



Department for
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Dear Darren,

Thank you for your letter of 21 July, regarding the Green Home Grant scheme (GHG) and your concerns regarding consumer protection and standards as part of this. I am responding on behalf of Lord Callanan in his role as Minister for Climate Change and Corporate Responsibility, as he will lead on day to day oversight of the scheme.

I would like to reassure you that we fully recognise the importance of consumer protection and the highest standards of installation quality being imperative for this scheme to succeed.

We recognise there are risks associated with starting a new energy efficiency scheme, many of which are the same issues there have been with previous schemes. To proactively combat these risks, in 2015 we commissioned an independent review of the energy efficiency and renewable sector to analyse what measures could be put in place to improve consumer advice, protection, standards and enforcement. Over the last few years we have implemented the recommendations from this review, contained in the [Each Home Counts](#) report, and we are confident that the necessary steps have been put in place to include consumer protections in the GHG scheme.

Please find annexed detailed answers to the further questions you have raised.

Thank you again for taking the time to write. I hope you find this response helpful and I would like to thank you again for your continued support on the delivery of these schemes.

Yours ever,

THE RT HON KWASI KWARTWENG MP
Minister of State for Business, Energy & Clean Growth

Annex

1. Which regulator will be given the responsibility to ensure that all consumers are protected under the scheme?

a) What specific powers will this regulator have?

We have appointed TrustMark, as the government endorsed quality scheme, to ensure the quality of work conducted by installers under the scheme. All installers will need to be registered with TrustMark and this registration process requires that they are certified by an accredited certification body which ensures that installers are trained to the appropriate standards to deliver under the scheme.

The appointment of TrustMark gives them various powers to ensure installations under the scheme are completed to a high quality. This will be done through a thorough dispute resolution process; auditing of the measures installed; guarantee of only quality installers becoming TrustMark registered and making sure all work is done to high standards.

2. What Alternative Dispute Resolution (ADR) processes, or other processes, will consumers have access to for complaints that cannot be easily resolved?

a) Will this be free of charge?

b) What powers will be assigned under the ADR scheme to achieve positive outcomes for consumers that have been failed, such as to force compensation or other remedies?

c) What will be done to ensure complaints are dealt with and remedies are implemented quickly given the obvious detriment consumers will face if their homes are left in uninhabitable or uncomfortable conditions?

Consumers are encouraged in the first instance to take their complaint to their installer. If this does not resolve their complaint, they can take their complaint to the certification body scheme provider that the company is certified with, to have their complaint reviewed. The next step in the dispute process is to take the complaint through TrustMark's ADR processes. TrustMark has appointed the Dispute Resolution Ombudsman to catch anything that falls outside of the normal route.

This process is free to consumers. TrustMark will pay for any related fees then claim this back from the businesses and there are also set timelines for each stage of the dispute process, both of which ensuring as smooth a route as possible for consumers.

3. If the regulator or dispute mechanism process finds that a consumer has been wronged by a company under the scheme, but the company is no longer solvent or otherwise unable to right this wrong, what solutions will be available to the consumer?

a) Will there be compensation mechanisms available either from the Government or a compulsory guarantee agency?

b) Will any regulators have a role in overseeing the work of guarantee agencies, for example to ensure that compensation offered properly reimburses the detriment caused?

One of the ways in which we are intending to combat companies cease trading and absolving responsibility for poor workmanship, is by the requirement of all measures installed under the scheme to have a guarantee, giving further protection to the consumer.

Any guarantee used by a TrustMark registered business will have to meet the requirements of the TrustMark Framework Operating Requirements to be eligible. These Framework Operating Requirements specify that guarantees must include financial protection for both product warranties and workmanship. They must also be insurance backed and supported by the scheme providers.

4. How will the department enforce its standard mark to ensure that only quality suppliers are able to receive the benefit of these vouchers?

a) Are there any plans to monitor any new companies that come into the market for this scheme, in order to avoid the potential for harm caused by mis-selling or rogue traders who may have previously exited the market?

b) What monitoring and feedback mechanisms will be put in place to ensure that the Government's standard mark is operating effectively to provide consumers with adequate protection?

c) What steps will the department take to ensure people get value for money when participating in the scheme and that traders are not inflating their prices because of it? Will the scheme monitor average prices for types of homes in each region or give any other assurance of approximately how much different energy efficiency measures might cost?

All measures will have to be installed to PAS 2030:2017 for installation of energy efficiency measures which have been used to drive up the standards of energy efficiency measures in recent years.

TrustMark will carry out quality site visit audits on 10% of the installations as part of their process to maintain standards using a risk-based audit selection approach. We have asked TrustMark to pay particular attention to newer companies as part of the audit process.

As BEIS holds a master license agreement with TrustMark this requires them to abide by the terms of the agreement we hold with them. We are in constant contact with them reviewing the way in which they provide protection to consumers. TrustMark registered installers have been a requirement under the Energy Company Obligation since the beginning of the year, and we have confidence in the way that they operate and the protection they provide consumers.

In addition, the GHG Grant Administrator will be required to provide fraud prevention audits and site visits under the terms of their contract with BEIS to maintain value for money.

We have also been exploring a variety of ways to minimise the risk of this price inflation. Some of the options we are considering include requiring multiple quotes, increasing education of consumers, public price guides, auditing quotes that appear high etc.

5. Will the department build in this key information (i.e. in regard to the standard mark and complaints process) at the point at which consumers apply for their vouchers, when they receive their documentation and at the point of agreeing for services to take place in their homes?

a) Will there be a requirement for the scheme to provide or signpost consumers to independent advice? For example, information to support consumers to source reputable companies, find out what products are right for their home, and to seek redress for consumer issues when things go wrong?

b) Will consumers be able to access a complaints process using the same online portal they will have already used to claim their voucher?

Messaging of key information around standards and dispute processes is imperative to the success of the scheme. We will make sure that this is as easy as possible for consumers to find and will sign post them to it throughout their GHG journey. You will see from the [press releases](#) that we have published so far that there is a notable emphasis on standards and the work done by TrustMark.

The intention is that consumers will use the [Simple Energy Advice](#) service - a government endorsed advice service that is independent from installers and will help consumer to find out which measures are suitable for their property. The website has already been updated to include advice on the GHG voucher scheme, allow consumers to check their eligibility and

carry out a quick energy survey to see how energy efficient their homes already are. Where improvements can be made, consumers are provided with a personalised energy plan and directed to Trustmark accredited installers to obtain quotes for their selected measures.

It is our intention that consumers will be able to access a complaints process through the same online portal they have claimed their voucher through. We will look to integrate this before scheme launch.

6. How will the department ensure that it is able to spot fraudulent invoicing to ensure effective use of public funds?

Evidence of all work that is completed is uploaded to the TrustMark Data Warehouse to ensure that all work that is completed is completely auditable. Checks will also be put in place when vouchers are redeemed to ensure that evidence is provided of the completed works, confirmation provided that this has been undertaken by suitably accredited installer(s) and copies of invoices provided. This information will be subject to verification checks, including some site visits, before voucher payments are approved.