



**The Chartered Institute of Plumbing & Heating
Engineering**

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Consultation on MCS equivalence for the Domestic Renewable Heat Incentive Scheme

- Q3.1 CIPHE welcomes the opportunity to respond to this consultation which we believe is long overdue and much needed. The consultation does not appear to have been published very well, which we believe could impact on the amount of responses you receive.
- Q3.2 Notwithstanding the above comment there is no issue with the timescale.
- Q4.1 We agree with all the principles except 4.4a) namely the prerequisites with relation to UKAS accreditation. The time, cost and resource implications associated with UKAS accreditation are both considerable and bureaucratic and will ultimately prevent non UKAS providers from coming forward. Consequently, only organisations already UKAS registered and MCS recognised are likely to apply, arguably resulting in an MCS mark 2 arrangement. Rather than suggesting consideration be given to 'the question of equivalence' it would be more appropriate to talk about an alternative scheme based on competency.
- Q4.2 An equivalent scheme is certainly not what is needed. We believe a 'fit for purpose scheme' is required, which takes account of the competency of individuals. 90% of renewables is plumbing based and approximately 80% of the companies involved are micro-SME's. The CIPHE is recognised by the State through its Charter of Incorporation and maintains the Register of Plumbers inaugurated in 1886. All individual members must adhere to a Code of Professional Standards, which includes undertaking requisite CPD. CIPHE membership and registration is overseen by an independent Registration Authority, which acts in the public interest. Consequently, we have a robust process in place, which is meaningful, appropriate and fit for purpose.
- Q4.3 Q4.(1.2.3)
- Although paragraph 4.2 states that 'equivalent' does not mean that a scheme should be "exactly the same" as MCS, the prerequisites, values, objectives, features, requirements and outcomes reference MCS. UKAS accreditation is cited as being a requirement and under the heading of 'Scheme Specific Requirements and Outcomes' the document states "we do not intend to suggest requirements that MCS does not have".

The CIPHE does not wish to discredit the work of MCS, however, it is clear that the present arrangement is not working sufficiently, and rather than looking for an 'equivalent' scheme, it would be more appropriate to consider a new approach. Moreover, an equivalent to MCS will not be fair and equitable across an industry where there are a large number of micro-SMEs.

The current system does not work for micro-SMEs, many of which specialise in domestic plumbing and heating installations, including renewables technologies. Membership of MCS creates a barrier from a financial and administrative perspective, and the result is renewables installations that although technically compliant, are not recorded on any database (other than sales in some instances), and are not eligible for RHI.

By including UKAS accreditation as a requirement, and having the same principles as MCS, the current consultation will only pave the way for a scheme which mirrors MCS, and could only be operated by a body in a position to either apply for UKAS accreditation or extend an existing scope such as Competent Person Scheme providers (Building Regulations), usually Trade Associations. It is essential that the expertise of Professional Bodies is maximised due to their role in supporting professionals through education and training and CPD. As an educational charity the CIPHE acts in the interest of the protection of the safety, health and welfare of the general public.

The introduction to the consultation lists the UK's carbon reduction targets and the fact that heating represents 47% of UK energy demand. If we are to improve energy efficiency across heating system installations in line with the targets it is further reason why alternatives rather than 'equivalents' to MCS need to be considered. This ultimately will take into consideration the different roles that long established industry bodies can provide and have different approval criteria. The most important thing is that compliant products are installed by qualified and experienced professionals in order that the products operate as designed so that efficiency targets are met, and the consumer is not disadvantaged.

Q5 Prerequisites

(5.1a)

As per Question 4, whilst we appreciate that schemes must meet certain requirements, we feel that having UKAS accreditation (or an equivalent) will lead to a scheme that mirrors MCS from an equivalence point of view, but does not necessarily provide an alternative solution that is fit for purpose. The current situation is a 'one size fits all' approach, which does not work in such a diverse industry. The result is that micro-SMEs and ultimately consumers are disadvantaged.

Scheme Values

As the Chartered Professional Body for the Plumbing and Heating Industry, registered as an Educational Charity, the CIPHE supports requirements for the 'scheme' to include requirements for consumer protection.

All schemes should facilitate and promote within the United Kingdom quality improvements in relation to the manufacture and installation of small scale, onsite renewable generation technologies.

Scheme Objectives

The CIPHE is in agreement with the proposals in relation to development of written materials, compliance reviews and development and up skilling of installers, as these are essential to ensure that installations are safe and compliant and that installers continue to operate in a competent manner. As the Professional Body for the Plumbing and Heating Industry, we act in this capacity for our members, providing technical materials via a number of platforms, and members are committed to 30 hours of CPD per annum under our Code of Professional Standards.

With regards to liability insurance for the development of a scheme, whilst this may be fit for purpose from an MCS perspective, an alternative 'scheme' may not require such high levels of liability.

High Level Scheme Features

Scheme Governance

Governance of schemes is important and it is necessary to ensure that schemes are governed in an independent and impartial manner. We support the proposals in this area.

Scheme Operation

We agree with the requirement to hold a register of competent installers and for measures to be in place to ensure that they continue to operate in a competent manner. Indeed the provision for holding a Register is enshrined within the CIPHE's Charter of Incorporation. In addition, the requirement for completion certificates to be issued and for installations to be recorded is important from a compliance/records perspective.

However, we feel that for future schemes, there should be consideration given to separating installer certification and product certification. Whilst this may work for MCS, as a body that understands installer competence and as the operator of the oldest Register within our Industry (Register of Plumbers), we would be capable of ensuring continued competence of installers, and the recording of installations, however, certification of products would be outside our remit, and that may be the case for other bodies within our industry.

Within the Plumbing/Water Industry (UK) the Water Regulations Advisory Scheme (WRAS) administers a list of approved fittings and appliances and certifies their compliance with the Water Regulations, and we also have a Water Label which certifies the water efficiency of such fittings. These are separate to any installer schemes such as the WaterSafe Scheme (the CIPHE is an operator of a WaterSafe Scheme), which covers Water Regulations installations, and a requirement is that installers use WRAS approved materials and fittings. We would suggest that

Ofgem should separate products from installers and allow for separate schemes to administer each, but that the requirements under RHI are for competent installers to install certified products.

Product workmanship and quality and installer workmanship and quality

We agree that there needs to be robust standards in place for both installer and product workmanship quality and commitment to ongoing improvement and development. However, as per the scheme operation, there should be an option for a 'scheme' provider/operator to run a scheme for either product or installer.

- (5.10). The schemes register should be kept in a digital format by all parties and a paper copy of the commissioning certificate should be retained by the customer.

Q6.

1-6.5 We do not believe that the proposed equivalent is fit for purpose for the UK Plumbing and Heating Industry and the reductions in Carbon Emissions, as per UK commitments. Therefore, whilst the assessment criteria, audits and verification proposals would be suitable for assessing an equivalent, we feel that there would need to be alternatives that are fit for purpose to meet the requirements of the UK, and address the issues, as faced by Micro SMEs, who are currently alienated by the MCS model, and would therefore be alienated by an equivalent.

Q6.6 The Chartered Institute of Plumbing and Heating Engineering believes that in order for the UK to meet the relevant Carbon emission reduction targets via incentivising domestic renewable heating installations, a different model than that proposed needs to be adopted. To date, neither the RHI or the Green deal have been as successful as was anticipated, and we believe that the barriers, as posed by MCS, as far as SMEs and Micro-SMEs are concerned, have been responsible for the poor levels of take-up.

Renewable heating systems are not new to the UK, and there are many installers who are competent in their specification, design and installation in addition to being competent plumbing and heating engineers (with a complete understanding of the integration within heating systems), yet neither them or their customers are able to benefit from the RHI due to the administrative and financial barriers.

As a Professional Body and Educational Charity operating under a Royal Charter and in excess of 8000 members, the CIPHE (founded in 1906) would welcome the opportunity to meet with representatives of Ofgem to discuss this matter further. We have considerable expertise in relation to the UK plumbing and heating industry, and we feel that there are many flaws in the current system, and merely creating competition to MCS, does not address the fundamental problems and will not help to meet the carbon emission reduction targets.

Professional Bodies such as the CIPHE play a key role in our industry, and differ greatly from industrial bodies, such as Trade Associations.

We register individuals, and our focus is on promoting technical excellence and CPD, specific to individual competence, in the interest of the protection of the general public. Members of the CIPHE are committed to a Code of Professional Standards. We work closely with Trade Associations, however, it is the case that Professional Bodies are often overlooked when schemes such as those being consulted upon are developed in favour of those organisations that register and support businesses.

Members of the CIPHE are required to be fully qualified and experienced in plumbing and heating engineering, are required to undertake 30 hours of CPD per annum and are committed to a Code of Professional Standards. We are a highly respected organisation and our commitment to pursuing excellence and the protection of the public was recognised by the State via the awarding of a Royal Charter in 2008. We believe that our membership criteria we have in place, ensure members would provide a system that is fit for purpose to certify installers, as competent to specify, design and install domestic renewable heating technologies, and we believe that such a system is required to provide a fair solution to the problems currently faced by Micro-SMEs.

We believe that product and installation need to be kept separate in any new model, and we would welcome further discussion in relation to the development of an appropriate system.

The Chartered Institute of Plumbing and Heating Engineering (CIPHE) would support an alternative scheme, providing it was not MCS mark2, as the current MCS is too expensive and time consuming for the majority of the plumbing and heating industry. Many installers are installing renewable technologies that are not being registered and this means the customer cannot claim RHI and, therefore, the installation cannot be recorded against Government targets. In June 2015, CIPHE will be launching a new warranty scheme which will embrace the requirements of MCS. The new Plumbing and Domestic Heating Technician Trailblazer apprenticeship has a renewable pathway that has been approved by BIS. Those achieving the Trailblazer qualification will be eligible for professional registration i.e. Engineering Technician status through the CIPHE.