

**Minutes of the 47th Meeting of the Supervisory Panel
Renewable Energy Consumer Code
Wednesday 14 March 2018**

Meeting held at REA office: 6 Spring House, Graphite Square, Vauxhall Walk, London SE11 5EE

Present:

David Laird – Chairman
Bryn Aldridge – Independent Trading Standards Expert
Aleksandra Klasson - STA
Amanda Clark – Certsure LLP
Paul Chambers – BEIS
Zoe Guijarro – Citizens Advice
Frank Gordon - REA

In attendance:

Virginia Graham - RECC
Lorraine Haskell - RECC
Aida Razgunaite - RECC
Rebecca Robbins - RECC

Apologies:

Walter Carlton – Deloitte
Carmel Golden – Ofgem
Gretel Jones – Independent Consumer Expert
Steve Lisseter – Independent Consumer Expert
Richard Shury – MCS
Jim Thornycroft – Independent Solar PV Expert
Neal Stewart - BEIS

1. Introduction and apologies

The Chairman welcomed attendees to the 47th Supervisory Panel Meeting and noted apologies for absence received.

2. Minutes of last meeting

Panel Members agreed the Minutes of the 46th Supervisory Panel Meeting as being an accurate record of the meeting. The Executive advised that the Minutes of the 45th meeting had been posted on the RECC website, having been approved at the previous meeting.

3. Matters Arising

The Executive confirmed that most of the actions from the previous meeting would be picked up later in the agenda. The following updates concerned those that would not.

2018 Annual Report

The Executive confirmed that the drafting of the 2018 Annual Report would shortly begin, and that a draft would be provided to the next meeting of the Supervisory Panel. Attention was being paid to the presentation of the Annual Report in the light of the helpful comments received at the previous meeting. The report was due to be published in June.

4. Highlight Report

Membership activity

The Executive confirmed that RECC membership renewals were continuing; with a cut-off point of the end of March, and that new applications had remained broadly stable at 20 applications to join each month. The total number of RECC members was likely to fall in 2018, with some 800 still waiting to renew. The final total would probably not be known for a further month, although the Executive was hopeful that it would not fall too far outside the total that underpinned the budget. Panel Members asked about the use of Direct Debit and whether RECC could develop a more automated renewal process, one that relied on a strategy of 'minimum engagement'. The Executive replied that, once the renewal process was complete, it would be investigating increased automation in the system.

Panel members asked the Executive what the effect of the end of the Feed-in Tariff in 2019 and the end of the Domestic Renewable Heat Incentive in 2021. The Executive explained that a consultation was expected during the summer of 2018 on the future of small-scale solar PV after the Feed-In Tariff, and that work was in hand to ensure that certification and Code membership would remain a sector requirement.

Desk-based audits

The Executive reported that the changes made to the desk-based process following the trial appeared to have made the process more straightforward for members, though improvements would continue to be made in light of further feedback. As reported in the Highlight Report, 16 audits had been allocated during the period. Results showed a varying degree of compliance across the piece.

The Executive reported that it would be resuming the mystery shopping programme and that, as always, it was keen to receive suggestions for mystery shoppers around the country. The Executive asked Panel Members whether they knew of anyone prepared to be a mystery shopper.

The Executive further reported that, due to the low response rate from consumer satisfaction surveys over this period, work was underway both to update and circulate the questionnaires more widely in hard and soft copy.

Disciplinary and non-compliance activity

The Executive explained that, between December 2017 and February 2018, RECC had:

- invoked Non-Compliance Action against one member
- brought to an end the disciplinary procedure against one member due to non-renewal
- re-commenced the disciplinary procedure against one member following renewal
- issued a compliance notice to one member
- terminated the membership of one member for non-compliance, in accordance with clause 14 of the Bye-Laws, having previously asked them to sign a Consent Order.

The Panel discussed whether this information could be shared on the website to ensure consumers and RECC members were aware of RECC's work to promote compliance. The Executive confirmed that the Bye-Laws would shortly be updated with a view to introducing more streamlined procedures. It was expected that the updated Bye-Laws would come into force in July 2018.

Dispute resolution

The Executive confirmed that 318 disputes had been received by RECC in the previous quarter, with 229 in the same quarter in 2017. The majority of disputes continued to fall within the following categories:

- after-sales
- estimates / quotes, including performance estimates and financial incentives
- contracts and cancellation rights
- marketing and selling.

The Executive explained that, of these disputes, 22 have been allocated to a RECC dispute resolution case worker. The others had been referred to an MCS Certification Body, Citizens Advice or another body. During the same period, 15 allocated disputes had been closed: 6 through mediation, 4 through arbitration and 5 directly between the consumer and the company. Panel members asked for regular updates in the Highlight Report going forward.

5. Primary Authority Partnership

The Executive reported to Panel Members about the new arrangement with Hampshire County Council. This replaced the previous arrangement with Slough Borough Council. Panel Members asked about arrangements for opting RECC members into the arrangement and asked for an update. They asked how CTSI could assist in other ways with RECC's work, for example by making use of local and regional groups of trading standards departments, and by passing complaints directly to trading standards departments.

Panel members asked for a regular update on contacts with the Primary Authority, and on the level of take-up from members.

6. Marketing update

The Executive reported back on the steps it had continued to take to improve its marketing and outreach to existing as well as to potential members. The Executive confirmed that it had made van stickers available to members and that these had been well-received. Activity on social media had increased and the Executive had prepared various blogs on mis-selling in partnership with other organisations such as National Energy Foundation and Solar Trade Association.

A review of the website was underway and some changes would be implemented in the medium term. Panel members asked whether they could have site of the website analytics provided routinely. They also asked whether RECC had considered making contact with inverter manufacturers, such as Solar Edge and SMA, with a view to preparing best practice guidance for consumers and installers.

The Executive confirmed that it was continuing to investigate new areas of activity for RECC. Panel Members asked what scope there was for including other products and services within the scope of the Code going forward, predicting new developments rather than following them.

7. Assignment of Rights

The Executive reported on activity it was engaged in with BEIS and Ofgem to prepare for the introduction of 'Assignment of Rights' within the domestic Renewable Heat Incentive due to go live on 27 June 2018. The Regulations require investors (to be known as 'participants') to be members of an approved Consumer Code (in practice RECC or HIES since GGF has elected not to take part). The participants will fund heating systems in domestic properties in return for the deemed RHI payments being 'assigned' to them. The heating systems will at all times remain the property of the home owner ('applicant'). This is distinct from the third party ownership models common in the solar PV sector.

Panel Members asked about the safeguards in place for home owners. They asked whether payments should be made on the basis of heat meter readings rather than being deemed, and how home owners would be protected from investors repossessing their heating systems. BEIS explained that heat metering remained quite complicated and was not considered practical at this stage. At this stage BEIS was of the opinion that the agreements between investors and home owners would be credit agreements regulated by the FCA. This would protect home owners.

The Executive confirmed it was working with BEIS and Ofgem on preparing a model contract between the investor and the home owner, though further agreements would be required between investors and installers, and between installers and home owners. Finally the Executive explained that it had been working with BEIS and Ofgem with a view to ending the existing model of 'free' renewable heating systems which had evolved as a way of circumnavigating the existing Regulations.

It was intended that the official 'Assignment of Rights' route would supersede this going forward. It was not yet known what the scale of take-up would be. Panel members asked for an update on progress with implementing 'Assignment of Rights' at the next meeting.

8. Update on GDPR

The Executive reported that a draft of the revised Privacy Policy Notice had been circulated to Panel Members and invited comments and suggestions. Panel members asked what the policy was for automatically deleting data, for re-seeking consent, and for storing documents containing personal data. The Executive reported that, once the revised Privacy Policy Notice had been posted, the next step would be to prepare and circulate an internal Privacy Policy so that all staff members were aware of the obligations on them. Personal data was mainly stored in the Complaints Database, but also in the CRM database where it related to Primary Contact details for members, and where members were sole traders. An email would be sent to all members seeking their opt-in to quarterly newsletters.

The Executive reported that amendments would be introduced to both the CRM database and the website to ensure that personal data was automatically deleted after 10 years unless there was an over-riding reason to maintain it. For example, if it was necessary for legal reasons, it might be necessary to retain it for 12 years, but renewed consent would be required in such a situation. Panel members requested a further update at the next meeting.

9. A.O.B and date of next meetings

A.O.B.

There was no further business raised.

Date of next meetings

It was agreed that the next meeting of the Supervisory Panel would take place at 2.00 p.m. on 13 June 2018. Subsequent meetings had been scheduled for: 12 September and 12 December at 2.00 p.m.

There being no further business, the Chairman thanked those who had attended and closed the meeting.