ECO project completion deadline is treated as three calendar months. This means an ECO4 project is completed on time if it is completed on the same day as, or not more than three months after, the day on which the first qualifying action in the project is completed. For example, 5 January 2023 to 5 April 2023.

9.77. The late penalty is calculated as 20% of the deemed cost savings of the late measure. This phrasing was used instead of stating 20% of deflated PPS because:

- This is based off the undeflated score, before the deflator is applied
- It does not include other uplifts (except the floor area uplift which is already included in the scores listed in the matrix).

9.78. As an example, say a supplier notifies an underfloor insulation (UFI) measure installed in a property with a floor area of 60m² and starting intermediate SAP band high E. This property is eligible through ECO flex route 4. From the PPS matrix, the score for this measure is £79. The 10% uplift for route 4 is applied giving a total undeflated score of £86.9. Then the deflator is applied to give the deflated PPS of 69.52.

9.79. This measure is installed after the deadline and so attracts a late penalty. The project meets the MR and is awarded FPS. The late penalty is equal to $0.2 \times 79 = £15.8$. So £15.8 is subtracted from the FPS awarded to the project. Note the late penalty is applied to the value taken from the PPS matrix after the adjustment due to POPT where relevant, but before other uplifts or the deflator are applied.

²³ Article 65 of the ECO4 Order.

Question 28

What forms of evidence do you think could be used to support installation extension requests, and show why delays to installations were unavoidable and unpredictable?

Summary of responses

9.80. One respondent suggested that evidence such as a letter from hospital to support a medical reason should be considered. Emphasis was also given on the need to ensure that DPA and UK-GDPR rules were followed.

9.81. A few stakeholders raised that delays due to weather issues should be sufficient and that the information on the weather is publicly available and therefore further evidence should not be required. For example, an EWI project being delayed due to snow or rain. Another stakeholder also raised similar concerns, highlighting unpredictable events such as Covid-19 and shortage of supplies. Other reasons raised were; customer un-availability during the 3 months project window, equipment availability issues within network, planning permission issues or cases where the original business has gone into administration.

9.82. A few respondents suggested that Ofgem should review extension requests on a case-by-case basis. They suggested that it may be too prescriptive to have a list of evidence requirements as it may not cover all eventualities. There were concerns raised around having difficulties to provide hard evidence supporting delays that are unavoidable and unpredictable. Therefore, the suggestion was that Ofgem should consider the reasoning behind the delay in the extension process and should adopt a pragmatic approach.

9.83. One stakeholder suggested that a standardised template with evidence attached to the email is sent to Ofgem.

Ofgem response

9.84. Ofgem will continue to look at each extension request on a case-by-case basis and the examples provided by stakeholder as part of the consultation will be taken into consideration when assessing extensions in ECO4.

11. Administration Part 2: Uplifts

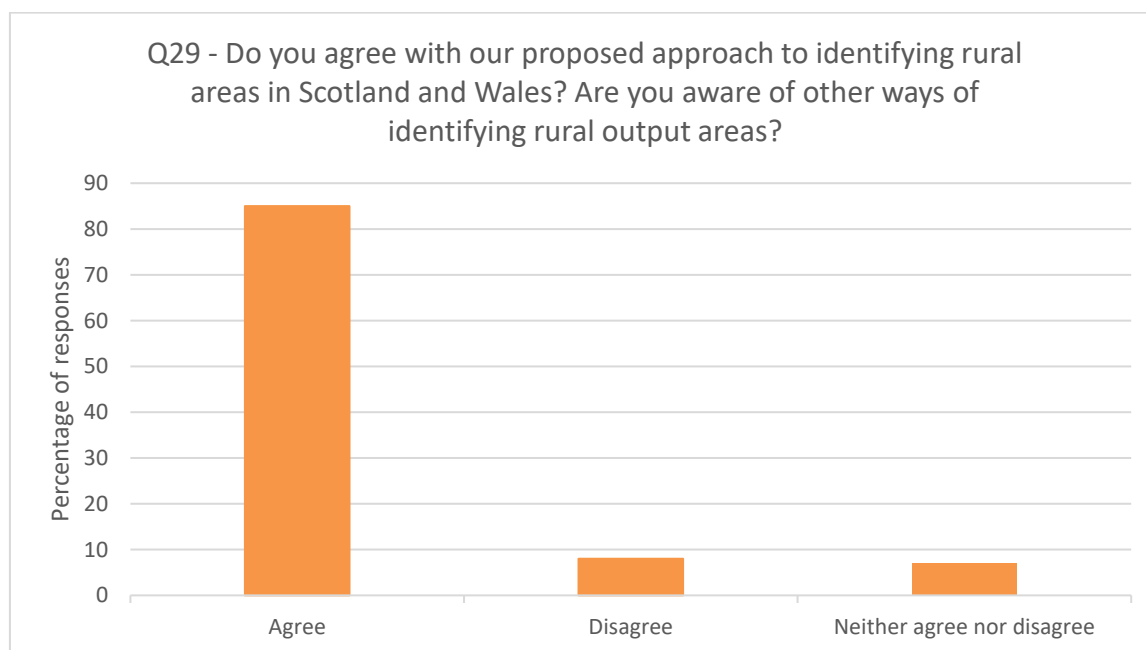
Section summary

This section outlines our proposed administration of identifying rural areas in Scotland and Wales, the use of the ONS Postcode Directory, and approaches for administering uplifts under ECO4. This section also discusses the Pre-insulation Heating Checklist and our proposal to mandate that the chartered surveyor and skilled technician attends the property and carries out an inspection in person before submitting a report.

Question 29

Do you agree with our proposed approach to identifying rural areas in Scotland and Wales? Are you aware of other ways of identifying rural output areas?

Figure 35: Summary of stakeholder feedback to Question 29



Summary of responses

11.1. 85% of respondents agreed with our proposed approach to identifying rural areas in Scotland and Wales.

11.2. One respondent explained that they would support switching to the ONS Postcode Directory look-up provided by the Office of National Statistics given it aligns ECO4 with other Government funded schemes which avoids any confusion between the schemes.

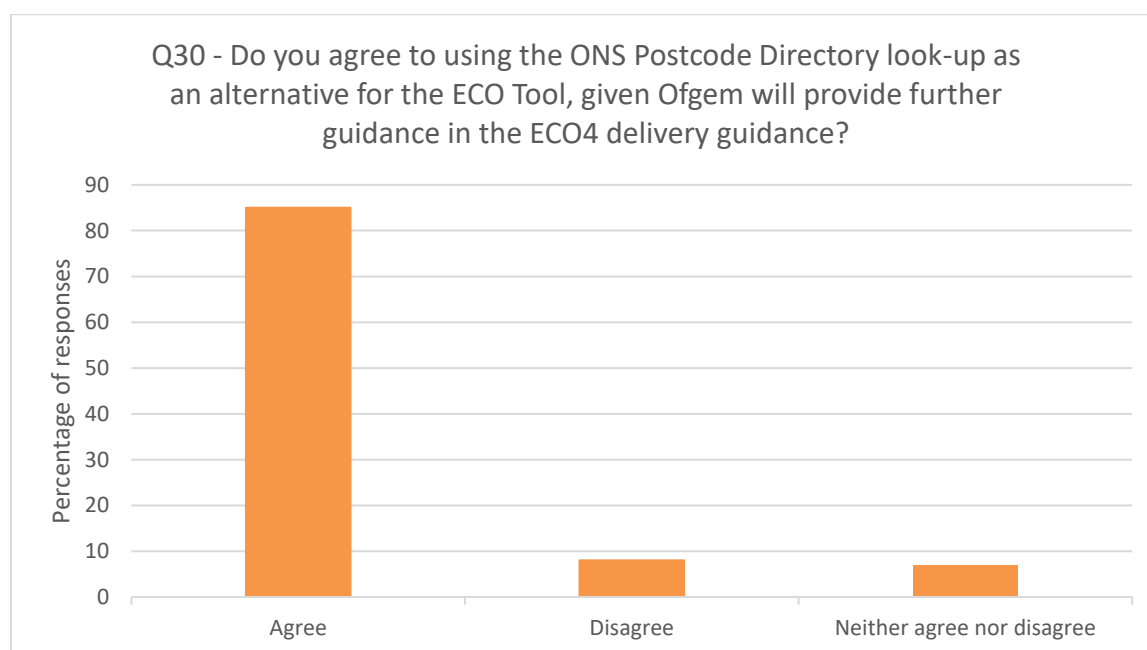
However, the respondent explained that it is important that the tool is easy to use and can be integrated into survey tools and installers and suppliers Work Management Systems.

11.3. A few respondents that agreed with the proposed approach explained that they were not aware of any other ways of looking up postcodes.

Question 30

Do you agree to using the ONS Postcode Directory look-up as an alternative for the ECO Tool, given Ofgem will provide further guidance in the ECO4 delivery guidance?

Figure 36: Summary of stakeholder feedback to Question 30



Summary of responses

11.4. In response to using ONS Postcode Directory look-up as an alternative for the ECO Tool a strong majority of respondents agreed with our proposal to move to the ONS Postcode Directory as a way to look up rural areas in Scotland and Wales. Many respondents based their agreement on the fact that it is provided by a recognised national statistical institute covering all of the UK and is updated on a regular basis. Also, respondents perceived an advantage in using this tool as it would align ECO4 with other Government schemes that also use it, and would avoid any confusion between the schemes. However, a respondent asked for further information on what kind of advice Ofgem would be providing in the ECO4 Delivery Guidance.

11.5. One respondent that agreed in principle, stated that for ease and simplicity they would have preferred a continuation of the ECO tool rather than moving to the ONS Postcode checker. They further explained that despite the Rural Urban Indicator codes being explained in the ECO4 Delivery Guidance, extracting this information from the ONS Postcode checker is more complicated than previously from the ECO tool. It would also increase cost and complexity to set up the ONS Postcode checker for ECO4. This was supported by another respondent who explained that the ONS Postcode Directory tool is less user friendly and efficient than the ECO Tool.

11.6. Of the few respondents that disagreed to using the ONS Postcode Directory one explained that the Output Areas in which a postcode exists may change over time so that the look-up updates every few months which could result in properties that were rural at the point of reporting may no longer be in a rural Output Area at a later date. The ECO tool accounted for this by allowing any postcode that had ever been in a rural OA to count as rural.

11.7. One respondent stated that they were not aware of another tool and agreed to our proposal.

Ofgem response to Question 29 and 30

11.8. Ofgem recognises the overall positive response to the proposal of using the ONS Postcode directory look-up for the ECO4 scheme.

11.9. The ECO4 Delivery Guidance includes a section under rural which explains the rural / urban output area codes and the values that display the output areas on the look-up when a postcode is typed in.

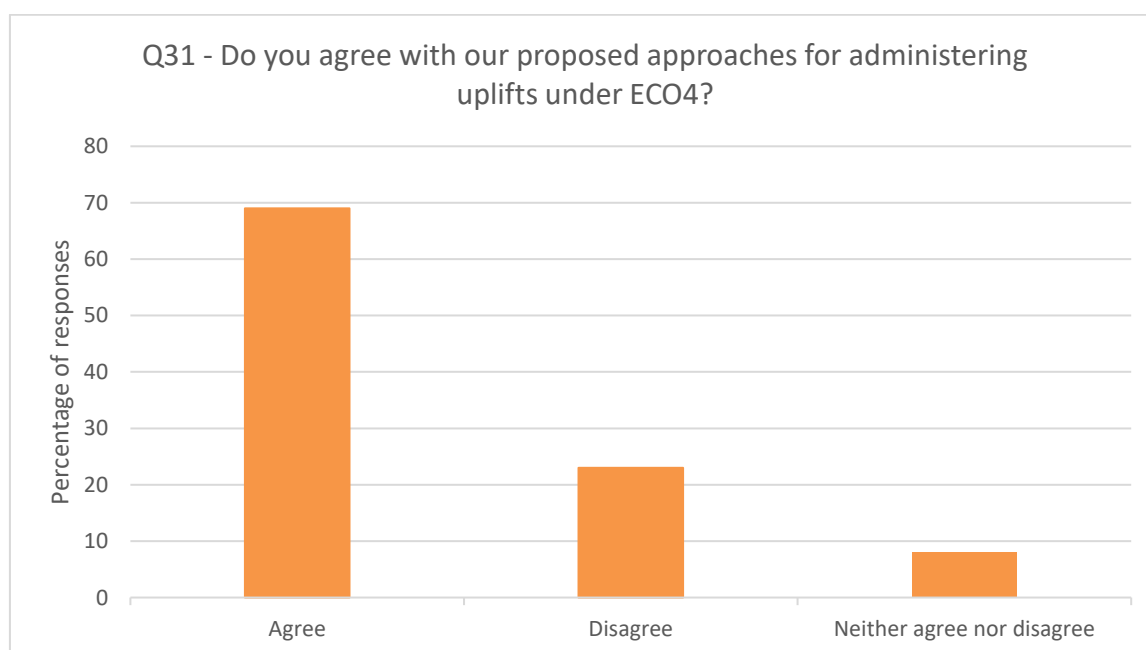
11.10. We acknowledge the expressed concern about the ONS checker being less user friendly in comparison to the ECO Tool. However, we think the advantages of this look-up outweigh the concerns, such as that it presents a cost-effective alternative, it is provided by a government department which keeps the information up-to-date and given there is no longer a rural sub-obligation under ECO4 as there was under ECO3 it now presents a voluntary part of the scheme which does not justify for ECO Tool to be continued. We understand that industry has used the ECO Tool over the past few years, but we are confident that after an initial transitory period, the novel tool to be suitable to provide the necessary information for the duration of ECO4. As a combination of these factors, we see the ONS data postcodes present the most suitable tool.

11.11. We will check the rural requirement as part of our monthly processing. Any projects notified as rural in that month would then be checked against the ONS data whether accurate or not. Output areas have always been subject to change over time and the ECO tool also had regular postcode updates in rural classifications. The ECO tool accounted for through allowing for older data to be able to be downloaded so that Ofgem was able to check whether a postcode was or was not rural at a specific period in time. There have not been scenarios where a measure has been indicated as not in a rural area, but the supplier has indicated that the measure was previously in a rural area. This risk may only occur where a measure might not go through our rural checks for a long time, by which point it is no longer rural where previously it would have been. In order to mitigate this, we propose to extend the retention of older data for example by taking snapshots of the data regularly. This is dependent on the functionality of our internal rural check tool based on the ONS postcode data which is currently under development.

Question 31

Do you agree with our proposed approaches for administering uplifts under ECO4?

Figure 37: Summary of stakeholder feedback to Question 31



Summary of responses

11.12. The majority of respondents agreed with our proposed approach to administering uplifts in question 31.

11.13. Stakeholders who agreed with our proposal also highlighted that it may take industry time to adjust to the proposed changes and there may be an additional burden associated with developing system that can handle a new approach to uplifts.

11.14. One respondent also argued that the building fabric repair (BFR) uplift was not high enough to cover the costs of works.

11.15. There was some confusion around the mechanism used to apply the floor area uplift. One respondent argued that due to the additional complexity, the floor area uplift should not automatically be applied to the published scores in the matrix. Another suggested that we should not refer to it as a "floor area uplift" in the guidance, as the uplift is already applied to the scores in the matrix, and the current wording could risk the floor area uplift being applied twice.

11.16. Of those who disagreed (23%) with our proposal, the additional complexity of the approach was their main concern. Stakeholders expressed a preference for all types of uplift to be applied in the same manner, eg all applied as a multiplier. Further worked examples of different scenarios and uplifts to aid understanding were also requested.

11.17. There was a request to display the uplift values on the ECO4 Register to allow stakeholders to check they have calculated the score correctly.

11.18. One respondent asked for further clarity on claiming multiple broken efficient electric storage heater (ESH) uplifts and how this will interact with the duplicate process.

Ofgem response

11.19. We appreciate concerns on the level of the BFR uplift however the BFR cost range categories are set by BEIS, and we do not have discretion to change this area. The highest assumed spend in the uplift is £1,500 but the actual BFR spend in the property can surpass this.

11.20. Stakeholders' views differed regarding the best way to approach the floor area uplift, with one supplier suggesting that it should not be automatically applied to the score matrix and another arguing that it should instead be removed from the uplift table in the guidance as there is a risk of double counting. The floor area uplift applies to any score awarded to measures and projects installed in properties in the smallest two floor area segments.

11.21. We have decided to maintain our approach to applying the floor area uplift. We will automatically apply the floor area uplift to the scores published in the matrix; this reduces administrative burden as it removes the need to calculate the uplift for every score. We appreciate feedback that the current guidance on the floor area uplift could be confusing and risk double counting, we will look to clarify the section on floor area uplifts in the final version of the delivery guidance.

11.22. We understand concerns that having a mixture of fixed value increases and multiplication factor uplifts may add complexity to the scheme, and some stakeholders' preference was for all uplifts and increases to be applied as multiplication factors. However, the fixed value increases, and multiplication factors are set by BEIS and therefore, we are not able to apply these both in the same way. Therefore, we will continue to have both fixed value increases and multiplication factor uplifts.

11.23. We will ensure the uplifts and increases are clearly set out in the final delivery guidance and include more worked examples. We will also continue to engage with stakeholders to help them understand this area.

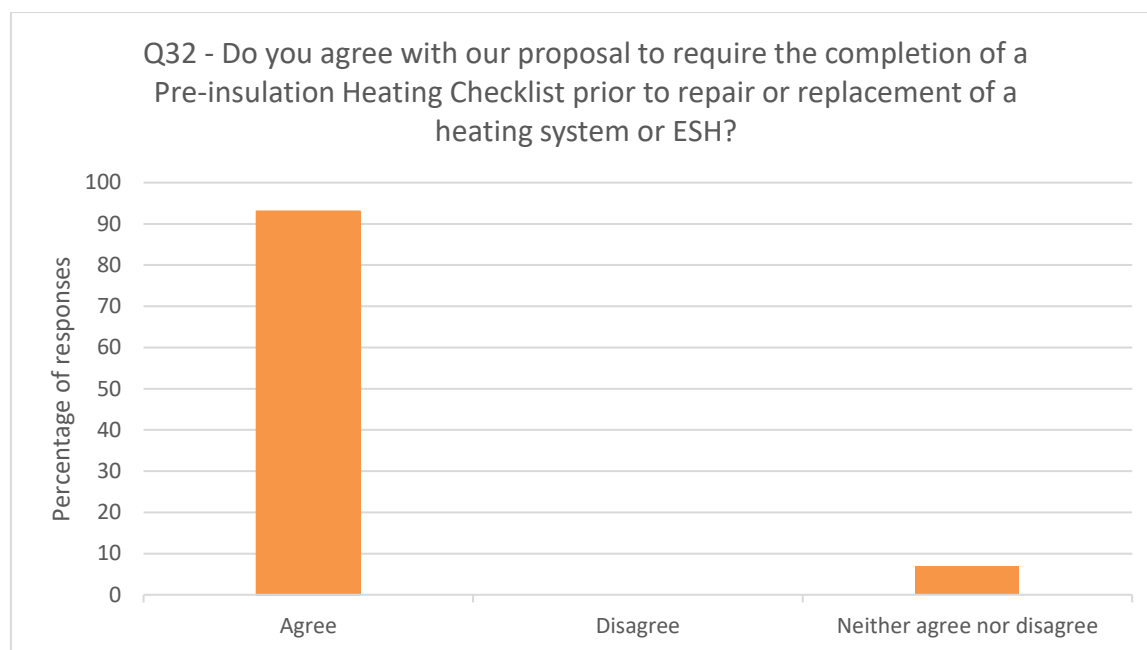
11.24. We also plan to display the base scores and the uplift calculation on the project details page of the Register. This will allow users to check the uplift calculation and score.

11.25. One respondent requested more information on how multiple ESH increases can be claimed. Multiple ESH fixed value increases can be claimed for a premises. The fixed value ESH increase should be notified as a measure and the measure details (such as DOCI, measure type etc.) will be validated against the TrustMark Data Warehouse in line with other measure notifications. We will also mandate that the Pre-Installation Heating Checklist be completed prior to any ESH replacement or repair.

Question 32

Do you agree with our proposal to require the completion of a Pre-insulation Heating Checklist prior to repair or replacement of a heating system or ESH?

Figure 38: Summary of stakeholder feedback to Question 32



Stakeholder summary

11.26. Many stakeholders agreed with our proposal without leaving comments, though some questioned the name of the form stated in the question – we confirm this should read ‘Pre-*installation* Heating Checklist’.

11.27. One stakeholder noted it was hard to answer the question without seeing the form, and they look forward to working with the ECO Reporting Working Group to develop it.

11.28. One stakeholder welcomed the opportunity for simplification that arises from combining the three forms used in ECO3 into one. However, another agreed with the proposal on the basis the checklist remains as in the public domain currently.

11.29. Two stakeholders requested that the form should not duplicate information that will be collected by TrustMark. One stakeholder requested that requirements around hydraulic balancing and the wood fuel used for biomass should be covered by TrustMark rather than the Checklist.

11.30. One stakeholder was concerned that if the checklist is too prescriptive or has to be completed prior to install only, simple errors may result in unnecessary fails.

Ofgem response

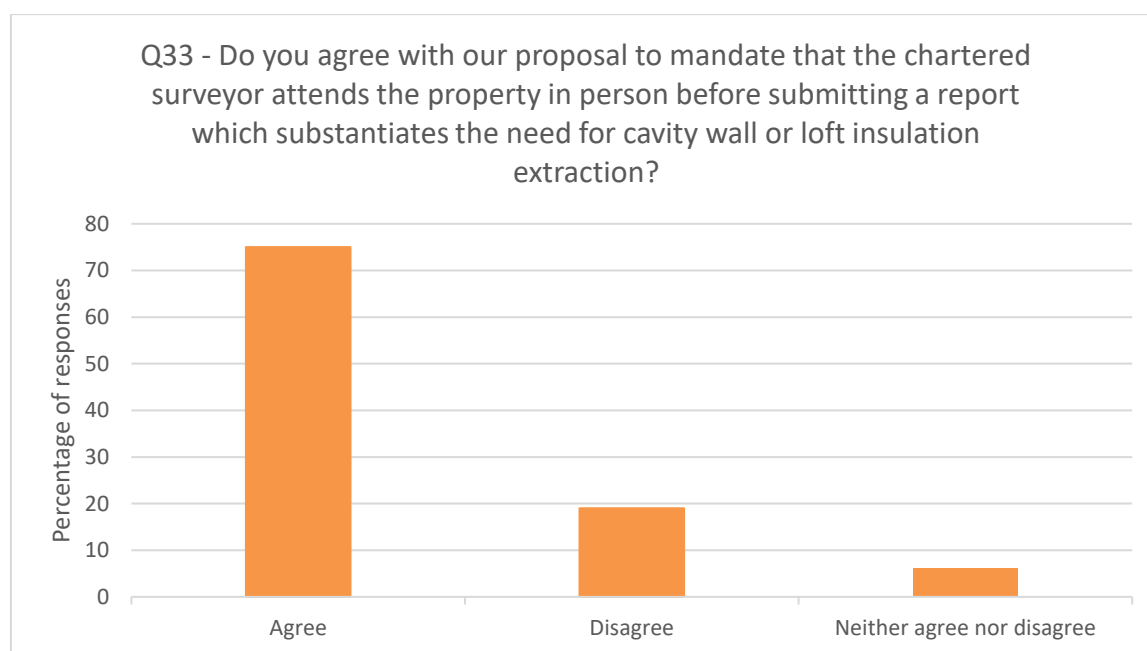
11.31. We will mandate that a checklist is completed in relation to the repair or replacement of a heating system or ESH. We will not require that the checklist is completed *prior* to the installation/repair taking place, however we recommend this approach, because the checklist acts as a guide to help ensure an eligible measure is selected.

11.32. Our approach is to develop the checklist with input from the ECO Reporting Working Group, a group comprised of obligated suppliers, members of the ECO supply chain and TrustMark. We will take decisions on the exact information required by the checklist as part of this process. Our overall aim is to simplify the checklist in comparison to the ECO3 equivalents, and to minimise duplication with information stored by TrustMark.

Question 33

Do you agree with our proposal to mandate that the chartered surveyor attends the property in person before submitting a report which substantiates the need for cavity wall or loft insulation extraction?

Figure 39: Summary of stakeholder feedback to Question 33



Stakeholder summary

11.33. The majority, 75% of responses, agreed with this proposal, with 19% disagreeing. Six of those agreeing stated the importance of gaining robust assurance that cavity extraction is needed and said that on-site visits could provide this, mitigating against unnecessary extractions and fraudulent work. Of responses in agreement, two were nevertheless concerned about costs, and it was suggested that maybe only a sample of projects may require on-site visits.

11.34. Two respondents were opposed, with one of the view that the Retrofit Coordinator working with a Chartered Surveyor at a desktop level would be adequate. One response opposed and another that did not state a position, argued that cavity extraction should be covered under Publicly Available Specification (PAS) 2030 and 2035. These responses again were concerned about costs.

11.35. The responses included the following suggestions: that assessments might be made by a suitably qualified structural engineer, and that guidance was needed on how to complete the pre-installation RdSAP assessment where there is existing cavity wall insulation needing extraction and a new cavity wall insulation measure needs to be identified following any removal.

11.36. One response draw attention to the position of BEIS in their ECO4 consultation government response, which aligned the scope of the building fabric repair (BFR) uplift with the PAS definition “existing construction defects or leaks, and any condensation and/or mould growth in the dwelling” (PAS2035:2019 8.3.1), said a BFR uplift could not be claimed where a warranty was in place, and defined defective cavity wall insulation as the ‘complete and total failure of the insulation measure’.

Ofgem response

11.37. We have decided to adopt this administrative approach, which is supported by most stakeholders who stated a preference.

11.38. Regarding responses highlighting cost, given the need for robust assurance and the small number of cavity wall extraction measures likely, we are of the view that on-site inspections are necessary for all projects. As such, an independent skilled technician must not only attend sites, but also carry out intrusive inspection with a borescope to make a determination. It important to note that this inspection in itself may invalidate any guarantees present, and therefore must not be carried out until it has been ascertained

that the existing CWI is not covered by a guarantee. Where a guarantee is in place, extraction and replacement is not supported by ECO.

11.39. We consider that a Chartered Surveyor should be able to perform this function and are open to other technicians who are suitably qualified. One such qualification includes The IAA Cavity Extraction & Remediation Certification Scheme²⁴, however we are also open to others.

11.40. A minority of respondents favoured relying on the PAS framework for extractions. While PAS does require an assessment of defects, the PAS framework does not currently offer a regime for the assessment and removal of cavity wall extraction that can provide necessary assurance for the ECO scheme. We will continue to monitor any replication between PAS and our administration, and propose changes where required. We are keen to see standardisation in the market and will work with industry bodies, including TrustMark, to see how to progress this in the medium term.

11.41. We have added to our delivery guidance to clarify our definition of 'defective', which we believe is in line with BEIS' consultation decision document. Finally, we are looking to clarify how the pre-project RdSAP xml should be completed in scenarios where extraction is required.

²⁴ <https://www.theiaa.co.uk/news/post/the-iaa-cavity-extraction-amp-remediation-certification-scheme/>

12. Administration Part 2: Project / Measure administration

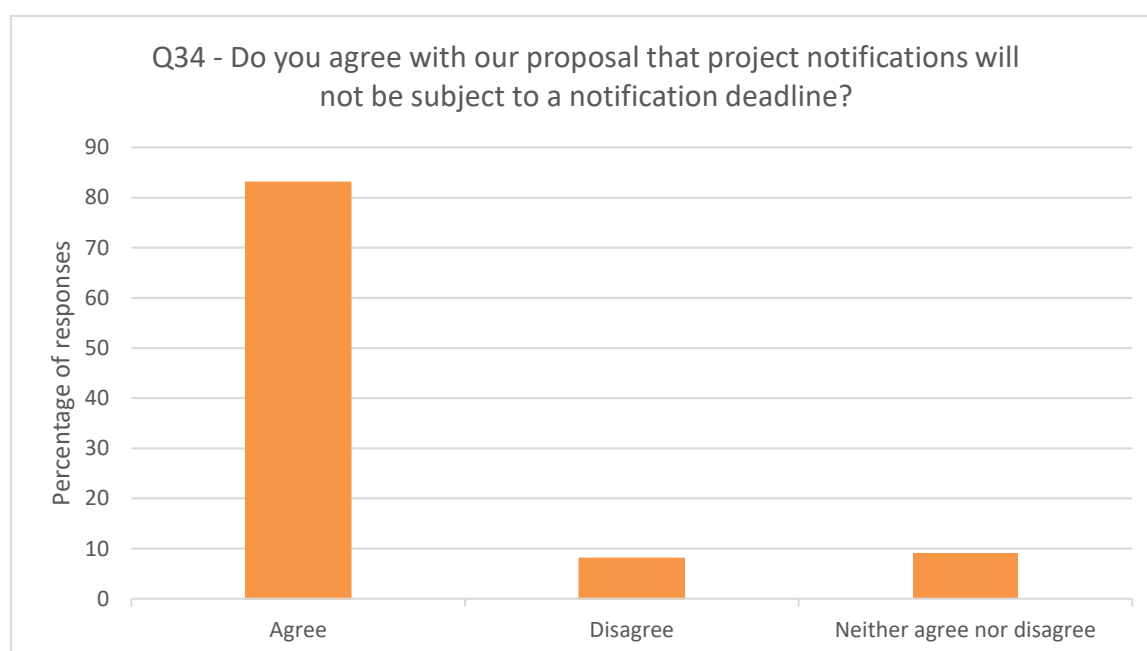
Section summary

This section outlines our proposed administration of project and measure notifications, including the extraction of some data from TrustMark. This section also discusses project transfers and ECO4 documentation.

Question 34

Do you agree with our proposal that project notifications will not be subject to a notification deadline?

Figure 40: Summary of stakeholder feedback to Question 34



Summary of responses

12.1. The majority of respondents (83%) agreed with the proposal in question 34. Of the respondents who agreed, one stated the greater flexibility afforded would assist the supply chain given the complexity of the scheme, while another agreed that the requirement for a project to be notified before measures can be approved would incentivise both suppliers and the supply chain to notify projects. One respondent agreed partially but suggested a deadline on the project would help Ofgem and suppliers in tracking delivery towards obligations.

12.2. Only one respondent disagreed with the proposal. They suggested an extended deadline for projects such as quarterly but did not provide reasoning as to why.

Ofgem response

12.3. We will implement the proposal outlined in question 34. Project notifications will not be subject to a fixed deadline. However, notified measures may not progress through the stages of validation checks until the project has also been notified and passed through these checks, so suppliers are encouraged to notify projects quickly. Similarly, FPS cannot be awarded until the completed project notification is submitted, incentivising the supply chain to have them notified quickly.

12.4. In order to ensure projects are notified in sufficient time to be processed before final determination, we will implement an overall scheme deadline of 30th June 2026 for all project notifications. This aligns with the final date measures with notification extensions can be notified.

Question 35

How soon do you anticipate measures will be notified after the initial project notification? Do you anticipate significant delays between notifications?

Summary of responses

12.5. A few responses stated that delays in notifications might be limited to the start of the ECO4 scheme and would particularly occur in September 2022 when a high volume of notifications is processed through Data Warehouse. However, these may not be significant delays. Such delays might occur because suppliers, contractors and Retrofit Coordinators might need a period of time to familiarise themselves with the notification and reporting processes and requirements at the start of the scheme. Other risks at the start of the scheme that may impact notification and the delivery timings were flagged as shortages of insulation material supply, heat pumps and photovoltaics (PV) panels.

12.6. With the advancement of ECO4, however, the supply chain and suppliers would be incentivised to notify measures and completed projects within appropriate timescales as measures will not be approved without the project notification. Any delays between measure notifications for a notified project were anticipated be around a month or more. Another respondent anticipates the first measure to be within two months of the initial project notification.

12.7. A few respondents highlighted that they would keep project and first measure notification close to one another. There was no incentive to notify a project much in advance to the first measure. Contractors might aim to notify a complete project at once, as staged notifications are disincentivised by TrustMark lodgement fees. Another respondent asked to clarify whether measure notifications can be uploaded immediately after the Initial Project Notification. Suppliers are only made aware of a project when the first measure is submitted for notification. If measures can be notified after initial project notification the risk of late notifications would be reduced if suppliers receive measure submissions close to or on the notification deadline.

12.8. In terms of individual measures, as these will also have a notification deadline as previously under ECO, contractual requirements can be maintained to ensure that measures are notified before their notification deadline, unless exempt.

12.9. Some respondents explained that delays in final measure notification should not be warranted as FPS and supply chain payments are dependent on it. This would incentivise prompt notifications. One respondent explained how in order to minimise administrative burden they would be aligning with existing processes and procedures.

12.10. Another respondent suggested that they aimed to have the initial project notification close to the submission of the project re-notification.

12.11. Risks for notification delays were described by a respondent as householders changing their minds on an installation, subcontractors renegeing on installation timetables, weather causing delays, unavailability of materials or subject to rapid inflation. Other risks flagged by another respondent were that the notification may be dependent on unforeseen circumstances and timelines for measure notification will be dependent on the installer or delivery partner as well as number and type of measures in a given project.

Ofgem response

12.12. Ofgem welcomes the responses provided on potential delays between measure and initial project notification.

12.13. We acknowledge that there might be some delays particularly at the start of ECO4 as notification processes and requirements need to be established first. We also note the few proposed valid reasons for delays in project and measure notifications such as an initial adaptation phase and potential supply shortages that may impact delivery timelines at the start of the scheme. We acknowledge that the supply chain will require an initial adaptation

phase and overcome potential shortages of material supply. However, given the FPS depend on final measure notifications we note the overall positive responses to the notification process and scoring incentivising prompt notifications.

12.14. We also note positively that there should be minimal impact on contractual agreement for individual measure notifications which continue to have a notification deadline as previously under ECO.

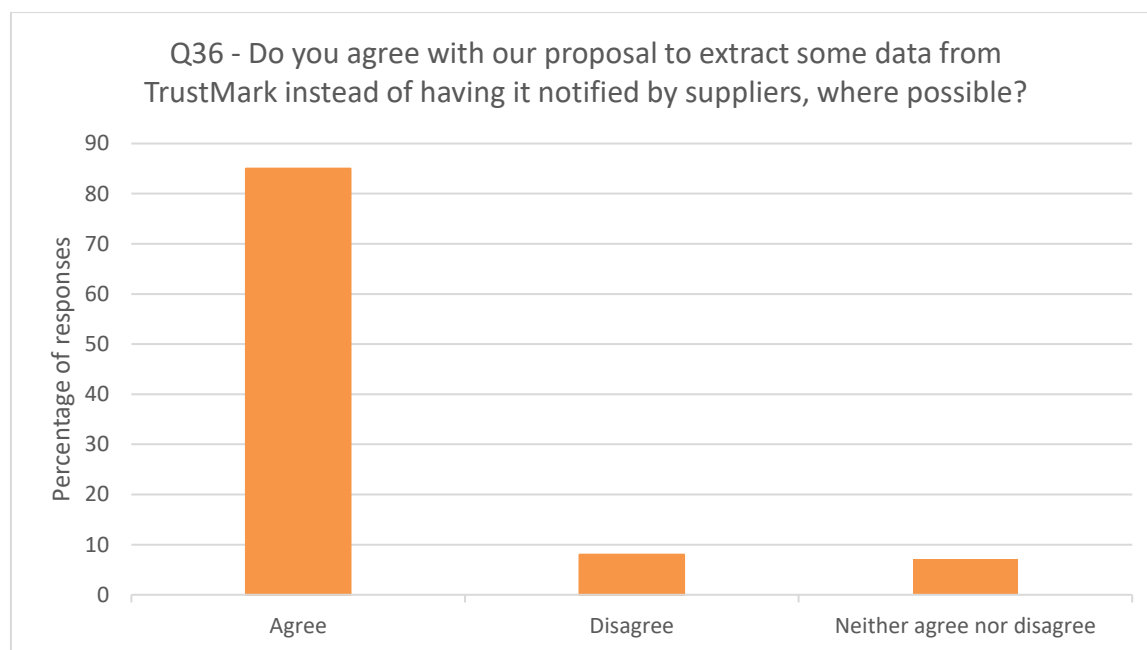
12.15. We will proceed with our proposal to have no notification deadline that impacts eligibility for either the initial project notification or the project re-notification, aside from the overall scheme deadline mentioned above. Measures can be notified at the same time, after or before a project is notified and will be accepted on the ECO register if they successfully pass stage 1 validation checks. In order for a measure to pass stage 2 validation checks the associated project needs to be notified and successfully passed stage 2 checks. The final project can be re-notified as soon as the last measure of the project has been notified.

12.16. Ofgem acknowledges that external circumstances might occur that can have an impact on notification timelines. Where such a circumstance impacts the measure notification deadline, suppliers can request an extension for measure notifications.

Question 36

Do you agree with our proposal to extract some data from TrustMark instead of having it notified by suppliers, where possible?

Figure 41: Summary of stakeholder feedback to Question 36



Summary of responses

12.17. The majority of respondents agreed with the proposal to extract some data from TrustMark in question 36. Those who gave their reasoning shared the same opinion, which is that it would reduce the admin burden on suppliers and the supply chain and the duplication of information.

12.18. Several respondents who agreed stated that suppliers needed to be able to access the data that was pulled from TrustMark. In addition, several respondents requested further information on what happens when the data pulled from TrustMark is non-compliant, or when there are mismatches between supplier and TrustMark data. One respondent asked how finishing SAP ratings will be recalculated in the case of a rejected measure.

12.19. Only one respondent disagreed with this proposal and did not provide further reasoning.

Ofgem response

12.20. We will implement our proposal to extract some data from TrustMark instead of requiring suppliers to notify it, where possible. This data will be viewable on the ECO register once the project or measure has passed through the data matching process with TrustMark, which should happen shortly after notification.

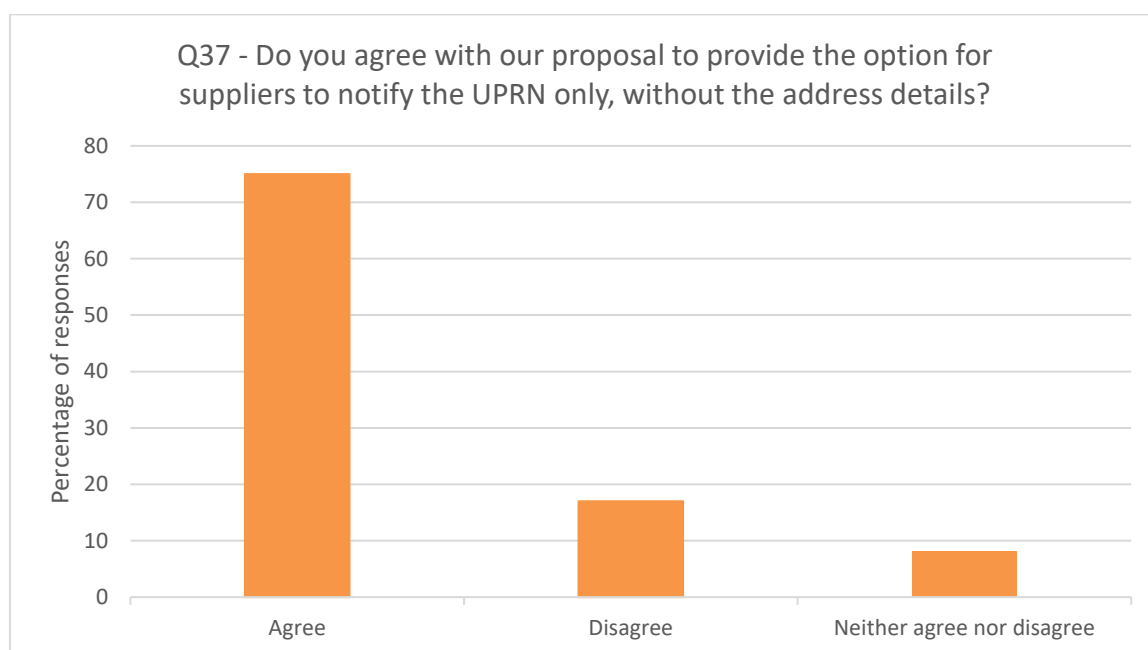
12.21. The information extracted from TrustMark will be subject to validation against scheme rules. Where extracted information is found to be non-compliant, an error message will be generated and provided to suppliers as with the checks on notified information. If the data held by TrustMark does not match the data held by suppliers they should contact the business partner who lodged that information to investigate.

12.22. SAP ratings are not among the data we intend to extract from TrustMark, this should be notified by suppliers. We will however be matching notified SAP ratings against TrustMark data. Where a rejected measure results in a change in the finishing SAP rating the supplier should re-notify the completed project notification with the new finishing SAP rating.

Question 37

Do you agree with our proposal to provide the option for suppliers to notify the UPRN only, without the address details?

Figure 42: Summary of stakeholder feedback to Question 37



Summary of responses

12.23. A majority (75%) of respondents agreed with this approach – many respondents felt that this would reduce the administrative burden on suppliers and the number of measures caught up in residuals (ie being flagged for review due to address issues).

12.24. One respondent who agreed emphasised the need for both TrustMark and suppliers to have fully updated IT systems in order to effectively deal with UPRN-only notifications.

12.25. 17% of stakeholders disagreed – these responses emphasised the potential for issues when a UPRN is incorrectly notified and concerns surrounding how UPRNs would interact with EPRs.

Ofgem response

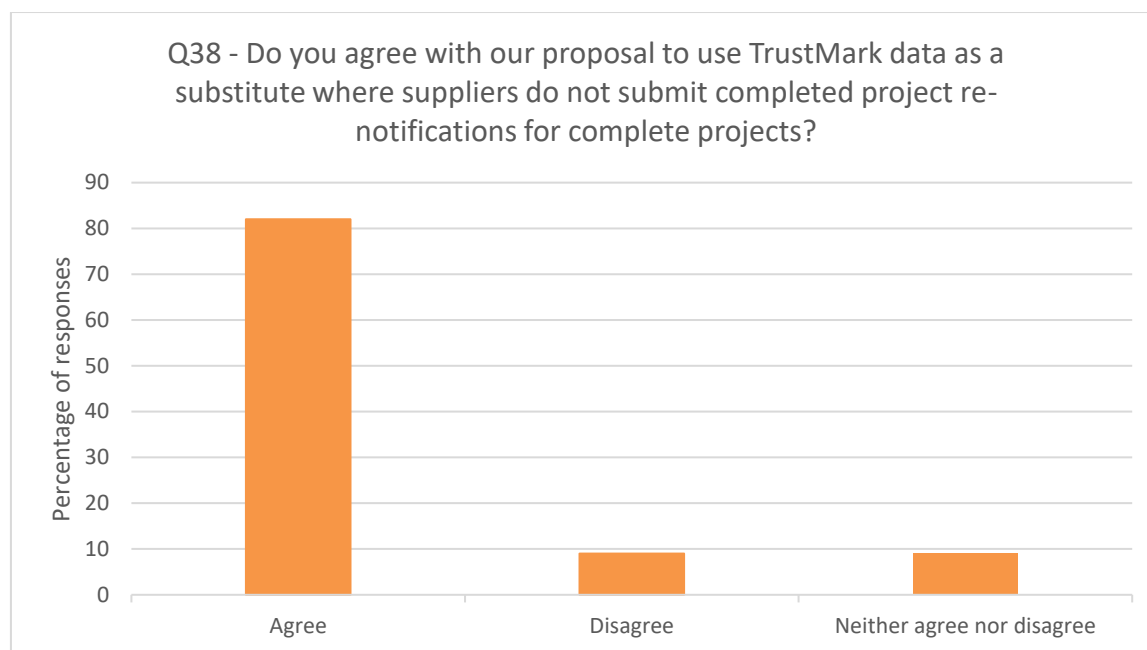
12.26. We will not be moving forward with this approach, as UPRNs are not yet widely available for all properties. Suppliers will continue to be required to notify full addresses, including postcodes, in the same way as under ECO3 and will have the option to also notify a property's UPRN alongside the address.

12.27. We will continue to review our approach to the address collection and verification and will discuss and inform the supply chain if alternative processes are developed.

Question 38

Do you agree with our proposal to use TrustMark data as a substitute where suppliers do not submit completed project re-notifications for complete projects?

Figure 43: Summary of stakeholder feedback to Question 38



Summary of responses

12.28. The majority of respondents agreed with the proposal in question 38. Only a few provided further reasoning. One respondent who agreed stated this would be helpful where business partners go out of business before all required information can be provided to suppliers. They also requested that suppliers are notified with details of the relevant projects where this scenario occurs.

12.29. The one respondent who disagreed stated that suppliers should be consulted instead as they have funded the project.

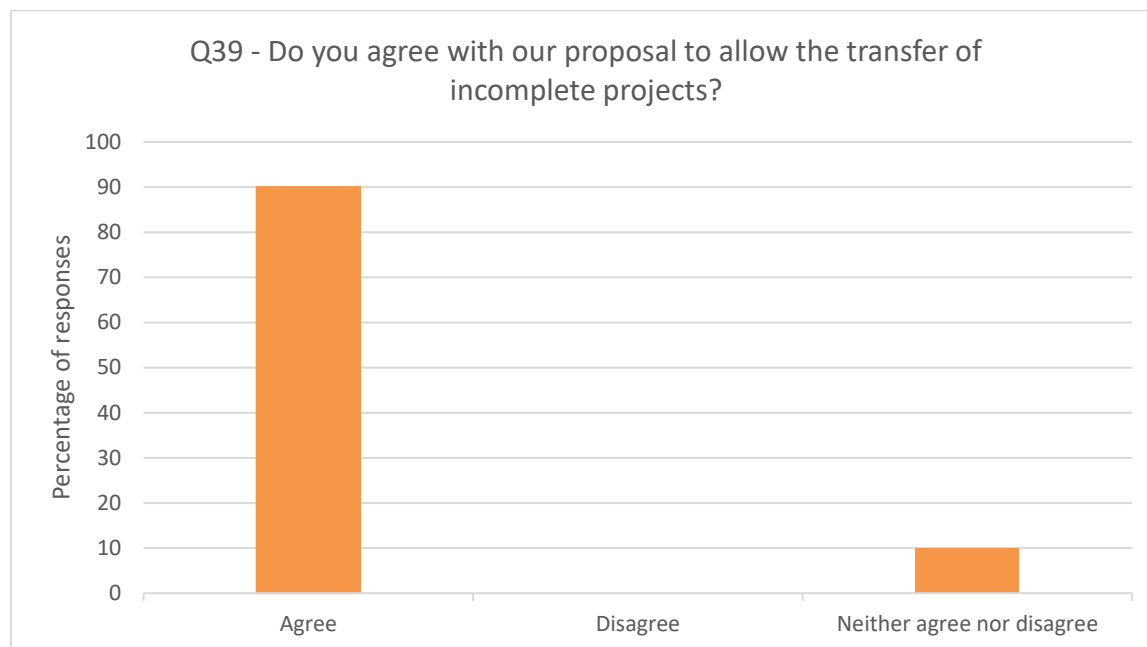
Ofgem response

12.30. We will implement the proposal, although we would re-iterate that we expect this to occur infrequently, if at all. This would be a manually performed process, not an automatic one, and suppliers will be contacted when any projects go through this process.

Question 39

Do you agree with our proposal to allow the transfer of incomplete projects?

Figure 44: Summary of stakeholder feedback to Question 39



Summary of responses

12.31. The majority of respondents agreed (90%) with our proposal to allow the transfers of incomplete projects.

12.32. A few respondents identified that it will be a useful mechanism to have for managing caps, licences and transfers.

12.33. One respondent outlined that if the obligations were consolidated onto a single licence then there will be no need to transfer any incomplete projects to different licences.

12.34. One respondent agreed with our proposal; however they did not agree with the proposal for all measures within a project to be transferred together. They stated that it would be more difficult for a supplier to be able to transfer measures to meet the Solid Wall Minimum requirement (SWMR).

Ofgem response

12.35. Ofgem will implement the procedure as proposed in the consultation, we will allow projects that have not been completed to be transferred. For example, where a project

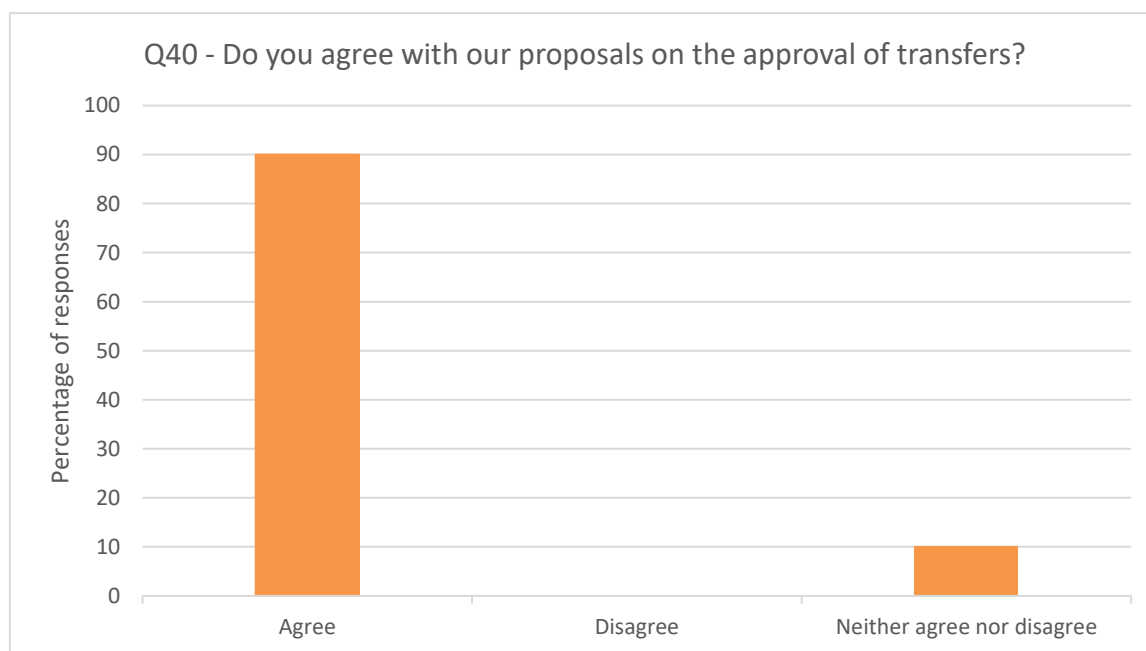
consisting of three measures only had two notified, it would be eligible for transfer provided both notified measures were transferred together.

12.36. Ofgem will seek to continuously improve the ECO Register and our reporting process, and we may look to build a mechanism to manage caps, licences and transfer.

Question 40

Do you agree with our proposals on the approval of transfers?

Figure 45: Summary of stakeholder feedback to Question 40



Summary of responses

12.37. 90% of respondents agreed with our proposal on the approval of transfers. One stakeholder outlined that it is important to ensure ECO4 is not open to any ambiguity and clear rules should be outlined. The process should be streamlined and simple where possible.

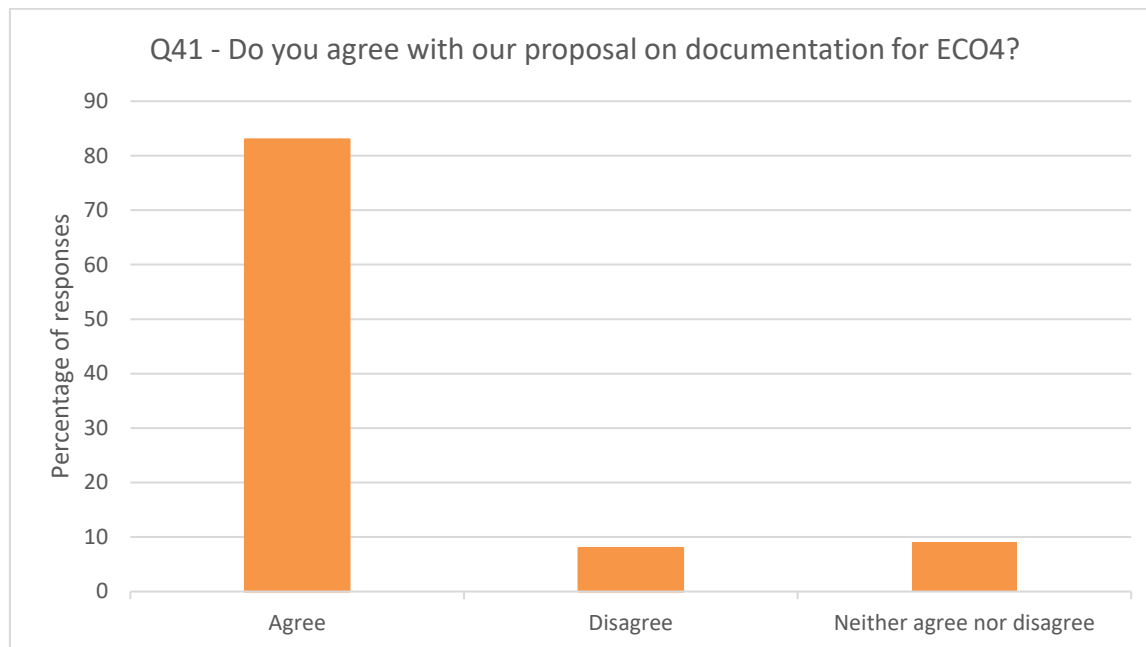
Ofgem response

12.38. Ofgem will implement the procedure as proposed in the consultation. We will carefully consider each application and communicate with suppliers if and why the transfer application will be rejected. Ofgem will provide a formal rejection letter if the application is to be rejected.

Question 41

Do you agree with our proposal on documentation for ECO4?

Figure 46: Summary of stakeholder feedback to Question 41



Summary of responses

12.39. Of those who responded to our proposal on documentation for ECO4 the majority agreed to our proposal whereas a few other not responded or either they do not have strong view.

12.40. A supplier who agreed to our proposal commented that any paperwork introduced for ECO4 needs to be user friendly for both suppliers and the wider supply chain. Another point raised from the same supplier is that ECO4 documentation must kept to a minimum level to help simplify documentation and remove any duplication.

12.41. Another supplier who agreed noted that simplifying the template contents and separating pre and post installation information will be beneficial to supply chain. Moreover, same supplier added a few more points such as templates evidence, customer sign off and pre-existing loft evidence.

Ofgem response

12.42. For ECO3 the documents were all owned by and belong to the respective Supplier Working Group, or Supply Chain and therefore were not the responsibility of Ofgem. However, where the TrustMark lodgement process exists from the beginning the only data,

we need to capture is to fulfil the requirements of the legislation. As such for ECO4 we decided that all of the forms are owned by Ofgem and the responsibility sits with Ofgem.

12.43. Our focus is to develop ECO4 forms to reflect the simplification of data and evidence collected for ECO4 scheme and we aim to minimise any duplication from ECO3 documents.

12.44. We are acknowledging concerns around the publication of ECO4 forms, however we circulated the initial draft version of ECO4 forms with the Working Group and invited them to provide their initial feedback on structure and the purpose of each form. Upon the completion of their review, we considered all comments and feedback, and we made any relevant adjustments to ECO4 forms. The final version of the forms is published now, and we will discuss the functionality and other areas of the forms in our first ECO4 Working Group meeting.

12.45. Our plan is to work closely and involve TrustMark, Suppliers and Supply Chain to take a more active role on developing the forms.

13. Administration Part 2: Innovation

Section summary

This section outlines stakeholder responses to our proposed administration of and our decisions on the Innovation Measure, Standard Alternative Methodology, and Data Light Measure routes application processes, and on smart technologies.

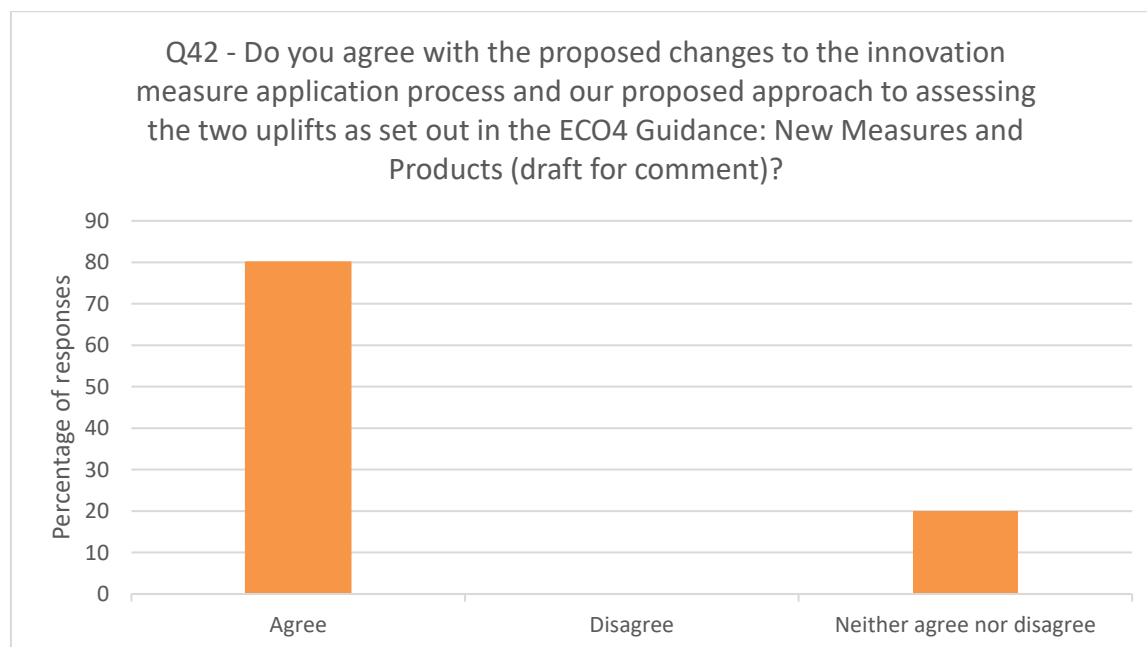
Question 42

Do you agree with the proposed changes to the innovation measure application process and our proposed approach to assessing the two uplifts as set out in the ECO4 Guidance: New Measures and Products (draft for comment)?

Question 43

Do you have any feedback on the draft ECO4 innovation measure application form?

Figure 47: Summary of stakeholder feedback to Question 42



Summary of responses for questions 42 and 43

13.1. The majority of respondents (80%) agreed with our proposed changes to the innovation measure (IM) application process and our proposed approach to assessing the

two uplifts as set out in the ECO4 Guidance: New Measures and Products. No respondents disagreed.

13.2. Respondents welcomed the streamlined IM application process and focus on reducing time for applications, our emphasis on clarity about the requirements for evidence, and our proposals for a question-and-answer session as part of the Technical Advisory Panel (TAP) process. One respondent did request that the process be reviewed again following its trial with early applications, and another suggested fixed response periods would be problematic if they coincided with suppliers or other stakeholders being on leave.

13.3. Two responses sought further clarity on the process. One on whether all applications will be assessed for both uplifts, and another on if any supplier can promote an application for an existing ECO3 IM to be considered for a 45% uplift.

13.4. On the TAP, one respondent suggested the TAP would be best placed to decide on which level applications should be assessed against rather than suppliers. Another was concerned that the TAP will require proposed IM show an improvement against comparable measures, and that this would exclude measures recently approved under the Data light Measure (DLM) and Standard Alternative Methodology (SAM) routes, where there may be no comparable measure.

13.5. One respondent suggested that Ofgem should publish with IM descriptions any certification held by products approved for that IM.

13.6. Four respondents had feedback on the draft IM application form, with two saying the application looked reasonable, and one noting that it would need testing in a live context. One respondent disagreed with suppliers needing to decide which uplift to apply for, seeing suppliers as not well placed to know and a risk for additional administrative burden.

13.7. Two issues were raised. Firstly, the need for a clarification on who Ofgem would deem to be of sufficient authority to sign the application form, and second, an error in the IM application form, which did not give the option for an IM to be installed to a TrustMark equivalent.

Ofgem response for questions 42 and 43

13.8. With respect to the suggestions of reviewing the IM processes and application form going forward, we will do this based on experience with early ECO4 applications and would welcome further feedback at this time.

13.9. Setting the schedule for the IM process is a balance between the need for a more streamlined and efficient process, and time for Ofgem and the TAP to seek feedback and applicants to respond to this. We will maintain the timeline set out but will make allowances for applicants being out of office for reasons such as annual leave or sick leave in the post TAP stages of the process. Where deadlines are missed in the pre-TAP stages, the application will be able to be submitted for a subsequent TAP.

13.10. It is a legislative requirement that applicants for IM provide a qualitative assessment of whether they believe the measure in question to be a substantial improvement. We will look to clarify in our guidance the evidence requirements for standard and substantial IM, and suppliers should look at these to make this assessment.

13.11. We will clarify in our guidance the circumstances where we will assess for each of the two uplifts, and that any supplier can support an application for a standard IM to be considered for the 45% uplift, this does not need to be the original sponsoring supplier.

13.12. The ECO4 legislation is specific that for the IM route, measure must show an improvement on comparable measures, that would otherwise be delivered and are commonly available on the Great Britain market. This is a BEIS policy decision, and any feedback on this should be directed to BEIS.

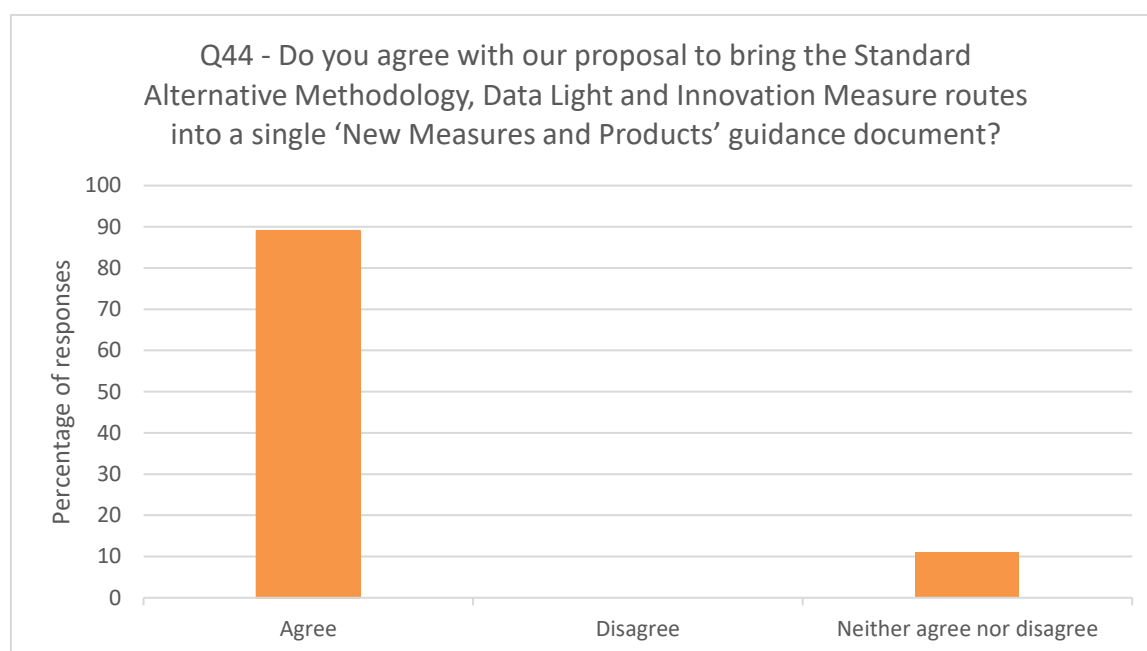
13.13. With respect to British Board of Agreement (BBA) certificates, as part of their consideration of measures for IM status, the TAP may look at BBAs. Beyond this, once an IM is approved, to be an eligible measure it must be lodged with TrustMark or equivalent, and this may involve additional certification requirements.

13.14. We will provide further clarity in the relevant parts of the New Measures and Products guidance on who we deem to be of sufficient authority to sign the application form, and will edit the IM application form to allow a TrustMark equivalent route. IM can be either lodged with TrustMark, and installed in accordance with PAS and MCS standards, whichever are relevant, or installed according to a standard certified by a person accredited to ISO/IEC 17065:2012 and to TrustMark equivalent arrangements for quality assurance and consumer protection, including installation standards and arrangements for repairs and other remedies.

Question 44

Do you agree with our proposal to bring the Standard Alternative Methodology, Data Light, and Innovation Measure routes into a single 'New Measures and Products' guidance document?

Figure 48: Summary of stakeholder feedback to Question 44



Summary of Responses

13.15. 89% of respondents agreed with our proposal to bring the Standard Alternative Methodology, Data light and Innovation Measure routes into a single 'New Measures and Products' guidance document. None disagreed.

13.16. Two suggestions were made, that Ofgem should have a single lead who could advise on which route was most appropriate and on synergies and crossovers between routes, and that it should be possible to make applications to multiple routes in tandem to avoid delays.

Ofgem response

13.17. Regarding Ofgem having a lead who can advise on the New Measures and Products routes, we will look to clearly communicate contacts who are available to provide advice on applications suitability for the three New Measures and Products routes.

13.18. Regarding making multiple parallel applications, the ECO4 legislation is clear that applications for IM must demonstrate an improvement upon comparable measures. Given that applications for AM and DLM are for a new measure type, we do not see it as feasible to have parallel applications.

Question 45

Do you agree with the proposed changes to the Standard Alternative Methodology and Data Light Measure application process as set out in the ECO4 Guidance: New Measures and Products (draft for comment)?

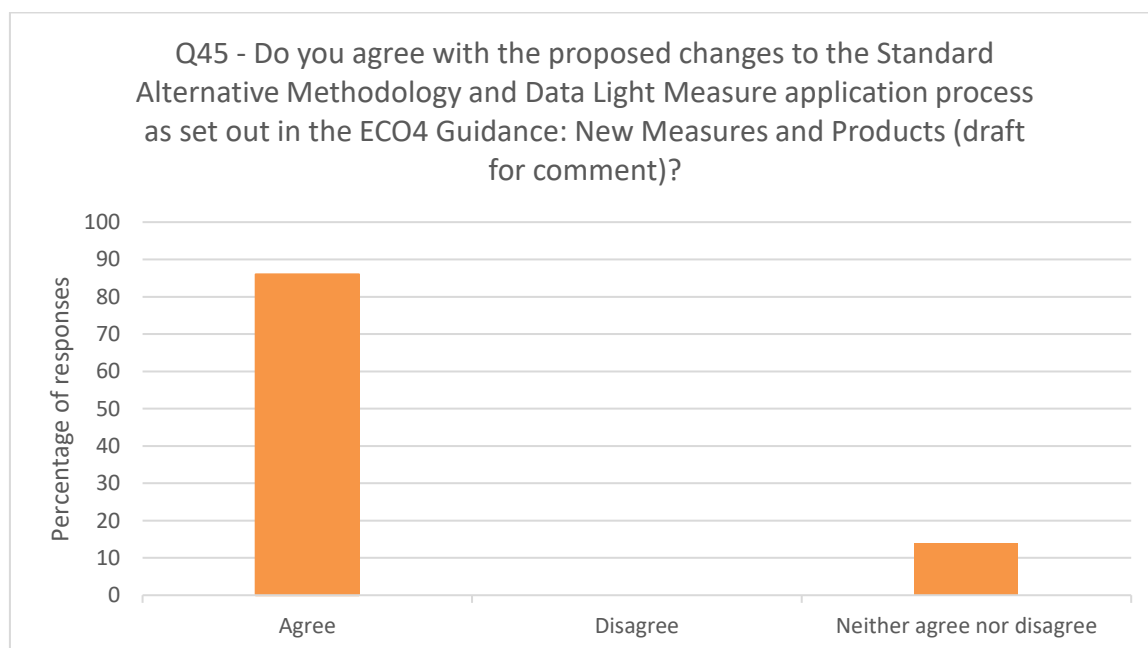
Question 46

Do you have any feedback on the draft Standard Alternative Methodology and Data Light Measure application form?

Question 47

Do you have any other general feedback on our proposed administration of the Innovation Measure, Standard Alternative Methodology, and Data Light Measure routes?

Figure 49: Summary of stakeholder feedback to Question 45



Summary of responses for questions 45, 46 and 47

13.19. This section covers stakeholders' views on the proposed changes to the SAM and DLM process (question 45), the application forms (question 46) and provides a summary of their general feedback on our proposed administration of the three routes (question 47).

13.20. The majority of stakeholders agreed with our proposed changes to the standard alternative methodology (SAM) and data light measure application process.

13.21. Respondents mostly welcomed the additional detail and clarification and felt the application forms were easy to follow. However, some were concerned that expecting manufacturers of similar products to work together with a supplier will be difficult due to competition.

13.22. Two stakeholders felt that the delivery cap of 1,250 qualifying actions per annum for each measure type description under the data light measure route was unnecessarily restrictive. One argued that the cap could result in carbon saving opportunities potentially being missed through the scheme.

13.23. Some respondents suggested that, if a technology is included within SAP Appendix Q rather than asking for an explanation of how the savings are modelled, it would be simpler to provide a link to the Appendix Q worksheet in the application form.

13.24. One stakeholder also felt that parts of the New Measures and Products guidance caused confusion, as the guidance states that the costs savings associated with standard alternative methodology measures cannot be modelled by SAP 2012 but may be in SAP Appendix Q.

13.25. There was a request for further clarity on the definition of "temperature" in relation to the definition of space heating cost savings. Qualifying actions under ECO4 must result in the reduction in the cost of heating premises to 21 degrees Celsius in the main living areas and 18 degrees Celsius in all other areas. They argued that temperature here could be interpreted as air temperature, or it could be interpreted as comfort temperature as certain heating systems may result in savings by providing a similar level of comfort with a lower air temperature.

13.26. Another respondent also argued that providing an "in-use-factor" as part of the application is unnecessary and potentially creates a barrier to new measures entering the scheme.

13.27. Further guidance was requested on the route for new measures which can be modelled in SAP and are covered by PAS or MCS standards, but do not currently have a measure type and partial project score.

13.28. The need to review the process and forms once they are live and make any necessary amendments was also highlighted.

Ofgem response for questions 45, 46 and 47

13.29. Based on stakeholder feedback, we will retain the changes to the standard alternative methodology and data light measure application process and application forms.

13.30. We acknowledge some respondents raised concerns that the size of the data light measure cap may be limiting, however as this is set by Government, we do not have scope to change this element. As such, the data light measure cap of 1,250 measure per annum will be distributed across suppliers based on the size of their obligation.

13.31. We understand that parts of the New Measures and Products guidance may have caused confusion, as the guidance states that the costs savings associated with standard alternative methodology measures cannot be modelled by SAP but may be in SAP Appendix Q. This is a legislative requirement²⁵ for a standard alternative methodology measure SAP must not provide a methodology for calculating the annual cost savings of the measure, but this does not include SAP Appendix Q. We will clarify this point in the final version of the New Measures and Products guidance.

13.32. We take on board feedback that if a technology is included within SAP Appendix Q rather than asking for an explanation of how the savings are modelled, it would be simpler for the supplier to provide a link to the Appendix Q worksheet in the application form. We will update our New Measures and products guidance to reflect this change.

13.33. Regarding how temperature is defined in relation to space heating cost savings. We will continue to require qualifying actions to result in the reduction in the cost of heating premises to 21 degrees Celsius in the main living areas and 18 degrees Celsius in all other areas, or in the case of a data light measure, is reasonably expected to result in such a

²⁵ Article 39 (2) (b) of the ECO4 Order.

reduction. As part of the application process, we will review how a technology results in a cost saving, while also maintaining internal temperature, on a case-by-case basis.

13.34. We maintain our position that in some cases an in-use factor will need to be provided as part of the cost saving methodology to allow for differences in practical installations compared to the laboratory test condition. Whether an in-use factor is needed will be determined on a case-by-case basis dependent of the technology.

13.35. We recognise that there is currently no guidance on the route for new measures which can be modelled in SAP and are covered by PAS or MCS standards, but do not currently have a measure type and partial project score. In this scenario, there is no formal application route, instead we request that suppliers contact us to request a new measure type and partial project score. We will clarify this point in the final version of the New Measures and Products guidance.

13.36. We will continue to review the application process and application form once they are in use and welcome further feedback on this. If we need to make any changes, we will engage with stakeholders through the monthly newsletter and working group.

Question 48

How should suppliers demonstrate that a smart technology is smart-enabled, safe, secure, and installed with sufficient energy storage?

Summary of responses

13.37. Ten stakeholders provided views on how suppliers may demonstrate that a smart technology is smart-enabled, safe, secure, and installed with sufficient energy storage.

13.38. Some argued that they are not best placed to demonstrate this requirement. They suggested that this should be demonstrated by the manufacturer as part of the application process and correct installation is the responsibility of TrustMark and the PAS Retrofit Coordinator.

13.39. One respondent felt that the criteria should be demonstrated on a case-by-case basis and would welcome the opportunity to discuss any new technology with us.

13.40. Another suggestion was that the criteria should be discussed and agreed with the working group.

13.41. Suggestions to demonstrate each requirement included: screen shots to evidence connectivity; operative qualifications, accreditation, and installation standards to ensure safety; cyber security protection meeting the ETSI EN 303 645 standard;²⁶ and design calculations to demonstrate energy storage.

13.42. Two respondents provided views on considerations for smart technology. They felt the most important factors were interoperability to allow communication between technologies; cyber security, including device and software security; a data privacy framework; and consumer protection mechanisms. To reduce potential barriers to smart technology, they also stressed the need for consumer engagement, and clear guidance for consumers on smart technologies.

Ofgem response

13.43. We appreciate that suppliers may not be able to demonstrate these requirements alone but as part of an application for a smart technology we will expect the supplier to work with the product manufacturer to demonstrate these criteria. As part of the application, we will also expect the supplier to demonstrate the appropriate arrangements for quality assurance and consumer protection, including installation standards.

13.44. We will review all applications on a case-by-case basis and consider with the applicant how the technology can best demonstrate the criteria.

13.45. We value the suggestions on how the additional criteria for smart technologies may be demonstrated and the views provided on key factors to consider for smart technology. We will consider the suggestions and, where appropriate, include these in the final version of our New Measures and Products guidance document.

²⁶ <https://www.etsi.org/>

Appendix 1

List of non-confidential respondents

ECO4 Administration Consultation Part 1

1. Anesco
2. Bidconnector
3. Bierce
4. British Gas
5. Bulb
6. EDF
7. EON
8. LMF Energy Services
9. Osborne Energy
10. Scottish Power
11. Shell Energy
12. SSE/OVO
13. Utilita

ECO4 Administration Consultation Part 2

1. Endo Enterprises
2. Anglesey County Council
3. BEAMA
4. Bidconnector
5. British Gas
6. Bulb
7. Citizens Advice
8. CoreLogic
9. EDF Energy
10. Elmhurst Energy
11. Energy UK
12. EON
13. Heat Pump Association
14. NIBE
15. Octopus Energy
16. Osborne Energy
17. Scottish Power
18. Shell Energy
19. SSE/OVO

Appendix 2

Table of all responses²⁷

Consultation Part and Question	Agree	Neither Agree Nor Disagree	Disagree	Yes	No	No response
Part 1, Q1				35%	53%	12%
Part 1, Q2	76%	18%	6%			
Part 1, Q3				7%	80%	13%
Part 1, Q4				6%	19%	75%
Part 1, Q5	-	-	-	-	-	-
Part 1, Q6				35%	59%	6%
Part 1, Q7	-	-	-	-	-	-
Part 1, Q8	81%	19%	0%			
Part 1, Q9	-	-	-	-	-	-
Part 1, Q10				19%	50%	31%
Part 1, Q11				76%	18%	6%
Part 1, Q12				53%	27%	20%
Part 1, Q13				57%	7%	36%
Part 1, Q14				33%	27%	40%
Part 1, Q15				71%	7%	22%
Part 2, Q1	92%	8%	0%			
Part 2, Q2	73%	20%	7%			
Part 2, Q3	93%	7%	0%			
Part 2, Q4	-	-	-	-	-	-
Part 2, Q5	81%	6%	13%			
Part 2, Q6	92%	8%	0%			
Part 2, Q7	92%	8%	0%			

²⁷ Appendix 2 sets out the percentage respondents either 'agree', disagree' or 'neither agree or disagree' to a question, whether they put 'yes', 'no' or 'no response' was provided to a question in the Administration Consultation Part 1 and 2. We received a total of 16 responses to our Part 1 and 20 responses to our Part 2 from a variety of stakeholders including energy suppliers, managing agents, installers and charities with an interest in fuel poverty.

Decision – Ofgem ECO4 Administration Consultation Part 1 and 2

Part 2, Q8	77%	8%	15%			
Part 2, Q9	87%	6%	7%			
Part 2, Q10	93%	7%	0%			
Part 2, Q11	71%	8%	21%			
Part 2, Q12	-	-	-	-	-	-
Part 2, Q13	-	-	-	-	-	-
Part 2, Q14	62%	7%	31%			
Part 2, Q15				31%	62%	7%
Part 2, Q16	-	-	-	-	-	-
Part 2, Q17	86%	7%	7%			
Part 2, Q18				27%	67%	6%
Part 2, Q19	67%	33%	0%			
Part 2, Q20	75%	6%	19%			
Part 2, Q21	75%	8%	17%			
Part 2, Q22	85%	7%	8%			
Part 2, Q23	-	-	-	-	-	-
Part 2, Q24	-	-	-	-	-	-
Part 2, Q25	92%	8%	0%			
Part 2, Q26	30%	10%	60%			
Part 2, Q27	69%	8%	23%			
Part 2, Q28	-	-	-	-	-	-
Part 2, Q29	85%	7%	8%			
Part 2, Q30	85%	7%	8%			
Part 2, Q31	69%	8%	23%			
Part 2, Q32	93%	7%	0%			
Part 2, Q33	75%	6%	19%			
Part 2, Q34	83%	9%	8%			
Part 2, Q35	-	-	-	-	-	-
Part 2, Q36	85%	7%	8%			
Part 2, Q37	75%	8%	17%			
Part 2, Q38	82%	9%	9%			
Part 2, Q39	90%	10%	0%			
Part 2, Q40	90%	10%	0%			
Part 2, Q41	83%	9%	8%			
Part 2, Q42	80%	20%	0%			
Part 2, Q43	-	-	-	-	-	-
Part 2, Q44	89%	11%	0%			

Decision – Ofgem ECO4 Administration Consultation Part 1 and 2

Part 2, Q45	86%	14%	0%			
Part 2, Q46	-	-	-	-	-	-
Part 2, Q47	-	-	-	-	-	-
Part 2, Q48	-	-	-	-	-	-

Appendix 3

ECO4 Abbreviations Table

Abbreviation	Explanation
ALEO	Association of Local Energy Officers
API	Application Programming Interface
BBA	British Board of Agreement
BEIS	Department for Business, Energy and Industrial Strategy
BFR	Building fabric repair
CSVs	comma-separated values
DA	Devolved administration
DHC	District heating connection
DHS	District heating system
DLMs	Data light measures
DLUHC	Department for Levelling Up, Housing and Communities
DOCI	Date of completed installation
DPA	Data protection act
DRHI	Domestic renewable heat incentive
DWP	Department for Work and Pensions
ECO	Energy Company Obligation
ECO4 Flex	Flexible eligibility
EHS	Electric heating system
EPC	Energy Performance Certificate
EPR	Energy Performance Rating
ESH	Electric storage heater
EST	Energy saving trust
EWI	External wall insulation
FPS	Final Project Score
FTCH	First time central heating
UK-GDPR	UK General Data Protection Regulation
HETAS	Heating equipment testing and approvals scheme
HMO	Houses in multiple occupation
HTHG	Help To Heat Group
IMs	Innovation measures
IOA	Improvement Option Evaluation
IWI	Internal wall insulation
KPI	Key performance indicator

Abbreviation	Explanation
LA	Local authority
LPG	Liquefied petroleum gas
LSOA	Lower Super Output Area
MCS	Microgeneration Certification Scheme
MR	Minimum requirement
ONS	Office for National Statistics
PAS	Publicly Available Specification
PCDB	Product Characteristics Database
POPT	Percentage of property treated
PPM	Pre-payment meter
PPS	Partial Project Score
PRS	Private rented sector
RdSAP	Reduced Data Standard Assessment Procedure
RC	Retrofit coordinator
SAM	Standard alternative methodology
SAP	Standard Assessment Procedure
SAP rating	Numerical value between 1 and 100 based on calculated energy costs for the premises.
SH	Social Housing
SoI	Statement of Intent
TAP	Technical Advisory Panel
PV	Photovoltaics
SWMR	Solid wall minimum requirement
UFI	Underfloor insulation
UK	United Kingdom
URN	Unique reference number
VOA	Valuation Office Agency
WHD	Warm Home Discount