

**Minutes of Cross Party Group in the Scottish Parliament on  
Consumer Protection for Home Energy Efficiency and Renewable Energy**

**Held on Tuesday 12<sup>th</sup> June 2018**

**1. Introduction from Co-convenor**

Clare Haughey MSP introduced herself and welcomed members of the CPG

**2. Present and Apologies**

**Present**

**MSPS:** Clare Haughey MSP, Ivan McKee MSP, Ruth Maguire MSP, representatives from the office of Clare Haughey MSP (Sean Rodgers)

**Non MSP Representatives**

Sarah Freshwater	Energy Saving Trust
Angela Law	Glasgow North East Action Group
Angela Buchanan	Glasgow North East Action Group
Councillor Graham Campbell	Glasgow North East City Council
Lindsay Restrick	SSE
Juliette Brelford	Citizens Advice Scotland
Emma Ash	Citizens Advice Scotland
Marcus Wilson	Citizens Advice Scotland
Emma Grant-McColm (Secretariat)	Citizens Advice Scotland
Helen Melone	Energy Action Scotland
Peter Randall	Solar Trade Association Scotland
David Burns	Wetherby Building Systems Ltd.
Louise Hampson	Hamilton Citizens Advice Bureau
Linda Corbett	East Ayrshire Citizens Advice Bureau
Bruce Clayson	Hamilton Citizens Advice Bureau
Adrian Simpson	HIES Quality Assured Contractors Scheme
Isobel McNicoll	HELMS Action Group Ayrshire
Stuart McNicoll	HELMS Action Group Ayrshire

**Apologies:**

**MSPS:** Jackie Baillie MSP

Non MSP

Anne McLaughlin	Green Deal Action Group Glasgow North East
Alex Anderson	Scottish Gas (Centrica)

**3. Minutes**

Minutes of the previous CPG held on 6<sup>th</sup> February 2018 were accepted as accurate. Helen Melone proposed and Peter Randall seconded the minutes.

#### **4. Presentation on the gaps in consumer protection under the Green Deal – Emma Ash, Citizens Advice Scotland**

Emma Ash noted that:

- Many clients did not realise they had entered a consumer credit agreement, but had the impression that it was a free scheme
- Paying through an energy supplier does not provide the same control as a normal loan, without the ability to withhold money and leaving the potential to build up energy debt.
- There were further issues around energy suppliers' information, selling homes, a lack of oversight of Green Deal Providers, and the fact that HELMS had been accredited, but allegedly mis-sold to customers.
- Assessors, installers, and providers were all part of the same company, limiting checks and balances, whereas in other industries greater separation would occur.
- The Feed in Tariff (FiT) can be confusing for customers and appeared to be a big issue in HELMS cases.
- There are further issues with the complaints procedure. Gov.uk provides lots of options including the Financial Ombudsman, Ofgem, and Trading Standards, so it can be hard to know where an issue fits. It is only with advice from sources like an MSP or CAB advice that people know to complain to the Green Deal Finance Company (GDFC), which can add months to a complaint if some goes elsewhere first.
- CAS will publish advice on how to lodge a complaint.
- The GDFC is dealing with a large number of complaints and greater information about their criteria being available could help speed up the process.
- CAS has seen around 100 cases relating to the Green Deal and will be meeting with the GDFC to discuss complaints.
- CAS is working to improve the process and is planning further work to address Green Deal related issues.
- Emma praised the work of CABs and asked for attendees to share anything the thought could be useful.

#### **5. Discussion**

- **Where in the process is redress falling down for customers?**
- **What advocacy work can be done by politicians, consumer groups and industry bodies to seek redress/compensation for claimants affected by Green Deal mis-selling?**
- **How can we better coordinate our efforts as a group to improve the redress process for existing complainants?**

There was a discussion of building warrants and a feeling that local authority planning departments can be inaccessible for effective advice. While there is likely to be some variation between local authorities, this was not believed to be extensive. A lack of records could limit the ability to prove that work was done retrospectively. There are some HELMS customers who are stuck in a situation where no building warrant was sought and they can't retrospectively prove it because the installer didn't record it. Wetherby Building systems was acknowledged for having helped some people in the Glasgow North East constituency with their cases. Drilling and sampling may be the only option, and some people will remove cladding altogether at significant cost and start again. HELMS had previously advised one customer that a building warrant wasn't required

Discussion continued around potential solutions to the lack of building warrants. Councils will request engineer reports (c. £500-1000) and WUFI analysis (c. £1200). Even just knowing if energy efficiency measures are safe or not can be an issue. Safety is unlikely to be an issue, but proving this can be harder. A question was raised as to whether there were opportunities for EST and Warmer Homes Scotland to work with accreditors and installers retrospectively. A building warrant wouldn't be something a consumer would think to ask for. South Lanarkshire council has been willing to offer retrospective, late completion certificates in HELMS cases which was welcome. However there may be some hesitancy by consumers to mention building warrants in case there are legal ramifications. The £25 fee for a late completion certificate seems more reasonable than that for engineer reports or WUFI analysis.

Another discussion topic was raised in regard to the legal perspective on the Green Deal. It was noted that the Green Deal Finance Company is, primarily a financial company, rather than an appropriate body to deal with redress, and that it has an interest in not upholding complaints. It was remarked that the GDFC is not the same one as had been founded in 2012, and there was a call for a publically accountable review body to deal with complaints. It was also acknowledged that the CEO of the GDFC had recently resigned.

A question was raised the question about whether withholding the Green Deal payment part of their energy bill from an energy company was possible (whilst continuing to pay for the electricity usage part of the bill). It was concluded that this would only lead to energy debt building up and that energy suppliers are obligated to collect the Green Deal payment under the Energy Act. Suppliers also feel that their 'hands are tied.' It was suggested that Ofgem should give suppliers the ability to put a hold on Green Deal payments. The shift to a principles based regulation by Ofgem may also allow more flexibility.

The discussion moved on to the issue of difficulties that complainants may face in registering a complaint with the GDFC. The point was raised that the level of detail requested by the GDFCs is considerable, including extensive bills, medical records (with GP letters appearing to be not permissible) and benefits letters which is onerous for complainants to collate. One participant thought that there was a conflict of interest in the GDFC looking at complaints and an overemphasis on the Golden Rule. A large number of HELMS customers are thought still to complain. It was suggested that the correct regulator could be the Financial Conduct Authority rather than the Financial Ombudsman. It was also suggested that CAS approach the Financial Ombudsman and ask where the accountability was when Green Deal was passed over to the Green Deal Finance Company.

Home Energy Scotland has received around 350 complaints about HELMS. One participant thought that the FCA is already looking into Helms issues through an insurance perspective.

## **6. Summing Up**

The Co-convenor commented that the issue was not going away overnight and that MSPs and MPs are continuing to work on it. CAS is trying to pull together as much evidence as possible and is meeting the GDFC. There is a need to work closely with Trading Standards Scotland. There was also a call for a forum so that information could be accessed in one place and shared more easily. There was also a suggestion that people who've been affected by Helms issues could be encouraged to come together as one voice in a public forum.

The next meeting will occur on 3<sup>rd</sup> October 2018.