

The following is the response on behalf of Qualitick to the Ofgem Consultation on MCS equivalence for the Domestic Renewable Heat Incentive Scheme.

This response has been formulated by Pete Roberts, Compliance Manager at Qualitick. Qualitick supports MCS Contractors and Green Deal installers and Advisory Organisations through its Easy MCS and Easy Green Deal brands.

Chapter 3 – The Consultation Process

Q 3.1 Do you have any comments relating to the consultation process we have selected?

We consider that the two-stage consultation process is a sensible approach.

Q 3.2 Do you have any comments on the timescales outlined?

As we already have a scheme in place and the consultation only refers to “equivalence” to that scheme then we feel that the timescales, as set out, allow sufficient time for consultation with all interested parties.

Chapter 4 – Guiding Principles

Q 4.1 Do you agree with these principles?

The principles set out in Chapter 4 are indeed a good starting point – with Chapter 5 putting more “flesh on the bones” of these guiding principles. We would agree with these principles.

Q 4.2 Do you have any comments on the principles outlined in this section, such as suggestions to make them more appropriate?

Section 4.2 states “*Although we expect a recognised scheme to be equivalent to MCS, this does not mean we expect it to be exactly the same*”.

It does however appear that any equivalent scheme would need to track the MCS scheme.

Section 4.4d states:

“There is the ongoing possibility of MCS changing over time so Ofgem’s recognition of MCS equivalence would be on the basis of any changes made to MCS. Therefore we would expect that a scheme would have processes in place to ensure they maintain equivalence with the updated MCS if they wanted to maintain recognition by Ofgem as an equivalent scheme.”

We believe that if a scheme is considered to be equivalent to MCS at the outset then it should be allowed to develop independently as long as it continued to meet the “Guiding Principles”.

Would any interested parties want a scheme that was tracking MCS if that meant, for example, that the equivalent scheme was being limited in expanding knowledge and interest in renewables? If the equivalent scheme produced (as it would be required to do) robust installation standards, and those standards differed in some respects from MCS installation standards, would they not still be “robust”?

We believe that many of the details of equivalence can be better dealt with in our responses to Chapter 5 of the Consultation.



Q 4.3 Are there any areas not mentioned that you feel should be covered?

We are of the opinion that the key principles set out cover the requirements of considering the suitability of an equivalent scheme. However, as we have pointed out in response to question 5.1, Green Deal equivalence also needs to be considered.

Chapter 5 – Initial Proposals

Q 5.1 Do you agree with our proposals on MCS equivalence criteria?

Section 5.1 – Prerequisites – These requirements seem to be essential before equivalence can be considered.

It could be argued that an applicant scheme may want to submit their proposal to Ofgem before these prerequisites were in place but with plans to address these prerequisites. 5.2 precludes this, in that the proposal could not be considered until the prerequisites have been achieved.

5.3 – Scheme Values: We agree with these scheme values, although consumer protection would need to be harmonised with both MCS and RECC (or another relevant TSI approved code);

5.4 - Scheme Objectives: We agree with the set out Scheme Objectives.

High Level Scheme Features

5.5 to 5.7 – We cannot at this point add anything to these areas.

Equivalent scheme specific requirements and outcomes

5.9 – Standards:

Product and Installation Standards

We are not able to comment fully on product standards – although as the product standards have not seen great changes over the last few years MCS 010 (Factory Production Control Requirements) and MCS 011 (Testing Acceptance Criteria) for example have not been amended since February 2009. This would indicate that the testing requirements are quite consistent – although there are of course additional requirements that come in from time to time.

The installation standards are however another matter as they can often be at the whim of a particular steering group. Many on these steering groups give up their time freely and although they would always adhere to statutory regulations and good practice they can also come to a common approach on other matters. It would cause confusion in the industry if there were different installation standards between MCS and an equivalent organisation, even if both were considered to be “robust” standards.

As pointed out in a previous response, would the equivalent organisation have to follow the MCS installation standards or would they be allowed to follow their own? Our opinion would be that a common approach be reached for renewable installations within the United Kingdom – this is already to some extent handled through Certification Bodies when they interpret MCS requirements.



It will also need to be taken into account situations where MCS is specifically cited as is pointed out in 5.9c.

The overarching standards, and in particular MCS 001 including the 18 clauses in Appendix A would need to be closely replicated by any equivalent scheme. It is compliance with these 18 clauses that enables Certification Bodies to easily examine the suitability of applicant companies for acceptance to the scheme. Without these documented procedures and evidence to prove that they work to these documented procedures it is very difficult to ascertain whether the applicant is aware of all their obligations.

MCS 025 – Installer Certification Scheme Competency Criteria Guidance is cited as a document that would need to be replicated. As the name of this document implies, this is a “Guidance” document and is open to interpretation by Certification Bodies, it should not be considered as a “Standard”. In areas such as this, it would be preferable that a common approach on competence requirements is reached between MCS, Certification Bodies and any equivalent scheme.

MCS 023 – Additional Requirements for MCS Contractors to become Green Deal Authorised has not as far as we can see, been addressed in this section. As there is no bar to accessing Green Deal finance and the domestic RHI then any equivalent scheme will need to show that this bridging with PAS2030 has been met.

We agree with the proposals in the following areas of Chapter 5:

5.10 – Scheme Register;

5.11 – Production of installation certificates;

5.12 – Consumer Codes of Conduct.

5.13 – Professional Indemnity

At present, MCS requires contractors to have £2 million pounds of public liability insurance to be in place. There is no requirement for professional indemnity insurance.

RECC do insist that insurance backed workmanship warranties are in place for situations where a contractor may have ceased trading. This however is only for domestic customers.

It would seem that to insist on cover for each of the areas stated in 5.13 would be in excess to what the present MCS scheme requires.

Q 5.2 What additional criteria, if any, do you suggest should be considered?

While we feel that the criteria set out covers most areas, we would like to bring to your attention our comments above on meeting that criteria particularly those with regard to addressing the requirements of MCS 023 – Additional Requirements for MCS Contractors to become Green Deal Authorised.



Chapter 6 – Scheme Criteria Assessment

Q 6.1 Do you agree with our approach on assessment of criteria from a scheme claiming to be MCS equivalent? If not, can you suggest an alternative assessment process?

We believe that the approach Ofgem have proposed is a sensible assessment process for initial equivalence.

Q 6.2 Do you agree with our proposals on the audit and verification of MCS equivalence by a scheme claiming equivalence?

We agree that Ofgem and the equivalent scheme would need to work together to ensure that both MCS equivalence and obviously Ofgem's requirements continue to be met.

Q 6.3 Are there any other aspects relating to the assessment of an alternative scheme's claim to MCS equivalence that you feel we should consider?

As we have stated in previous questions, the MCS scheme may not always produce a definitive standard. MCS equivalence should equate to robust standards whilst not necessarily identical standards. This would involve equivalence being evaluated on a standard by standard basis by industry experts. Our preferred view would be that Ofgem, MCS and the equivalent scheme should work together and come to a common approach – as Certification Bodies do at present.

Q 6.4 Do you think that there are or should be alternative methods that equivalence to MCS could be demonstrated to Ofgem?

At this stage, we believe that the method proposed by Ofgem comprehensively covers the requirements and any alternative method would only be a watered down version.

Q 6.5 What ongoing evaluation of an equivalent scheme do you think is needed and how often?

MCS, RECC and Ofgem requirements can change quickly and ongoing liaison would be required. As we have pointed out in response to question 6.2 it is essential that all involved in delivering the domestic RHI need to work together.

Q 6.6 Are there any additional points that you want to make?

We believe that Ofgem have taken a detailed and comprehensive assessment of how MCS equivalence can be recognised – both in the first instance and going forward.

