

## Chapter 7: Installation

### **Summary of chapter:**

Once a property has had an assessment and the finance for measures has been approved, installation is the next step. The Green Deal and ECO will ensure robust standards and quality of installation of energy efficiency measures to households and businesses. Certification of installers is an essential element of this, as work will be undertaken by a range of trades people.

The standards and accreditation framework for installers is proposed to ensure that all work is completed to a high standard and that consumers can expect the same level of technical expertise, customer care and protection regardless of the installer.

Government proposes to make it mandatory for an installer to be authorised to operate under the Green Deal and ECO and to have been certified to have met a new Green Deal standard. Installers will need to carry the Green Deal Mark, take full responsibility for the quality of work and comply with the requirements set out in the Green Deal Code of Practice.

The British Standards Institute (BSI) is currently developing the installer standard with the sector, and this is scheduled to be published in January 2012. The installer standard will bring together existing standards in one place to ensure greater clarity and consistency of approach, as well as robust levels of monitoring and compliance.

We propose to implement the standard through certification bodies with a view to minimising burdens and costs by using existing structures. We intend to introduce independent third party accreditation of these certification bodies to ensure robust and consistent application of the new standard. Once accredited, certification bodies will be responsible for ensuring installers meet the Green Deal standard and comply with the Code of Practice with the oversight body acting, or recommending Secretary of State action, where necessary

Customers will lodge any complaints on installations with their Green Deal Provider who is contractually responsible to the customer for the improvements. We are proposing that all Green Deal and ECO installations should be underpinned by a comprehensive scheme of insurance backed guarantees, warranties and redress procedures should anything go wrong.

### **7.1 Introduction**

1. To protect consumers, maximise demand and boost customer confidence in the Green Deal it is essential that energy efficiency measures are installed to high performance and safety standards.
2. Consumer research<sup>61</sup> commissioned by the Department of Energy and Climate Change between December 2010 and April 2011 showed a preference for choosing an installer from an approved list of suppliers. There was an expectation that local tradesmen could be accessed via these lists.
3. We are determined to learn all the lessons we can from the recent Australian insulation programme, which was launched in 2009 without insulation certification standards being required to access grants. Inadequate and poorly policed installation led to the cancellation of the programme and loss of public confidence.

### **Policy approach**

4. Although there are several installer quality standards and installer certification bodies which already exist, feedback from stakeholders indicated that the current standards are not sufficiently robust, and lack clarity and consistency in their approach. Working closely with our stakeholders and industry to inform our policy development, we propose the creation of a single overarching standard to ensure the greater consistency, clarity and quality that is needed. In order to develop the new Green Deal installer standard the following criteria were used:
  - it should acknowledge and work with existing structures in the industry where possible and appropriate, driving the lowest towards the highest standards;
  - it should be applied consistently across the sector;
  - it should represent the right balance between consumer protection and cost to industry; and
  - it should carry a quality mark that will be recognisable by consumers, in a similar manner to the Gas Safe scheme (formerly Corgi);
5. Using these criteria, we adopted the following approach:
  - the new installer standard should set out clearly what was required of a Green Deal installer and bring together the best of the many different standards that already exist;
  - this standard should be developed in co-operation with industry; and
  - be verified through independent third party accreditation to ensure a level playing field and consistency.

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<sup>61</sup> DECC commissioned three pieces of research, due to be published around the same time as the consultation. These will be found on the DECC website [www.decc.gov.uk](http://www.decc.gov.uk)

6. In addition to the standard itself, it was also decided to:
  - develop a clear code of practice for all installers which sets out minimum standards/levels of competency, customer protection and duties of all participants; and
  - create an independent oversight body to monitor and ensure compliance with the above frameworks and maintain a register of authorised installers which customers can use to verify those carrying out works.
7. The following section defines a Green Deal installer and describes the Code of Practice that is proposed will govern their behaviour and how this will be monitored to ensure compliance. The processes described below are true for the installation of both Green Deal and ECO measures.

## 7.2 The Green Deal Installer

8. Only an authorised Green Deal Installer can install energy efficiency improvements under the Green Deal finance mechanism. Only authorised installers will be able to identify themselves as 'Green Deal Installers' and use the Green Deal Mark. There is nothing to prevent an individual or firm from seeking authorisation as both an installer and an assessor or provider; there are also a variety of options for partnering with other persons who are accredited to undertake these functions. However, this authorisation only covers installers to fulfil the installation functions of the Green Deal. This functional approach allows for a flexible and diverse set of business models to emerge in the market rather than restricting access to those firms who can undertake all three authorised functions.
9. A person or organisation will only be authorised as a Green Deal installer if they:
  - are certified by an accredited certification body against the relevant Green Deal standard set out in the Code of Practice;
  - are a member of the certification body which certified them;
  - agree to comply with the Code of Practice;
  - have agreed to keep clear records of work done and allow monitoring of installation work when requested.
10. We propose that Green Deal installer authorisation will be reviewed on an annual basis, on the date the installer was first authorised. We propose that the accredited certification body would be required to provide the oversight body with the relevant information on its certified members, and therefore it would need to provide this information annually, to ensure its certified members maintained authorisation. The information that the accredited certification body must provide to the oversight body is detailed in the draft regulations.

## **Code of Practice for installers**

11. The proposed Code of Practice specifies certain requirements that installers and other Green Deal participants will have to comply with in order to operate under the Green Deal and ECO. This will help ensure that customers receive a good standardised service. Specific requirements may vary depending on the type of green deal participant, but many aspects will apply across the board. Specific requirements will include the following:

- The standard installers will need to meet and the requirement for them to be certified through accredited certification bodies.
- The duties of accredited certification bodies in relation to the Green Deal.
- Rules relating to the marketing of the Green Deal, to ensure that customers are not subject to unfair or misleading selling practices.
- Requirements for monitoring and enforcing standards, including processes for dealing with redress
- Requirements for the provision of appropriate insurance backed warranties/guarantees to cover the work carried out.

## **Quality assurance/certification of installers**

**Annex D** sets out the policy options for accreditation that were considered.

12. In order to recognise existing good standards and minimise the burden on the sector, Government is proposing to accredit the existing trade certification bodies to act as installer certification bodies. These bodies already operate in the market to set standards for those they certify. This will allow Green Deal accredited certification bodies to continue to operate and certify installers to the new standard, thereby permitting them to become authorised Green Deal installers and use the quality mark.

13. We intend to introduce independent third party accreditation of the new standard to ensure that there is a robust and consistent approach used by all certification bodies. We have been working with sector representatives to ensure that this approach is robust, proportionate and does not overburden industry. On 2 June, Greg Barker, DECC Minister of State, formally appointed the United Kingdom Accreditation Service (UKAS) to carry out third party verification to ensure that installers and assessors will meet the necessary standards when the Green Deal starts.

14. UKAS will carry out assessments of certification bodies to ensure they meet the requirements of the installer standard. UKAS will charge certification bodies for this service (which is normal industry practice). Certification bodies can pass on

these costs to their members as they see fit as part of their normal certification fees.

15. Our intention is to have the first tranche of certification bodies accredited by April 2012, with a second tranche in August 2012 so that their members have time to begin marketing their services prior to launch of the Green Deal. UKAS have already launched an initial pilot accreditation phase.<sup>62</sup>

### **Training and qualifications for installers**

16. The new draft installer standard brings together the many different standards for installations that already exist. We have appointed the British Standards Institute to produce the final standard for installations by January 2012. In many cases we envisage installers will be able to meet the relevant requirements of the standard already, though some will require top-up training on areas specific to the Green Deal.

**Annex E** sets out the rationale behind the approach to creating the installer standard and the appointment of the British Standards Institute.

17. We are also working closely with the Sector Skills Councils to review existing training provision to ensure it is fit for purpose for the Green Deal. In addition, earlier in 2011, Government announced that it would allocate up to 1,000 Green Deal apprenticeships in England<sup>63</sup> as part of plans to insulate the UK's homes and businesses against rising energy prices and boost green job opportunities.

**QUESTION 40:** Are there any government backed and accredited scheme standards which operate at present (in addition to the Microgeneration Certification Scheme and Gas Safe), that could be considered as meeting the new Green Deal standard already?

**QUESTION 41:** It is not yet clear what the accreditation requirements for GD/ECO will be and how they will impact on incumbent firms in the market. Further work is being carried out to understand and quantify the nature of the impact of these, particularly for those firms that are micro-businesses. We welcome views from incumbent.

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<sup>62</sup> The aim of pilot programme is to develop the necessary procedures and competence to enable UKAS to accredit certification bodies to undertake certification of installers and/or advisors to the Green Deal requirements. Further information can be found at [www.ukas.com](http://www.ukas.com)

<sup>63</sup> In this instance, Government refers to the UK Government responsibilities in England only. Wales and Scotland have their own policies and programmes for supporting Apprenticeship provision.

## Employment of a Green Deal installer

18. A Green Deal installer may be engaged in number of ways (please see diagram 3 below). For the purposes of the Green Deal we have tested our approach against the following potential business models to ensure installers have fair access to the market – whether they are sole traders, SMEs or large organisations:

- A salaried employee of the Green Deal provider;
- Sub-contracted on a per-job basis by a Green Deal provider;
- An independent Green Deal installer commissioned directly by a consumer.

19. However a Green Deal installer is engaged, they will need to meet the requirements set out earlier in this chapter to operate under the Green Deal and ECO.

## Assuring the quality of Green Deal installations

20. It is intended that Green Deal Providers will have to provide an appropriate insurance backed guarantee/warranty to their customers. We are currently working with the sector to determine how this will work in practice, but we also intend to set out reasonable minimum requirements for the quality of installations in the Code of Practice. Further details of our approach on guarantees and warranties are set out in section 3, the Green Deal Plan, of this consultation.

### Diagram 7: Potential business models for Green Deal installers



## Green Deal Oversight Body: roles and responsibilities (with regards to installers)

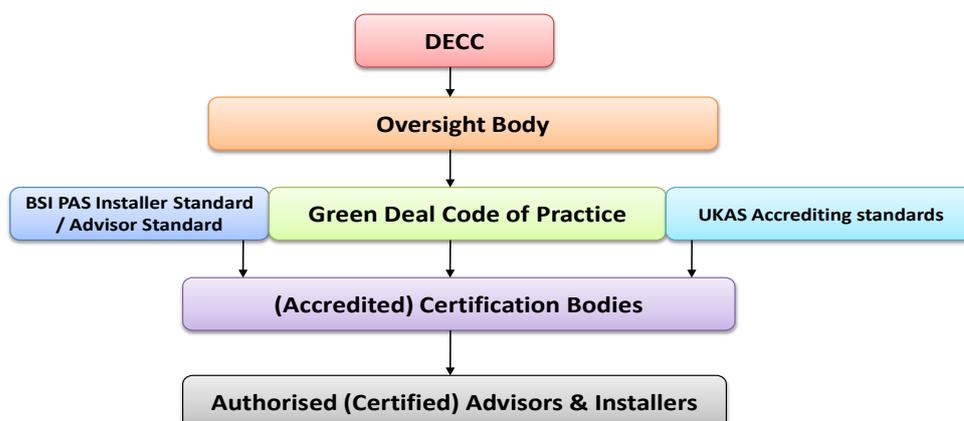
21. Effective oversight of the Green Deal will be essential to ensure there is robust customer protection. It will also enable us to gain useful information on performance, and market intelligence on future levels of demand and market developments, which can be fed into future policy development to ensure the Green Deal remains relevant and effective in delivering energy efficiency.

22. As mentioned in the chapter on assessment, there will be a number of functions which will need to be managed centrally to cover installers. These include:

- Register and maintain a list of Green Deal certified installers.
- Manage the review of the Green Deal installer scheme standard.
- Liaise with UKAS over the accreditation of Green Deal certification bodies.
- Manage and monitor compliance with the Code of Practice.
- Issue and manage the use of the Green Deal Quality Mark.
- Provide up to date details on authorised installers to the advice line in England and Wales and separately in Scotland.
- Liaise with Sector Skills Council on keeping National Occupational Standards (NOS) up to date.
- Manage advice, referral and redress when something goes wrong.

23. Diagram 4 below sets out how, in practice, how we intend to deliver our proposals and ensure robust installer standards under the Green Deal.

**Diagram 8: Oversight and Accreditation of Green Deal Installers**



### 7.3 Installation Process

24. For installation, a consumer can choose to go directly to a Green Deal provider who contracts the supply chain of installers, or they can go to an independent installer to carry out the work.

25. If a consumer chooses to go directly to a Green Deal provider, then the provider will co-ordinate the installation work. They will either contract in-house installers to carry out the work, or sub-contract to independent installers. The Code of

Practice sets out requirements that installers must meet with regards to the installation process.

### **Sanctions and Redress mechanism**

26. It is proposed that customer complaints will be handled by Green Deal providers in the first instance. The intention is that all installers will be required to guarantee the quality of their works for a reasonable period. The Green Deal Provider will decide how best to take forward any complaint. The Green Deal Provider may instruct the installer to complete corrective actions. This may be set out in a contract between the Green Deal Provider and the installer.

27. If it concerns professional competence of the installer then the Green Deal provider may take the matter to the relevant certification body to investigate. Certification bodies will be required to have procedures in place for dealing with complaints against those they certify, including independent appeals processes. A certification body may remove certification of an installer, in which case the installer would also be removed from the register and no longer be able to install that measure under the Green Deal.

28. If a certification body fails to take necessary actions, then the Green Deal Provider could appeal to the oversight body. The oversight body has the power to investigate – or instruct UKAS to investigate (as this may be a breach of the accreditation). The oversight body can instruct certification bodies to carry out corrective actions. If the certification body still fails to do this, the oversight body can inform the Secretary of State of a potential breach. It will then be up to the government to decide what action to take under the powers set out in the Energy Act 2011.

29. The Energy Ombudsman Service and Financial Ombudsman Service will also provide points of redress for Green Deal customers.

### **Green Deal Installers and the Energy Company Obligation (ECO)**

30. The common approach to standards for ECO measures and for the Green Deal has already been stated in Chapter 2 on measures. This will be the same for installer standards. Thus, for example, the installation of heating systems and any energy efficiency improvements which energy companies wish to count towards their ECO obligations will be required to be installed by those authorised under the Green Deal accreditation system<sup>64</sup> and the auditing and verification of the quality of the work done will be automatically captured through the Green Deal

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<sup>64</sup> See, for example, articles 11(7)(e) and 13(4)(b) of the draft ECO Order accompanying the consultation document.

process. This will avoid creating two separate markets for companies to operate in, and support the accreditation system.

31. Where there is a scenario where measures are installed under the ECO, with no Green Deal interaction (finance), the installer is likely to be employed or sub-contracted by the ECO supplier. In this instance the energy supplier can be expected to handle any complaint against the installer (or the quality and standard of the work) under the terms of a contract for the installation of the qualifying action it has with the installer. In such a scenario a complaint made by a consumer is likely to be made to the supplier who can then be expected to investigate the matter and deal with according to terms its has agreed with its installer.
32. To help a consumer receiving a measure under the ECO (without any Green Deal interaction (finance)) understand how he or she can lodge a complaint against an installer or the quality and standard of the work, it is proposed that energy suppliers will be required to ensure that such consumers are provided with information at the time of installation on how to make a complaint about the installation process.
33. Similarly to the Green Deal, the energy supplier may take any complaint against an installer to the relevant certification body to investigate, if it concerns the professional competence of an installer.