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ECO2 overwriting U-values in cavity wall insulation (CWI) measures

Consultation Response Document

Publication date: 29 April 2016

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Overview:

We recently consulted on a number of potential additional requirements where default wall U-values are overwritten for cavity wall insulation (CWI) measures.

This document summarises the responses to our consultation and, having considered all of them, details our final policy. Where relevant, we also explain where we were unable to incorporate suggestions. The new policies outlined in this document will apply to all CWI measures with overwritten U-values installed from 1 June 2016.

Associated documents

Ofgem Guidance

Energy Company Obligation (ECO2) Guidance: Administration:

https://www.ofgem.gov.uk/publications-and-updates/energy-company-obligation-2015-17-eco2-guidance-administration

Energy Company Obligation (ECO2) Guidance: Delivery:

https://www.ofgem.gov.uk/publications-and-updates/energy-company-obligation-2015-17-eco2-guidance-delivery

Legislation

The Electricity and Gas (Energy Company Obligation) Order 2014:

http://www.legislation.gov.uk/uksi/2014/3219/contents/made

Ofgem consultation documents

ECO2 Consultation on requirements for overwriting U-values for cavity wall insulation measures:

https://www.ofgem.gov.uk/system/files/docs/2016/02/eco2_requirements_for_overwriting_u-values_consultation_0.pdf

Other

Guidance on Ofgem's approach to Consultation:

http://www.ofgem.gov.uk/About%20us/BetterReg/Pages/BetterReg.aspx

Contents

Context

On 7 February 2016, we launched a consultation on additional requirements for cavity wall insulation (CWI) measures that have overwritten U-values[1]. We launched this consultation due to concerns that wall U-values for these measures were being overwritten to an extent that we would consider to be unreasonably high.

Measures installed under the Energy Company Obligation (ECO) are attributed savings which, where possible, must be calculated using SAP or RdSAP[2]. These methodologies enable the calculation of ECO savings using a large number of inputs to account for building performance, which are either measured values or defaults based on assumptions within the methodology. RdSAP uses default values for the U-values of walls based on the wall construction and age of the premises. In certain situations the default U-value may not accurately reflect the premises being assessed and therefore overwriting the U-value is appropriate (in line with RdSAP conventions). In these situations we want to give certainty on how the U-values for these measures should be overwritten so that delivery to these premises can continue.

The consultation proposed a number of approaches that could be implemented to provide assurance. These were separated into three sections:

1. Introducing an upper limit for overwritten U-values
2. Stipulating the evidence that should be in place and how inputs could be collected
3. A regime to monitor these measures.

Within the consultation period we held a workshop (1 March 2016) to provide stakeholders with an opportunity to discuss their thoughts on each of the proposals. At this workshop we also raised a new proposal for providing assurance around overwritten wall U-values in CWI measures. This proposal involved setting new default start U-values for each age band for a cavity wall that is unfilled. We felt the workshop was an extremely useful forum to exchange ideas about each of the proposals.

This document summarises the responses to our consultation and introduces our final policy. We also set out where we were unable to incorporate suggestions made and explain how and why we arrived at our final policy.

[1] A measure of heat loss through a structural element, such as a wall.
[2] SAP means the Government's Standard Assessment Procedure for energy rating of Dwellings (2009 Edition, as amended in October 2010). RdSAP means the Government's Reduced Data Standard Assessment Procedure for energy ratings of dwellings (2012 Edition, version 9.92).

1. Consultation overview

We remain committed to working with stakeholders to administer ECO effectively. Where we can, we will consult when making significant changes to the scheme's administration and guidance.

In addition to the publication of a consultation we engaged stakeholders and held a workshop where our consulted on positions were discussed.

We received 36 responses to the consultation: seven from energy companies, 18 from members of the supply chain such as installers and managing agents, five from trade bodies and six from other stakeholders such as software providers/accreditation bodies, a manufacturer and a technical monitoring company. Three of the responses were confidential.

Thirty-three respondents submitted their response using the template provided by us, three respondents submitted their response in the form of a letter providing separate feedback. Where respondents used the template we have produced charts displaying the response to each of the questions that had a Likert[3] scale. The accompanying text provides the additional comments from stakeholders who used the template and the views expressed within the three letters.

In developing our final policies, we considered all of the points raised by each of the respondents even if they are not specifically mentioned in this document. All of the responses, apart from the three that are confidential, can be found on our website.

[3] A scale used to represent people's attitudes to a topic.

2. Policy summary

Measures installed from 1 June

Use of a cavity wall U-value checklist will be required for all CWI measures where the wall U-value is overwritten. This is published alongside our consultation response and contains detailed guidance on how this should be completed.

In addition, we have set thresholds for each age band, (detailed in the table below). If an amended U-value is overwritten to a value that exceeds the threshold for the relevant age band, further evidence alongside the completed checklist must be provided.

In order to justify a U-value higher than the threshold we expect one of the following:

1. The calculation to be produced or verified by a suitably qualified person[4] using inputs based on:

    a. construction details and specifications (as produced by the building's design or construction team) that fully describe the existing wall construction, or

    b. a core sample tested in a laboratory to determine the thermal properties of its construction materials.

    OR

2. The calculation to be produced or verified by one of the following suitably qualified persons[5]:

    a. a member of a recognised U-value calculation competency scheme (i.e. BBA/TIMSA), or

    b. any other scheme formally agreed between Accreditation Schemes/Approved Organisations and Government. This evidence will need to be agreed with Ofgem prior to notification.

    OR

3. Relevant building control approval, which both correctly defines the construction in question and states the calculated U-value.

For measures installed in premises in the age bands A-E the RdSAP defaults will act as the thresholds that activate further evidence requirements. For measures installed in premises in the age bands F-K, we have set thresholds that are different to the defaults in recognition

[4] As defined in RdSAP convention 3.08: https://www.bre.co.uk/filelibrary/SAP/2012/RdSAP-Conventions.pdf
[5] This does not include OCDEA membership.

of the fact that the RdSAP defaults assume a certain level of insulation when, in some cases, this is not representative of the premises in question. The table below (figure 1) sets out the thresholds that we have set.

These thresholds are based on data and advice provided by the Science and Innovation Directorate of the Department for Energy and Climate Change (DECC) who reviewed information published under the National Energy Efficiency Data-Framework (NEED[6]) alongside other studies, some commissioned by DECC. It recommends using a multiplier of 1.75 on the RdSAP default for age bands G-K, and 1.5 for age band F.

Figure 1

Age band (England and Wales)	Default RdSAP U-value	Threshold	Age band (Scotland)	Default RdSAP U-value	Threshold
A (before 1900)	2.1	2.1	A (before 1919)	2.1	2.1
B (1900-1929)	1.6	1.6	B (1919-1929)	1.6	1.6
C (1930-1949)	1.6	1.6	C (1930-1949)	1.6	1.6
D (1950-1966)	1.6	1.6	D (1950-1964)	1.6	1.6
E (1967-1975)	1.6	1.6	E (1965-1975)	1.6	1.6
F (1976-1982)	1.0	1.5	F (1976-1983)	1.0	1.5
G (1983-1990)	0.6	1.05	G (1984-1991)	0.6	1.05
H (1991-1995)	0.6	1.05	H (1992-1998)	0.45	0.8
I (1996-2002)	0.45	0.8	I (1999-2002)	0.45	0.8
J (2003-2006)	0.35	0.6	J (2003-2007)	0.3	0.55
K (2007 onwards)	0.3	0.55	K (2008 onwards)	0.25	0.45

Finally, we reserve the right to conduct audits or further checks to monitor these new requirements and check that they are being accurately implemented. This will help to ensure reasonable amendments to U-values and provide the assurance needed throughout the supply chain to treat these premises.

We believe our final policy provides an appropriate balance, providing sufficient confidence to ourselves, suppliers and the supply chain, whilst only introducing minimal additional requirements. We believe this approach will allow the relevant premises to continue to be treated with CWI and appropriate U-values applied.

[6] https://www.gov.uk/government/collections/national-energy-efficiency-data-need-framework

Measures already notified under ECO2

Alongside this, we will be undertaking an audit of CWI measures with overwritten U-values that have been notified to Ofgem since the beginning of ECO2 until the implementation date of the new policy set out above. This will provide us with assurance in the savings that have already been counted towards suppliers' obligations. More information about this audit will be communicated to obligated suppliers and published on our website soon.

The following chapters consider each section of the consultation. A summary of the responses to each section of the consultation is given, followed by our response.

3. Consultation responses to section 1

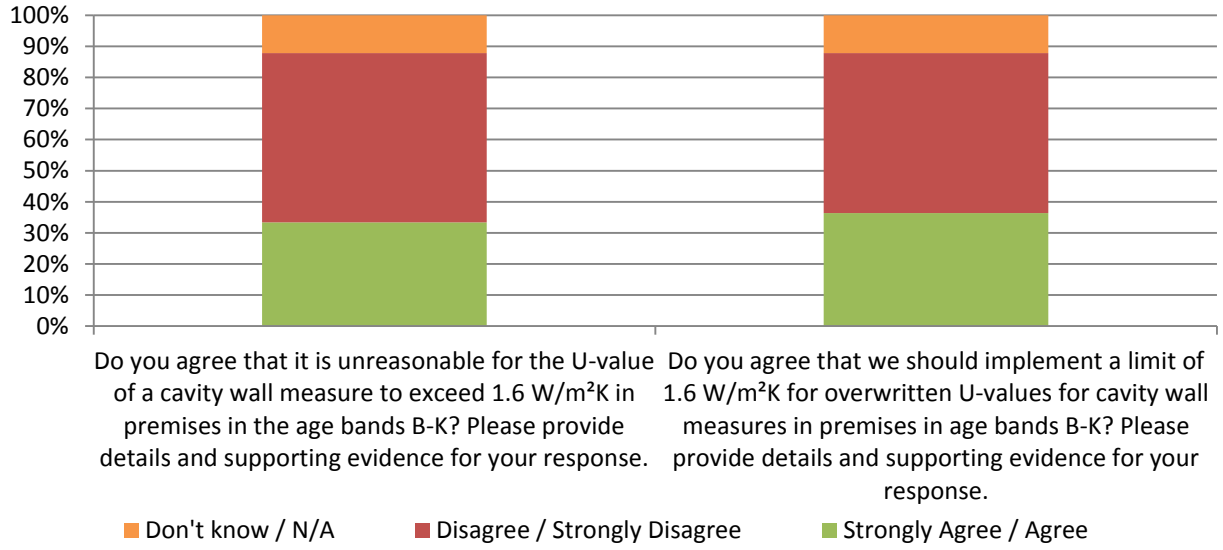
Introducing an upper limit for overwritten U-values

Summary of responses

3.1. Thirty-three stakeholders responded to the questions in section 1.

1.1 Do you agree that it is unreasonable for the U-value of a cavity wall measure to exceed 1.6 W/m²K in premises in the age bands B-K? Please provide details and supporting evidence for your response.

1.2 Do you agree that we should implement a limit of 1.6 W/m²K for overwritten U-values for cavity wall measures in premises in age bands B-K? Please provide details and supporting evidence for your response.



3.2. The majority of respondents disagreed to some extent with the introduction of a 1.6 W/m²K cap on starting U-values. Concerns were raised that this approach may not account for premises with U-values above this boundary (such as stone built properties). Some respondents highlighted that 1.6 W/m²K would be far too high for the most recent age bands therefore a cap by age band would be more appropriate. Many of these respondents indicated that further research would need to be done to determine appropriate caps by age band.

3.3. A number of stakeholders disagreed with this proposal as they felt that a cap may become a target for the supply chain. A solution put forward by some suggested that it may be better to use the cap as a trigger for potential monitoring or further evidence requirements.

3.4. The stakeholders that agreed with the cap felt that although there may be some properties that would have a start U-value of higher than 1.6 W/m²K, they would be few in number. They were therefore willing to accept the cap approach as it would provide sufficient confidence for delivery to these properties to continue, even if some of the actual savings generated may not be able to be claimed.

3.5. Some respondents raised concerns about the timescales for introducing any sort of cap into ECO scoring tools due to the timelines associated with software approval.

Ofgem response

3.6. Considering the above feedback on this proposal we will not be implementing a cap of 1.6 W/m²K to properties in age bands B-K. We will however, set thresholds, per age band, that will act as a flag for unusually high U-values. Above this threshold additional evidence will be required. A threshold will be set for each age band; these can be found in the table below. The thresholds for bands A-E will be the RdSAP defaults, for bands F-K we have set thresholds that are different to the defaults in recognition of the fact that the RdSAP defaults assume a certain level of insulation when, in some cases, this is not representative of the premises in question.

Age band (England and Wales)	**Default RdSAP U-value**	**Threshold**	**Age band (Scotland)**	**Default RdSAP U-value**	**Threshold**
A (before 1900)	2.1	2.1	A (before 1919)	2.1	2.1
B (1900-1929)	1.6	1.6	B (1919-1929)	1.6	1.6
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E (1967-1975)	1.6	1.6	E (1965-1975)	1.6	1.6
F (1976-1982)	1.0	1.5	F (1976-1983)	1.0	1.5
G (1983-1990)	0.6	1.05	G (1984-1991)	0.6	1.05
H (1991-1995)	0.6	1.05	H (1992-1998)	0.45	0.8
I (1996-2002)	0.45	0.8	I (1999-2002)	0.45	0.8
J (2003-2006)	0.35	0.6	J (2003-2007)	0.3	0.55
K (2007 onwards)	0.3	0.55	K (2008 onwards)	0.25	0.45

3.7. By setting a threshold for each age band, with extra evidence requirements where the threshold is exceeded, we will not be restricting more unusual properties from being treated yet will have assurance that the savings are being calculated correctly. In addition, changes to scoring tools will not be necessary, meaning that this approach can be implemented within a shorter period of time.

4. Consultation responses to section 2

Evidence requirements and how we expect inputs to be collected

Summary of responses

4.1. Thirty-five stakeholders responded to question 2.

2.1 Do you agree that relevant inputs should be collected for the U-value calculation via an intrusive inspection, using a borescope for example? Please provide reasons for your response.

2.2 What types of evidence do you suggest would support the inputs used for a new U-value calculation? Please provide reasons for your response.

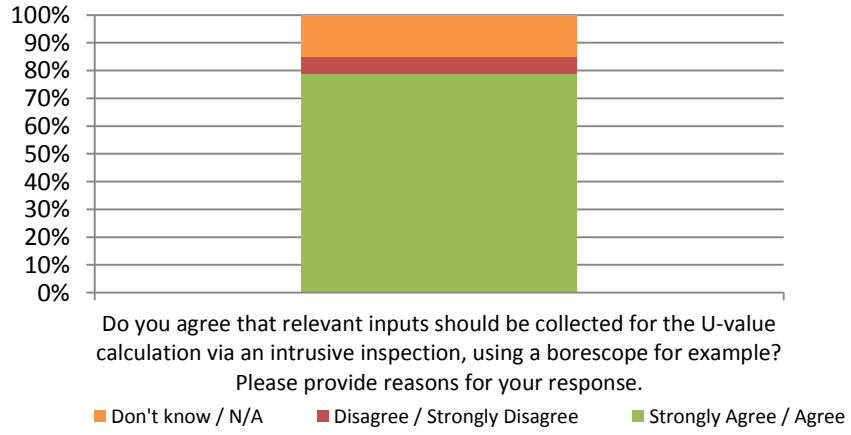
2.3 Do you agree that the types of evidence listed in paragraph 2.5 are practical to provide? Please provide reasons for your response.

2.4 Do you agree that the evidence listed in paragraph 2.5 is sufficient to support an overwritten U-value? Please provide reasons for your response.

2.5 Do you agree that the inputs for a U-value calculation should be collected by an independent person to increase confidence in the accuracy of overwritten U-values for CWI measures? Please provide reasons for your response.

2.6 Do you agree that an independent person collecting the inputs for a U-value calculation would be practical to implement taking into consideration cost, time and customer journey implications? Please provide reasons for your response.

Intrusive inspections (question 2.1)



4.2. The vast majority of stakeholders were in favour of an intrusive inspection being required to help determine each element of the wall, stakeholders clarified that this was already standard practice across industry. It was stated that an intrusive inspection is necessary to determine:

- that CWI is not already present
- the width of the cavity
- other elements of the wall that are needed for the calculation.

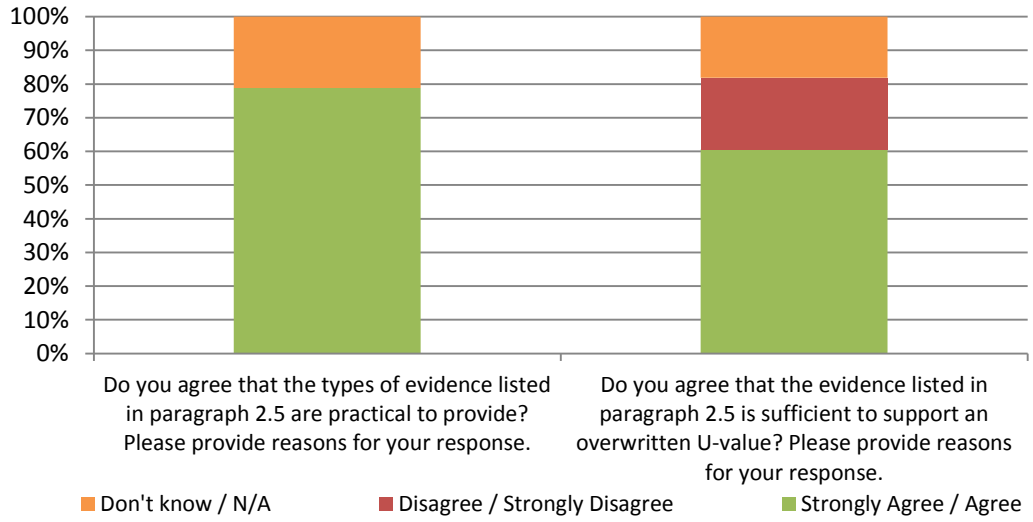
4.3. Despite this, some stakeholders said that, although an intrusive inspection should be carried out, any photographs from this inspection cannot always be relied upon as evidence due to the varying quality of equipment. Some stakeholders stated that if photographs were obtained from this inspection they should be time and GPS stamped. One stakeholder suggested that photographs could be used to demonstrate that an intrusive inspection was performed on site and site notes could potentially be required to support this.

4.4. One stakeholder disagreed with the proposal of an intrusive inspection, due to neither a Domestic Energy Assessor (DEA) nor an On Construction Domestic Energy Assessor (OCDEA) being qualified to carry out these assessments, and instead suggested that the evidence requirements should remain as they are in the RdSAP convention.

Ofgem response

4.5. The responses surrounding introducing intrusive inspections clearly highlighted that this is standard practice and a necessity when determining whether a cavity is empty and therefore whether a premises needs to be treated. We do not expect DEAs or OCDEA's to carryout intrusive inspections as these qualifications do not cover intrusive inspections. However, we do expect that an intrusive inspection is carried out by a suitably qualified person as part of the installation process; this may be a DEA or OCDEA who also operates under different qualifications. Photographs should be taken and held as a way of demonstrating that an on-site intrusive inspection has taken place. All photographs must be captured using a suitably high resolution and record the date the photo was taken. Where possible we expect all photographic evidence to be GPS location-stamped.

Evidence Requirements (questions 2.3 and 2.4)



4.6. In the consultation we asked what types of evidence could be provided to confirm an overwritten wall U-value and each of the inputs used in the calculation. We also provided a suggested list of evidence. The vast majority of respondents agreed that this evidence was practical to provide, however, many requested that this list was more detailed and prescriptive. There were a number of requests for a standardised data collection form as respondents felt that this would provide clarity for the supply chain.

4.7. A few stakeholders proposed that, if there was any evidence missing, the suitably qualified person calculating the U-value could make an assumption about that element of the premises based on its age.

4.8. Some stakeholders disagreed that the list of evidence provided would be sufficient to support an overwritten U-value. This was because there were concerns over how to evidence certain elements of the wall and who was qualified to conduct this assessment. Stakeholders questioned whether there was sufficient knowledge within industry to identify and evidence certain wall elements, specifically blockwork where density can vary. One stakeholder suggested that for elements such as these we could set default lambda values where the block cannot be evidenced. A further suggestion was that in situ measurement of the U-value is the only way to obtain an accurate value.

4.9. Four stakeholders considered the evidence requirements that are already in place, as set out in the RdSAP conventions and by obligated suppliers to be adequate for supporting an overwritten U-value.

4.10. One respondent argued that where the start default U-values are overwritten, the finish default value should also be overwritten in order to avoid over-estimating the potential carbon savings.

Ofgem response

4.11. It is evident from the responses that it is essential for us to be clear about the evidence that we expect to be in place. We will therefore be implementing a cavity wall U-value checklist which will be required for every CWI measure where the wall U-value is overwritten. We will also expect that where a start default U-value is overwritten, the finish default U-value will also be overwritten. Where this is not the case, justification will be required on the checklist.

4.12. This checklist will still be operating within the boundaries of RdSAP and its conventions, but will provide consistency across the supply chain and obligated suppliers. It will ensure that the relevant evidence and data is collected, and provide assurance that U-value calculations are accurate.

4.13. The responses highlighted that there is sometimes uncertainty about a particular element of a wall. Where there is uncertainty about the inputs for a calculation, the U-value should not be overwritten and the RdSAP defaults should be used.

4.14. As stated in our policy summary, we will be introducing thresholds for the starting U-value for each age band. Where a calculated U-value is below the threshold for the relevant age band, the cavity wall U-value checklist (and supporting evidence and calculation) must be in place and serve as evidence.

4.15. Where a calculated U-value exceeds the threshold for the relevant age band, further evidence will be required to justify that value. In order to justify a U-value higher than the threshold we expect one of the following:

1. The calculation to be produced or verified by a suitably qualified person[7] using inputs based on:

    a. construction details and specifications (as produced by the building's design or construction team) that fully describe the existing wall construction, or

    b. a core sample tested in a laboratory, to determine the thermal properties of its construction materials.

OR

2. The calculation to be produced or verified by one of the following suitably qualified persons[8]:

    a. a member of a recognised U-value calculation competency scheme (i.e. BBA/TIMSA), or

[7] As defined in RdSAP convention 3.08: https://www.bre.co.uk/filelibrary/SAP/2012/RdSAP-Conventions.pdf
[8] This does not include OCDEA membership.

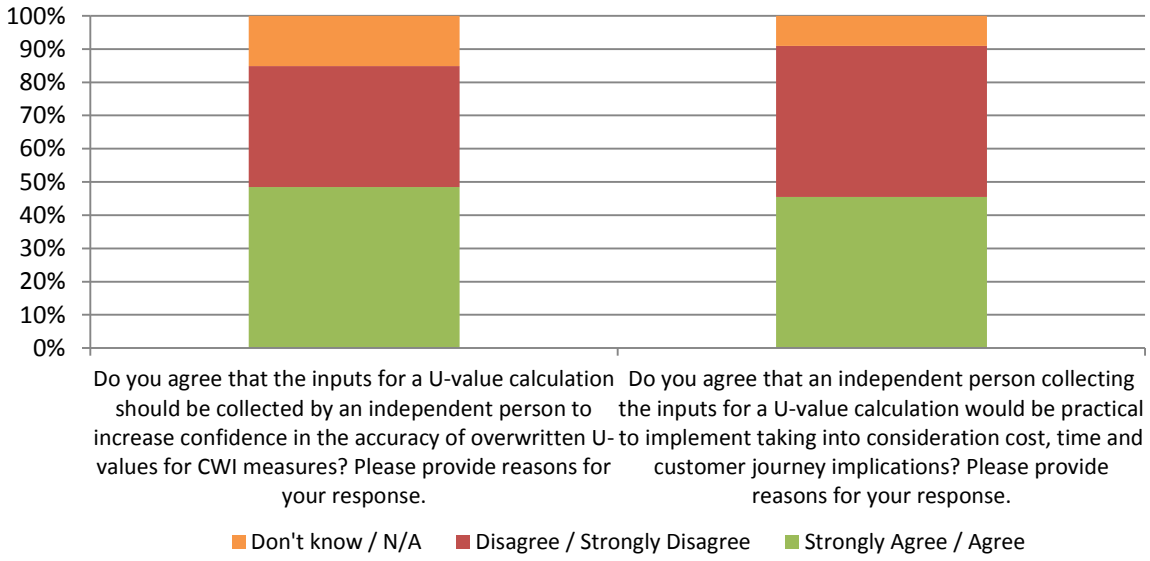
b. any other scheme formally agreed between Accreditation Schemes/Approved Organisations and Government. This evidence will need to be agreed with Ofgem prior to notification.

OR

3. Relevant building control approval, which both correctly defines the construction in question and states the calculated U-value.

4.16. One stakeholder suggested that the only way to calculate an accurate U-value for a wall is through in situ measurement which can involve using sensors to measure the U-value over a set period of time. We are unable to include this as a method of overwriting a U-value as it is currently not recognised in the RdSAP convention.

Independent collection of inputs (questions 2.5-2.6)



4.17. Stakeholders were mixed in their views on introducing a level of independence to the process of overwriting wall U-values. Those who disagreed with this proposal argued that it would add extra time and cost into the process. In addition, these stakeholders stressed the detrimental impact of another visit being added to the customer journey. Another issue raised by a small number of stakeholders was how to define an appropriately qualified independent person.

4.18. Some respondents felt that the cost of an independent person collecting the inputs for the U-value calculation would make the cost of installing the measure unviable. Others argued that the cost of independence would be more than covered by the extra carbon gained from the overwritten U-value.

4.19. One stakeholder proposed that a suitably qualified independent person, for example a chartered surveyor, should make the determination to overwrite the U-value and

collect the inputs for the calculation. A sampling approach could be applied to groups of properties of the same age and build type.

4.20. If independence was introduced, one stakeholder argued that the independent person should be liable for the calculation and the installer should not be punished and suffer financially if there were problems found with these inputs at a later date.

4.21. A small number of stakeholders, who agreed with implementing independence, argued that the person should be independent from the OCDEA but not necessarily from the company installing the measure. One stakeholder went on to suggest that the OCDEA could perform site audits to check the information that had been provided to them. On the other hand, another respondent argued that introducing independence would undermine the OCDEA profession.

Ofgem's response

4.22. Although stakeholders had relatively mixed responses to this question, we believe that the impact on cost, time and the customer journey is not justifiable. We feel that the standardisation of the evidence requirements should help to mitigate issues with the collection of inputs and make it easier for the OCDEA to accurately calculate U-values thereby removing the need for introducing independence.

4.23. Furthermore, some of the stakeholders that agreed with this proposal declared that they were willing to accept this approach despite the added cost if it meant they could continue delivery to these properties. We feel that the requirements we will implement will provide this confidence with fewer impacts on cost and the customer journey.

4.24. We will therefore not be requiring that an independent person collects the inputs for the U-value calculation.

5. Consultation responses to section 3, 4 and 5

A regime to monitor these measures

Option 1: Additional score monitoring questions

5.1. Thirty-five stakeholders responded to Question 3

3.1 Do you agree that option 1 would increase confidence in the accuracy of overwritten U-values for CWI measures? Please provide reasons for your response.

3.2 Do you agree that option 1 would be practical to implement taking into consideration cost and time implications? Please provide reasons for your response.

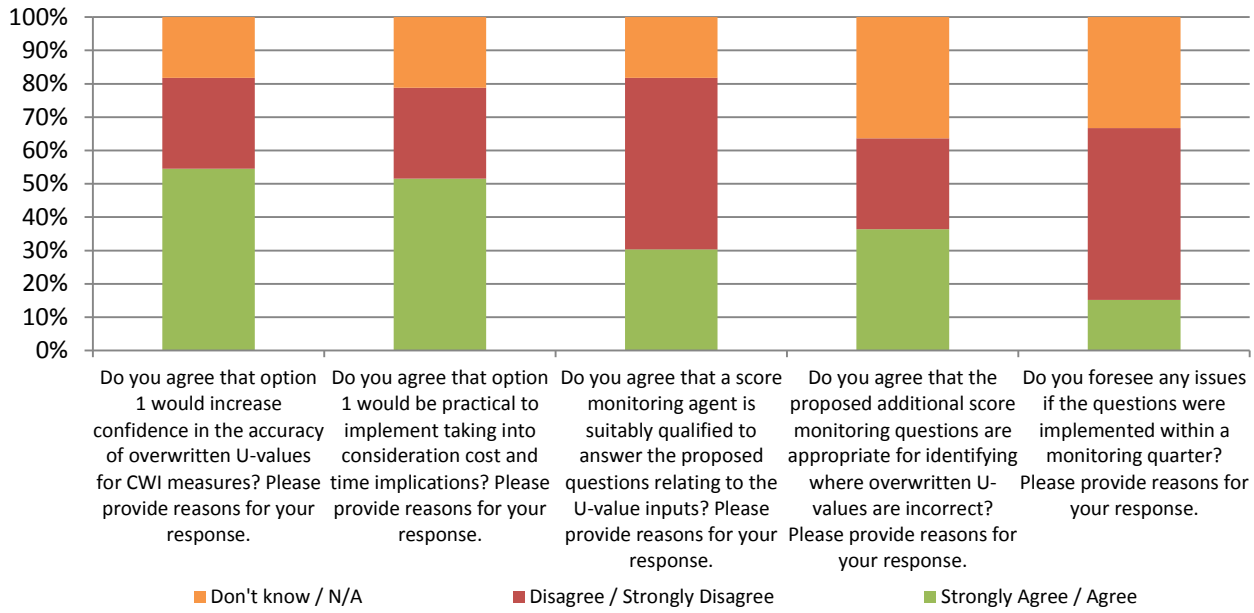
3.3 Do you agree that a score monitoring agent is suitably qualified to answer the proposed questions relating to the U-value inputs? Please provide reasons for your response.

3.4 Do you agree that the proposed additional score monitoring questions are appropriate for identifying where overwritten U-values are incorrect? Please provide reasons for your response.

3.5 Are there any additional questions that you think would help to identify inaccuracies in overwritten U-value calculations? Please provide reasons for your response.

3.6 Can you please estimate how long you think it will take for these new questions to be implemented into your systems? Please provide reasons for your response.

3.7 Do you foresee any issues if the questions were implemented within a monitoring quarter? Please provide reasons for your response.



5.2. A large number of respondents agreed that adding new questions to the score monitoring process would increase confidence in the accuracy of overwritten U-values. The reasons cited for this were mainly due to it being an established process and therefore limited extra burden in time and cost for the supply chain.

5.3. Some respondents did not agree that score monitoring agents (SMA) are suitably qualified to answer the proposed questions and ultimately verify whether a U-value calculation was accurate and appropriately overwritten. Many of those who agreed with adding new questions into score monitoring also mentioned that they would need time to train up their teams and SMA's, indicating that a SMA is not currently qualified. Stakeholders highlighted that a SMA not being suitably qualified to answer the proposed questions could lead to false fails resulting in disputes amongst the supply chain and payment delays.

5.4. In addition, a few respondents presented concerns over how a non-intrusive inspection could verify the accuracy of a U-value.

5.5. A further issue outlined was the time it may take to implement such an approach, due to changes that would need to be made to supplier's systems. Alongside this, there were mixed responses about implementing this approach within a monitoring quarter. Many respondents highlighted the administrative and practical difficulty of using two different sets of questions within one monitoring quarter. These concerns were largely raised by obligated suppliers and those directly involved in technical/score monitoring.

5.6. All of the above concerns were also reiterated in the stakeholder consultation workshop held on 1 March 2016.

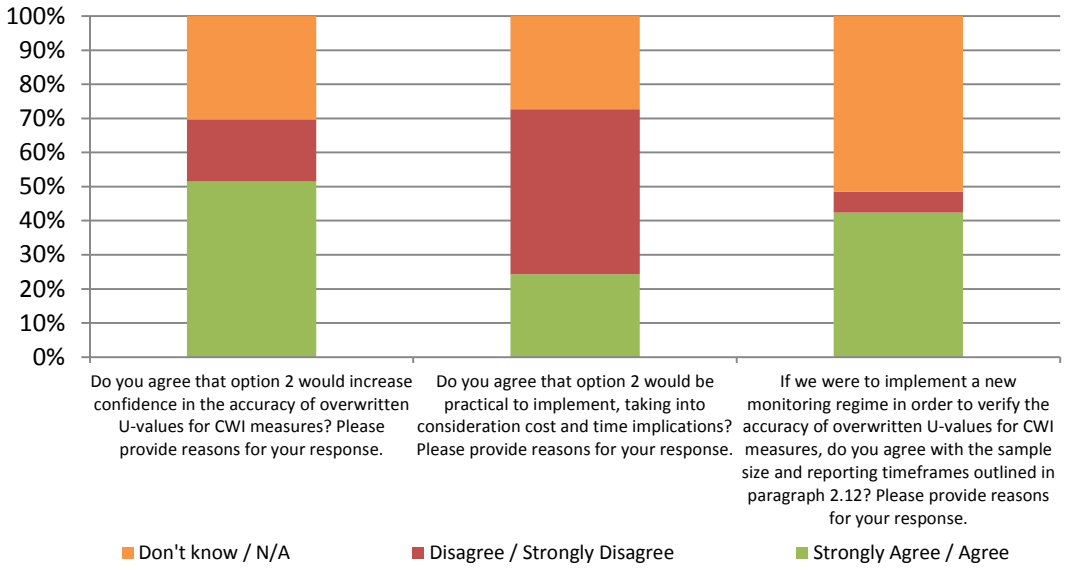
Option 2: Ongoing monitoring

5.7. Thirty-three stakeholders responded to this question.

4.1 Do you agree that option 2 would increase confidence in the accuracy of overwritten U-values for CWI measures? Please provide reasons for your response.

4.2 Do you agree that option 2 would be practical to implement, taking into consideration cost and time implications? Please provide reasons for your response.

4.3 If we were to implement a new monitoring regime in order to verify the accuracy of overwritten U-values for CWI measures, do you agree with the sample size and reporting timeframes outlined in paragraph 2.12? Please provide reasons for your response.



5.8. The majority of respondents felt that ongoing monitoring would be the most effective way of providing confidence in overwritten U-values, due to the ongoing assurance that it would offer. Although, some respondents did request further assurance about how a desk-based approach would provide this confidence as well as about who would be undertaking this monthly review. Stakeholders wanted to ensure that an appropriately qualified person would be reviewing the data.

5.9. Despite the confidence this approach could provide, a large proportion of stakeholders disagreed that this would be practical to implement. This was largely due to concerns about the timelines proposed for this approach, for example premises may not be checked until three months after installation. In addition, some stakeholders felt that there was not enough time to collate the relevant information and the whole approach could be overly burdensome for suppliers. One respondent felt that the impact of this approach may be that suppliers would not accept these measures in order to avoid the extra administration.

5.10. Many stakeholders argued that if this approach was implemented Ofgem would need to set strict, yet reasonable, deadlines for undertaking these reviews, to provide confidence throughout the supply chain as quickly as possible.

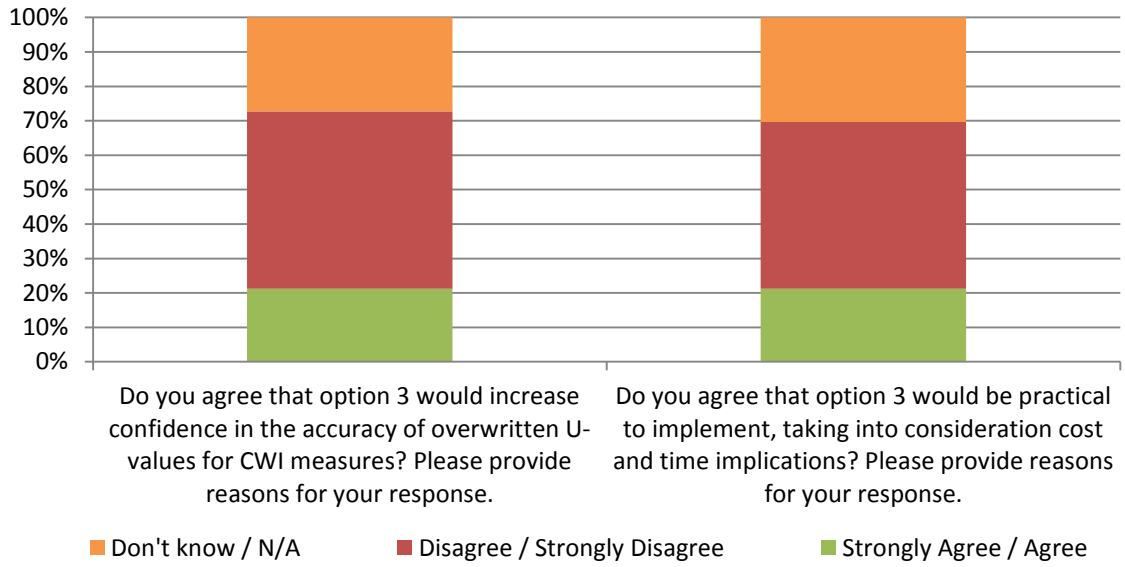
5.11. The majority of respondents agreed that the sample size was appropriate as it aligned with technical monitoring; however, one respondent felt it was too small to provide confidence. Some felt the sample could be targeted towards those measures with the highest U-values and therefore those deemed a higher risk. It was also suggested that sample sizes could increase or decrease depending on the results of the review.

Option 3: Audit regime

5.12. Thirty-four stakeholders responded to this question

5.1 Do you agree that option 3 would increase confidence in the accuracy of overwritten U-values for CWI measures? Please provide reasons for your response.

5.2 Do you agree that option 3 would be practical to implement, taking into consideration cost and time implications? Please provide reasons for your response.



5.13. The vast majority of stakeholders either disagreed or did not know whether an audit regime would provide sufficient assurance for overwritten U-values due to the potential time lag in checking these measures. Many respondents thought that an audit regime would cause uncertainty in the supply chain for a longer period of time than ongoing monitoring or technical monitoring. Suppliers felt that if issues were found, there could be limited time to rectify any problems.

5.14. The stakeholders that agreed with this approach specified that it would be practical to implement and would provide flexibility, allowing Ofgem to target areas of risk. In addition, it was argued that this approach would encourage installers to maintain high standards. Respondents maintained that audits should be completed regularly in order to provide confidence in measures at regular intervals.

Ofgem response

5.15. The responses were mixed on each of the monitoring regimes proposed, and a number of valuable arguments were highlighted by stakeholders, each of which has been considered closely.

5.16. Based on the responses received we do not think that adding more questions to our current score monitoring regime is appropriate. This is partly on the basis that SMAs are not suitably qualified to answer the proposed questions, but also due to the length of time it would take to implement this approach given the remaining time the scheme has to run.

5.17. Whilst there was some support for implementing an ongoing monitoring regime, the arguments about the additional administrative burden on suppliers and the supply chain to provide this information monthly were persuasive. We therefore feel that it would be inappropriate to implement such a long term and burdensome approach at this stage in the scheme.

5.18. Although the consultation responses show less support for an audit regime to be implemented due to the potential uncertainty, we feel that the standardised evidence requirements and thresholds provide considerable clarity for both suppliers and the supply chain and that an audit regime would complement this approach. Further engagement with stakeholders has supported this view. We will therefore reserve the right to carry out an audit or further checks of CWI measures with overwritten U-values to ensure that the cavity wall U-value checklist has been reasonably completed and additional evidence is in place where a U-value exceeds the value for a particular age band threshold.

6. Additional questions

6.1 Do you have concerns with U-values being overwritten for other ECO measure types?

6.2 If you do not agree with any of proposals outlined, could you please suggest an alternative approach which you consider would provide assurance that U-values are being accurately overwritten for CWI measures?

6.3 Do you agree that the proposals outlined above will enable U-values to continue to be overwritten for CWI measures where this is appropriate?

6.1. The majority of stakeholders did not raise any concerns about overwritten U-values for other ECO measure types. But some reiterated that other measure types should be monitored in case the problem moved onto one of these other measures. Loft insulation and solid wall insulation were cited as particular areas to monitor.

6.2. In response to question 6.2, a number of stakeholders put forward a suggestion that we proposed at the consultation workshop. This proposal involved implementing new default U-values by age band for use in situations where a cavity wall is unfilled yet RdSAP assumes that it is filled. In these cases the installer would use the relevant new start default U-value. Although these stakeholders were in favour of this approach, concerns were raised about this not being in line with RdSAP, as well as timelines for making any changes either to the RdSAP conventions or the ECO scoring tools.

6.3. One respondent put forward an alternative solution which involved liaising with accreditation bodies to provide a voluntary auditing service regime in cases where their members overwrite a large numbers of U-values.

6.4. Overall, the vast majority of respondents used these additional questions to reiterate the importance of being able to continue delivery to these properties and therefore the importance of implementing an approach which is both straightforward and proportionate, while also providing confidence to suppliers and Ofgem. A number of stakeholders also suggested that the timescales for implementing any new approach should be a key consideration when deciding on which approach to take given the time left in the current ECO scheme and the potential cost of implementation.

Ofgem response

6.5. Although we, like others, see value in implementing new default U-values for situations where a cavity is unfilled, there are major barriers in implementation which make this approach unfeasible. For example, one barrier concerns the time taken to incorporate these changes into ECO scoring tools (some stakeholders

suggested that this may take up to six months) and the limited time left for the current ECO scheme.

6.6. We believe our final policy provides an appropriate balance between providing sufficient confidence to ourselves, suppliers and the supply chain, while only introducing minimal additional requirements. We believe this approach will allow the relevant premises to continue to be treated with CWI and appropriate U-values applied.

Appendix 1 – Consultation respondents

We received 36 responses, three of these were confidential; we have therefore published 33 responses which are available on our website.

The 33 responses on our website came from the following stakeholders:

1. British Gas
2. Celsuis Energy Ltd
3. EDF Energy
4. Thermabead Ltd
5. E.ON
6. Argyle Software and Quidos Accreditation Scheme
7. First Utility
8. Happy Energy
9. South Coast Insulation Services Ltd
10. Green Deal Consortia and Institute of Domestic Energy Assessors (IDEA)
11. RWE npower
12. Scottish Power
13. SSE
14. Energy UK
15. Sustain Ltd
16. Sustainable Energy Association
17. Capture Carbon Ltd
18. Anesco Limited
19. National Insulation Association
20. GSR Heating Ltd
21. Effective Wall Insulation Systems (EWIS) Ltd.
22. National Blown Bead Association (NBBA)
23. InstaGroup Limited
24. A & M Energy Solutions Ltd
25. Warmfront Team Limited
26. Moulded Foams
27. Llewellyn Smith Limited
28. Acrobat Carbon Services
29. Green Deal First
30. Aran Services Ltd

31. Elmhurst Energy Systems Limited
32. National Energy Services
33. Walter French