

## **Response to Consultation on Requirements for Demonstrating Characteristics of Hard-to-treat Cavities**

Dear Ofgem,

Yorkshire Energy Services embraces change, legislation and the evolution to a more sustainable future for all however, many of your points within this Consultation will cause the energy efficiency industry great harm and potential financial loss if they proceed in their current form and timescale.

I write this response on behalf of Yorkshire Energy Services and their associated SME partners within [www.greendealinstallerhub.co.uk](http://www.greendealinstallerhub.co.uk)

### **Timescale for Implementation**

The consultation was launched on 27<sup>th</sup> August and closes on 24<sup>th</sup> September 2013. A proposed implementation date is 1<sup>st</sup> October 2013.

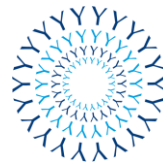
This does not give sufficient time between the conclusion and consideration of consultation responses and implementation for the supply chain to effect the final proposals. A meaningful consultation cannot be considered and implemented with such short notice allowing for pipeline work that the supply chain has in progress. This would lead to significant numbers of rearranged appointments & cancelled installations, work scheduling issues (especially for SME installers), and high customer dissatisfaction.

#### **1. 100% verification of narrow HTTC measures**

The proposal requires the inspector to be independent of the supply chain – the person making the declaration must be an employee of, or commissioned by, the energy supplier claiming the measure. In addition, the notes to the declaration state that the inspection should take place “while the installer is on site and so will not require additional drilling”.

This would require the surveyor/installer to notify the supplier of the possible measure at survey stage, the supplier to commission an inspector to co-ordinate with the installer schedule within what could be a window of a few hours installation, and an apparent assumption that the installer will contract with the householder to do work and drill the house at risk before the cavity is confirmed as HTT.

This will cause substantial resource, administration and cost burdens for the supplier, and is unworkable in a self-generated business model. It would effectively ‘kill’ the market for narrow HTT cavity installation.



## 2. Increased requirements on HTTC measures that require a Chartered Surveyor's report

The proposal requires a revised template to be completed by a Chartered Surveyor who is independent of the supply chain – i.e. they can only be commissioned by the energy supplier claiming the measure.

As with narrow cavities, this requires the surveyor/installer to notify the energy supplier at the time of survey to commission a Chartered Surveyor before work can be contracted with the customer. This will lead to significant administrative and cost burdens on the supplier, delays for the customer, and lack of certainty around work scheduling for the installer. In practice this will be difficult to implement and again is likely to have a severe detrimental impact on the self-generated HTTC market.

The proposal only relates to non-standard insulation materials & techniques, substantial remedial works and uneven cavity in natural stone walls.

The revised report template should be more explicit regarding guidance on stone or brick tied properties being categorised within non-standard materials & techniques, and also with regard to remedial work relating to four hours *per property*. The report heavily emphasises remedial works being “necessary”, but does not offer an explicit definition or guidance on this. This leaves the term open to a degree of subjective interpretation.

The report template now includes a specific note regarding the fact that the report cannot be used to recommend a HTTC measure. Given this template is being issued as the approved format by Ofgem, there should be more explicit guidance, either here or in the guidance for suppliers, as to what constitutes a “report by a chartered surveyor where the report is based on a whole house assessment of a domestic energy user’s premises”, and what (if any) real purpose this template serves.

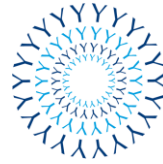
## 3. Increased Technical Monitoring

The proposal is to increase technical monitoring to 10% for three categories of HTTC: narrow, requiring remedial works and non-standard materials or techniques.

An increase in technical monitoring is acceptable but the requirement for 100% of this increase to be mid-installation could be difficult to implement. Some of these installations could be completed within a window of a few hours, and it is questionable whether energy suppliers and technical monitoring agents have the resource capability and capacity to schedule inspections flexibly within such short installation windows. Clarification and assurances should be sought from suppliers and monitoring agents regarding their ability to resource this efficiently without causing unnecessary delays to customer works on site.

## 4. Adoption of the proposal

It is stated that adoption of the proposal would enable Ofgem to process relevant HTTC measures in accordance with “standard procedures”. This infers that Ofgem are not currently able to do so. Urgent clarification should be provided for the industry as to the implications of this for the supply chain.



## Other issues

The proposal is silent on the treatment of HTTC in three storey properties and homes of prefabricated concrete construction or with metal frame walls (guidance to suppliers sections 5.14(1) and 5.14(5)). Ofgem should provide explicit clarification and assurance for the industry that these types of properties are not currently affected by concerns over wrongly notified HTTC works and that the existing processes are satisfactory.

Generally, if these proposals are pushed through, urgent clarification and assurance needs to be provided for the supply chain that resources and processes are available within energy suppliers to deal with the proposed requirements.

Whilst Yorkshire Energy Services have responded to Ofgem's Consultation with what they believe to be the key points (financial impacts, resource issues, timescale for implementation and lack of concise legislation), they would welcome an open discussion on how this consultation could be implemented in a more coherent approach with industry bodies and associated partners at the forefront of any new legislation.

Kindest Regards

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