



Energy Companies Obligation (ECO): Consultation on requirements for demonstrating characteristics of hard-to-treat cavities

RICS is the leading organisation of its kind in the world for professionals in property, construction, land and related environmental issues. As an independent and chartered organisation, RICS regulates and maintains the professional standards of over 100,000 qualified members (FRICS, MRICS and AssocRICS) and over 50,000 trainee and student members. It regulates and promotes the work of these property professionals throughout 146 countries and is governed by a Royal Charter approved by Parliament which requires it to act in the public interest.

RICS Response

The RICS response refers to the issues quoted in the Ofgem e-serve letter to stakeholders on 27 August 2013 from Mr Will Broad, Head of ECO.

REA refers to RICS Eco Assessors

Introductory Section

The letter states: “We have information suggesting that a significant number of HTTC measures have been installed to cavity walls that do not meet the statutory definition of ‘hard-to-treat-cavity”

RICS view: Widen responsibility of role of Chartered Surveyor so that REA can sign off ALL HTCC. REA trained to identify HTTC as defined in ECO.

1. 100% verification of narrow HTTC measures

“personally assess the site that is the subject of the declaration”

RICS view: See previous response. However REA should be able to sign off on basis of technical assessment by third party including photographic evidence.

2. Increased requirements on HTTC measures that require a chartered surveyors report

“dated before installation of the measure”

RICS view: Agreed

“prepared using Ofgem chartered surveyors report template.”

RICS view: Agreed although RICS suggests this can be adapted to better suit the needs of REAs (see Appendix 2 below).



“The chartered surveyor who writes this report must:

- be either a chartered building surveyor or a chartered surveyor who has qualified through the residential survey or valuation pathway”

RICS view: Amend to say ‘be either a member of RICS who is a building surveyor or who has qualified through the residential survey or valuation pathway or a full member of RICS with appropriate experience who has successfully completed the REA certification scheme and is listed on the RICS register at

<http://www.rics.org/uk/find-a-member/?sd=y&cc=GB&fn=&ln=&ct=&ac=ECOAC>

“The chartered surveyor who writes this report must:

- be independent of the supply chain (this includes independence from the installer, third party agents, surveyors, social housing providers etc, but does not require independence from the supplier);”

RICS view: In practice an independent supply chain is hard to achieve as many REAs will be instructed by CIGA installation companies or third party facilitators. Terms and conditions will be agreed between the REA and the installation company or facilitator which will be responsible for paying the agreed fee to the REA.

RICS would advise that in-house REAs need to declare their interest to enhance transparency. Alongside the RICS code of conduct RICS has guidelines on transparency of fees which should be able to be adhered to by all REAs.

“The chartered surveyor who writes this report must:

- personally assess the site on which he/she is reporting”

RICS view: This will severely slow down the process and substantially increase the cost. Current REA training is geared to chartered surveyors being able to sign-off reports on properties on which they have local knowledge and experience based on a technical assessment by an appropriately qualified CIGA registered member and photographic evidence, subject to a proviso to personally carry out regular sample assessments of sites on which he/she is reporting, or in cases where the information provided is deemed insufficient or inadequate, using their professional judgement. Subject to the approval of the chartered surveyors professional indemnity insurer we think this will be adequate.

Appendix 1

RICS view: The Narrow HTTC declaration can be included as an option in the REA Chartered Surveyor report template (see below). Also 3 storey and pre-fabricated concrete construction declarations can be included. RICS will provide CPD to members to support this.



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Appendix 2

Proposed changes to the ECO: Chartered surveyor report for hard-to-treat insulation V2, published August 2013.

PART A

RICS view: (See above) Change the wording to:

9. Are you and (if applicable) your company independent from the party instructing you to carry out this report? YES/NO

10. If no, please provide details of your association with the party who has instructed you.

PART B

RICS view: Create an Ofgem/REA/CIGA template for HTTC based on the Ofgem chartered surveyors report template but with options to only produce the section(s) relevant to particular case. This will save wasted space and make the reports easier to interpret. Working with CIGA and System Designers, RICS can provide CPD to REAs to support the existing/additional questions in PART B (see below) especially in respect of giving guidance defining/identifying:

- severe/very severe exposure to wind driven rain
- risk of water penetration
- timber frame and other unsuitable construction types
- cavities which are already partially filled
- substantial remedial works
- uneven cavities in walls constructed in natural stone
- recommendations to insulate property/properties
- non-standard materials/techniques
- failure of existing insulation, how can risk of future failure be avoided?

Also if recommendation to extend role of REA is accepted:

- three or more story buildings
- cavities which are less than 50mm wide
- cavities found in homes of prefabricated construction
- cavities found in homes with metal frame walls
- other non-traditional building types such as timber-framed

PART B1

RICS view: Additional questions 15 & 16. No issue with the additional questions but suggest some guidance and standard wording is drawn up to establish consistent approach in answering each question.



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PART B2

RICS view: Additional questions 19, 20, 21, 22 & 25. No issue with the additional questions but suggest some guidance and standard wording is drawn up to establish consistent approach in answering each question.

PART B3

RICS view: Additional questions 27 & 29. No issue with the additional questions but suggest some guidance and standard wording is drawn up to establish consistent approach in answering each question.

DECLARATION BY A CHARTERED SURVEYOR

RICS view: We agree but suggest the declaration is amended to:

I confirm that I have satisfied the requirements of the RICS ECO Assessor Certification and that I have undertaken this report in accordance with the requirements of the Electricity and Gas (Energy Companies Obligation) Order 2012.

I have visited and personally assessed each property to which the report relates

or

I have not visited and personally assessed each property to which the report relates, but I have local knowledge of the property and I have relied upon the following information

- CIGA Technical assessment
- Photographs
- Other

I understand that this report may be produced to Ofgem for the purpose of demonstrating that a cavity wall has the characteristics stated in this report.

The statements I have made in the report are true and accurate to the best of my knowledge.

Signature:

Name of Chartered Surveyor:

Qualifications:

Date this report was produced:

DISCLAIMER

This report is provided for the stated purpose and for the sole use of the energy supplier. It will be confidential to Ofgem, the energy supplier and the installation company or other named related party and their professional advisers. The chartered surveyor accepts responsibility to Ofgem and the energy supplier alone that the report will be prepared with the skill, care and diligence reasonably to be expected of an appropriately qualified chartered surveyor, but accepts no responsibility whatsoever to any parties other than Ofgem or the energy supplier. Any such parties rely upon the report at their own risk. Neither the whole nor any part of the report nor any reference to it may be included in any published document, circular or statement nor published in any way without the chartered surveyor's written approval of the form and context in which it may appear.



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Other issues requiring clarification

1. Inconsistency between suppliers and other parties as to what chartered surveyors reporting requirements are and how they are enacted.
2. Involvement and role of third-party facilitators.

Benefits of REA certification to Ofgem

1. RICS has worked to ensure the 'appropriately qualified chartered surveyor' as identified with ECO is trained to the highest professional standards through the development of the REA.
2. RICS has put in place initial REA training and certification, working with CIGA and NIA.
3. REAs must pass an online assessment.
4. RICS has created professional indemnity insurance compliant standard terms and conditions to be agreed between REA and installation companies.
5. RICS has established a register of REAs accessible to the public and industry.
6. RICS has established a closed REA Forum for exchange of information and guidance.
7. RICS is looking to put in place on going relevant REA CPD training.
8. RICS regulates its members.
9. REAs can adopt an independent role.
10. REAs can help police the scheme.
11. RICS will provide a vehicle for members to undertake training for other ECO or Green Deal initiatives (eg. solid wall insulation).
12. RICS can work with OFGEM in managing a finite number of REAs - dealing with day-to-day issues

If you have any further enquiries or if RICS can support you any further in the development of your policy work please contact:

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