

Ofgem e-serve

Energy Company Obligation 2015-2017  
(ECO2):

ECO2.2 Consultation

Response from:

The Grant Aided Installer Network (GAIN)

**Question 1:** Pre-conditions for district heating systems (DHS) under CERO and CSCO

**a) Do you agree with our proposed requirements for pre-existing roof insulation? Please provide reasons for your answer.**

*No. These are minimal levels of insulation, from an insulation point of view only, We would want the insulation for a loft to be 270mm minimum.*

**b) Do you have any further comments or suggestions relating to this policy area?**

No

**Question 2:** Pre-conditions for DHS under CERO and CSCO

**a) Do you agree with our proposal that a wall with a section of cavity narrower than 40mm cannot be insulated? Please provide reasons for your answer.**

*Yes. We concur with the reasons mentioned in the proposal. i.e. the risk of mortar bridging the cavity, leading to increased risk of causing damp.*

**b) Do you agree with our proposal that a wall which adjoins a wall which cannot be insulated also 'cannot be insulated'? Please provide reasons for your answer.**

*We question how far this reasoning could be taken and feel additional clarity is required i.e. if one wall on a property cannot be insulated, and given all walls are connected would this preclude the whole property from being insulated?*

*If the answer is yes clearly this is detrimental to the insulation industry. On the other hand it would seem to place less restrictions on DHS qualification.*

**c) Are there any other scenarios where a cavity wall cannot be insulated? Please provide reasons for your answer.**

*Yes. BBA certificate restrictions comprise:*

- walls must be in a good state of repair and must show no evidence of frost damage,*
- mortar joints must not be raked or recessed and must not show evidence of more than hairline cracking*
- building is over 25m high*

*In addition; rubble in the cavity, pre-existing damp, failed brick ties all promote transference of damp to inner leaf*

**d) For compliance purposes, how can suppliers demonstrate that a cavity wall cannot be insulated?**

*The solution must not be cost or time inhibitive. We feel the most sensible solution would be to evidence an inability to fill a cavity through survey details and photographs showing reasons for not insulating.*

**e) Do you have any further comments or suggestions relating to this policy area?**

No

**Question 4:**

**a) Do you agree with our proposed definition of a 'broken down' ESH? Please give reasons for your answer.**

*Broadly yes. However, consideration must be given to situations where a component failure means that very little heat will be delivered leaving the customer cold albeit with a system that is partially operational.*

**b) Do you agree with our proposal for judging that an ESH cannot be economically repaired? Please give reasons for your answer.**

*Yes. We feel the obsolete parts ruling provides great latitude to more effectively help customers keep warm and well. We welcome the concept of cost vs replacement.*

**c) Do you agree with the thresholds given in the ESH Economic Repair Cost Comparison Table? Please give reasons for your answer.**

*Broadly, yes. However, we are concerned that some of the costs appear high for years 6 to 8 in the middle column on Table 4: Economic Repair Cost Comparison Table.*

**d) Do you have any further comments or suggestions relating to this policy area?**

*We are concerned that if the customer only has one electric storage heater and we simply replace that one as it fits with the rules we may not be helping that much.*

*Would it be possible to consider a more integrated solution comprising a whole house solution? This would ensure comfort conditions are dealt with.*

*Would it also be possible to replace the storage heater with a more efficient form of heat e.g. if the property was connected to the gas network could a gas solution be offered?*

**Question 5:**

**a) Do you agree that 'boiler and system sludge' and 'unstable firing' alone are insufficient reasons for a boiler to be replaced? Please give reasons for your answers.**

*Yes and No. Unstable firing can be caused by a number of occurrences both inside and outside the boiler all of which can be repaired or replaced at relatively low cost. Sludge in the boiler can cause significant damage and the appropriate safeguard against future failure is to replace the boiler.*

**Are there any other faults which on their own are insufficient reasons for a boiler to be replaced?**

*A good proportion of the current, and proposed reasons are not in themselves good justification for boiler replacement. Many could be remedied at relatively low cost to give a property heating and hot water.*

*However, the elephant in the room is that HHCRO is a country mile from being sufficient action to act as the Governments means to tackle fuel poverty. In reality it is nothing more than lip service to social equity in the Utility carbon obligation.*

*It is a sad fact that thousands of homes remain eligible for assistance through HHCRO and do not have working boilers but are passed over due to the low carbon return status of their home. Properties with back boilers are a fine example of this.*

*Similarly, as far as we are aware, the repair matrix that was a clear attempt by central government to make ECO funding go further and at least ensure homes had heating and hot water (even though it may not have meant that the boiler fitted was as efficient as it could be) has never taken off.*

**b) Do you agree that 'no boiler ignition' and 'unstable firing' should be considered separately? Please give reasons for your answers.**

*Regardless, in our opinion neither in themselves are sufficient reason to replace a boiler.*

*Boiler ignition can be caused by a catalogue of reasons all of which could be repaired at costs well below the cost of replacing the boiler. Unstable firing too can be rectified by numerous low cost actions.*

*We reiterate, the sad fact is that this programme is failing to sufficiently address the thousands of households in fuel poverty.*

**c) Do you agree that the boiler fault list is suitable to identify faults with non-gas fuelled boilers? Please give reasons for your answers**

*Yes. We assume the question refers to oil installs and it is our opinion that broadly, the oil boiler functionality differs from gas only in the fuel used to fire it.*

*We would like to make the point that while functionality is no different the parts to repair an oil boiler are significantly greater than those of gas*

**d) Do you have any further comments or suggestions relating to this policy area?**

*All three areas of ECO (HHCRO, CERO, CSCO) are slaves to carbon return. As long as this remains the case the government must accept that ECO alone is not a sufficient means to equitably assist households with broken or inefficient heating systems and little means to afford the cost.*

*HHCRO is a country mile from being sufficient action to act as the Governments means to tackle fuel poverty. In reality it is nothing more than lip service to social equity in the Utility carbon obligation.*

*It is a sad fact that thousands of homes remain eligible for assistance through HHCRO and do not have working boilers but are passed over due to the low carbon return status of their home. Properties with back boilers are a fine example of this.*

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**Question 6:**

**a) Do you think the proposed changes to our requirements will be effective in reducing false claims of virgin loft insulation? Please provide reasons for your answer in relation to each change.**

*We question the concept of no insulation being the only definition of virgin loft. It is a fact that many properties have scraps of insulation strewn about the loft space. Its presence currently means that a full carbon value cannot be assigned even though the insulation itself is providing little to no efficiency benefit.*

*In answer to the question, yes, but we do have a number of related questions.*

- *What burden of proof you would require that a surveyor had actually entered a loft space to determine if it had existing insulation in.*

- *Re declaration from householder: many householders have not been in their lofts, many more would be incapable. We do not think these options are workable in all instances some would be unable/unwilling.*

*The pre or mid install inspection by a TMA would be effective but risks additional financial burden on the supply chain who already struggle with extremely low margins.*

**b) Do you see any difficulties in implementing these changes? Please provide reasons for your answer.**

*Yes, Logistically it would be a challenge to get the pre and mid inspections completed without delaying install timeframes. Also, as written above the implementation of another inspection protocol risks additional financial burden on the supply chain who already struggle with extremely low margins.*

**c) Do you have any suggestions for other controls or requirements we could introduce to reduce or prevent such false claims? Please provide reasons for your answer.**

No

**d) Where existing insulation is removed because it is posing health and safety risks and new insulation installed, should the measure be claimed as virgin or top-up loft insulation?**

*We believe this work should be claimed as virgin due to the additional work involved.*

**Can you provide examples of health and safety risks that would require insulation to be removed and how a supplier could demonstrate these risks?**

*Examples include wet insulation, insulation contaminated by the droppings of pests (rats, bats, mice, pigeons, even squirrels), detritus as a result of roof works, presence or risk of asbestos.*

*All could be demonstrated by photographs.*

**Question 7: (NB: Please see Appendix 1 before answering any of the below questions)**

**a) Do you agree it is more appropriate to assess quality of installation and the accuracy of scores separately?**

*No. We think both assessments should be done in the same visit, where possible. This approach minimises disruption and the potential of only getting half an assessment done. In addition we feel the separation of these jobs will only lead to on costs to the supply chain.*

**b) Do you agree with the proposed reactive monitoring process described in paragraphs 1.45 to 1.56 of Appendix 1? Do you think the monitoring rates are appropriate?**

No. We feel the rate should be increased across the board. The reputable installers who adhere to standards have nothing to fear by increased monitoring but poor practice is clearly evident, particularly from installers employed through brokerage agents. However, we do recognise this brings with it a financial burden that the supply chain must be protected from.

Furthermore, as they pose the greatest risk we feel far greater percentages of inspections should be carried out by subcontractors rather than the main contractor or agent securing the work.

**c) Do you agree that technical monitoring agents should have certain qualifications as explained in paragraph 1.15 of Appendix 1? Can you suggest which qualifications are most appropriate for different categories of measure?**

*Qualifications or relevant experience for boilers:*

- *Gas Safe registration should be seen as a minimum requirement and be supplemented with the relevant ACs qualification not only for common core gas safety (CCN1) but also for the type of product they are looking at. For example, when inspecting central heating the competence is CEN1.*
- *In addition to training/certification we also suggest at least 5 years operational/install experience to ensure that sufficient experience has been gathered. This serves to ensure the correctness of the crosscheck and would give the supply chain confidence in inspection outcomes.*

*For Insulation:*

- *3 years supervisor/managerial responsibilities for relevant discipline; 5 years installer experience; 2 years DEA*

*For MicroGeneration:*

- *at least the qualification to Install it and this can vary depending on the product*

*Other heating:*

- *for Electricians, 17th Edition, Oil - OFTEC and registered. Also the same 5 years operational experience.*

*We have nothing against those just gaining their qualifications, however we feel they do not have the level of experience and credibility to inspect others across the disparate industries*

**d) Are the qualifications listed in paragraph 1.16 of Appendix 1 appropriate for score monitoring agents? Are there any other qualifications that you would suggest?**

*Yes we agree with the DEA qualification, but would also like to see relevant trade qualifications as outlined above*

**e) Do you agree with the proposed timescales for remedial works and re-scoring to be conducted outlined in paragraphs 1.58 and 1.59 of Appendix 1?**

*No. We feel this is too long. In the interest of good customer service it is not reasonable to expect them to wait for up to 3 months for a remedial work to be completed.*

*However we are content with the rescoring to remain at 3 months.*

**f) Do you have any further comments or suggestions relating to this policy area?**

*More focus needs to be placed on pre installation inspections as this is the area which is open to abuse. Where surveyors and lead generators are "incorrectly" identifying qualifying boilers the evidence is gone post install.*

*The practice of suppliers appointing monitoring agents but asking installers to contract and pay those organisations should be discouraged. We feel it is unfair and places an unpalatable financial burden on an already squeezed supply chain.*