

Response to ECO 3 consultation

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7. Do you agree with the proposal to increase the Affordable Warmth obligation so that it represents 100% of the future scheme?

There should certainly be wider provision of support for fuel poor households in England, as there is in Scotland and Wales. It would be better for this support to be delivered through taxation as that is a non-regressive funding mechanism. The government should also encourage DNOs to do more, due to the benefits to them, primarily through avoided infrastructure investment, of reducing energy demand in homes. But While ECO remains the only publicly mandated funding stream for home energy efficiency in England, I agree that it should be focused on the people who most need help with their energy bills.

8. Do you agree with our proposal to include a rural sub-obligation representing 15% of the total obligation?

This doesn't seem terribly well thought through, not what you'd call a strategy – just the same ECO in rural areas. Yet the challenges are very different, costs for delivery are different too. And you are proposing to make low carbon affordable heating a lot harder with your proposed exclusion of technologies subject to the RHI (of which heat pumps are the only one I consider genuinely affordable and low carbon) This means people will be getting storage heaters when they could be getting heat pumps! The target might be met, but it is quite likely not to be done well.

14. Please provide evidence on how the mapping tool described above could reduce the search costs of identifying eligible households, quantifying the cost reduction where possible.

It is horrifying how much is being spent on finding eligible households. This needs more than smarter targeting (– though that might help, I'm not qualified to say) – it needs a culture change, so that people at 'trigger points' such as changing occupants or extending buildings automatically look for energy efficiency assistance.

16 Do you agree with our proposal to exclude the installation or repair of oil and coal fuelled heating systems?

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I agree, only excluding low carbon replacements because they are eligible for the RHI seems contradictory and counterproductive. How is this helping people in fuel poverty in rural areas alongside the planet?

As EST point out:

(<http://www.energysavingtrust.org.uk/sites/default/files/EST%20draft%20response%20to%20the%20ECO3%20Consultation.pdf>): “To date RHI has failed to drive significant installation of renewable heating, and it is clear that more needs to be done to promote the installation of such technologies. In particular we are concerned that off-gas grid properties (that cannot be easily connected to the gas grid) will miss out, as the proposals mean ECO will not be able to install eg heat pumps in such homes, leaving either LPG or electric storage heating, both of which are costly and carbon intensive.”

I agree. There is no logic in this. It may or may not be justifiable to make the RHI & ECO either/or (I don't know enough about the baseline (non-subsidised) running costs of these technologies to judge), but if you exclude these technologies then installations will default to costlier, worse, technologies. Which seems stupid to me. Grasp the nettle and sort out the RHI.

My caveat to that would be that heat pumps are only appropriate in well-enough insulated dwellings, and need to be set up with some degree of expertise. Since we haven't been able to see the draft PAS 2030/2035, I'll have to take it on trust that these issues would be sufficiently covered, if renewables were allowed. I'm not at all keen on biomass by the way, (dirty and high-carbon) but that's for another day.

17 Do you agree with the broadening of the criteria for the installation of FTCH?

This may result in electric heating being replaced with gas heating, which may reduce costs to householders, but does not contribute to long term decarbonisation, as the carbon intensity of grid electricity is declining, and gases isn't (in fact fracking puts it up, were you to go there). Ideally electric heating should be replaced by heat pumps, but it is planned that these are excluded from ECO due to falling under RHI. Daft.

20. Do you agree with our proposal to include a requirement to treat a minimum number of solid walled homes? What technologies or combinations of technologies could cost-effectively deliver the same bill saving outcomes as SWI?

Ah but it's not just energy bill savings you want to deliver, is it? It's building safety and occupant health and comfort too. I get that SWI is tricky and expensive to do, and in particular, to do properly. But whatever else you might do eg fit better heating controls,

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insulate under the floor etc; if the walls are uninsulated, without SWI you have not finished the job, so please don't think about it/frame it as an alternative. It isn't.

I do accept that you might still be nervous of SWI – I've written about Preston so I think you should be. However, I believe there is enough good advice (eg the Bristol Guide by NDM Heath) and enough competent installers, and anticipate there will be enough safeguards built in to PAS 2035 2018 and the Each Home Counts Quality Mark process, that IF YOU COMMIT TO PROPER ENFORCEMENT WHICH YOU MUST DO ANYWAY (eg for CWI as well) then there is no need to rein back on SWI installations. Just take a lot more care (or budget and equip Ofgem with some people who understand construction, so they can take a lot more care) that it is being done effectively and safely.

And regarding the provisions of PAS2035, Quality Mark etc I would particularly draw your attention to two aspects: repair of the building/condition of masonry, rainwater works etc, and ventilation. These are the things that need to be got right before SWI can be safely installed.

But you know what? If you funded repairs of rainwater goods and masonry, you'd already start saving the householder energy and improving their living conditions. And then you can go ahead and install SWI so much more easily and safely. So it can be an ECO measure in its own right! What you need to do is to tie these repairs to the start of a whole house plan which would then involve SWI at the right time for that dwelling (certainly after a full drying season, perhaps when the scaffolders are in the street, etc)

I therefore think you should include these works in the options for SW homes, and award LTS credits that reflect the cost of a repair-dry-insulate cycle versus simply insulate. You can even give it a bonus if you like, to reflect the fact that if the homes need repairs, then they are probably causing health problems so you have benefited occupants doubly – and the exchequer too.

I would not however want to see the repairs funded independently of SWI. The current hurtling cycle of different funding programmes doesn't tie very comfortably with the needed drying-out period of around 6 months (at least). However, you could allow for this fairly easily by structuring the scheme appropriately.

My only caveat would be that if the homes are in the private rental sector, the landlord's property is being improved at public expense. I would therefore like to see some commitment extracted to keep the property in the rental sector and to fix rents. I appreciate this is out of BEIS' remit but it is something you should be talking to MHCLG about.

And the same goes for ventilation. Install it first, then you can draughtproof and insulate the dwellings with impunity. But not just any old ventilation. Just because it's part F compliant

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on paper doesn't mean a) it's part F compliant in practice (ask MHCLG about the research they have not quite yet managed to publish yet (!) on this) and b) that it is good enough for the occupants (complying with Part F is really not enough to deliver adequate ventilation. Not your responsibility I know, but you need to make it your business, as PAS 2030 2035 & Each Home Counts all rest upon this shonky foundation wrt ventilation.)

22. Do you agree that the minimum is set at the right level (17,000 homes treated per annum)?

It's hopeless. It's ridiculously low. But of course ECO is regressive so you can't expand it to anything like the scale needed for the UK domestic estate. Get weaving on a realistic, grown-up replacement now. You've got three years, and you need to do a LOT of research and consultation.

27 Do you agree that any measures which receive the RHI should not be eligible for ECO?

You haven't given up on gas yet? You probably still believe in fracking. I repeat my remarks from q 16 above:

Excluding low carbon replacements because they are eligible for the RHI seems contradictory and counterproductive. How is this helping people in fuel poverty in rural areas. Grasp the nettle and sort out the RHI.

As EST point out:

(<http://www.energysavingtrust.org.uk/sites/default/files/EST%20draft%20response%20to%20the%20ECO3%20Consultation.pdf>): "To date RHI has failed to drive significant installation of renewable heating, and it is clear that more needs to be done to promote the installation of such technologies. In particular we are concerned that off-gas grid properties (that cannot be easily connected to the gas grid) will miss out, as the proposals mean ECO will not be able to install eg heat pumps in such homes, leaving either LPG or electric storage heating, both of which are costly and carbon intensive." I agree. There is no logic in this. It may or may not be justifiable to make it either/or (I don't know enough about the baseline (non-subsidised) running costs of these technologies, but if you exclude these technologies then installations will default to costlier, worse, technologies. Which seems stupid to me.

My caveat to that would be that heat pumps are only appropriate in well-enough insulated dwellings, and need to be set up with some degree of expertise. Since we haven't been able to see the draft PAS 2030/2035, I'll have to take it on trust that these issues would be sufficiently covered, RHI notwithstanding.

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28 Do you agree with our approach for scoring ECO3 measures?

In general? No. I don't think you should score measures. I think you should score performance. And whole-life performance in terms of energy, comfort and health, at that. And you can't do anything like what is needed by putting a levy on energy bills.

As Elmhurst Energy put it" We have concluded that the policy is now a mixed bag of complex rules and bureaucracy that can't ascertain the improvements that it makes to people's homes. The policy is exclusively measured on the number of measures installed, not on the impact it makes to people's homes, warmth and comfort."

And as you yourselves were told in a review on EWI you commissioned (Understanding Best Practice in Deploying External Solid-Wall Insulation in the UK <https://t.co/ntTLqTEhzH>), you should approach EWI (and indeed, energy retrofit in general) as a construction project:

"Examples of Best-Practice were often identified in cases where the installation of EWI was viewed not as a measure but as a construction project in itself. The application of this approach, which was particularly evident the Slough Council and GMCA GDC case studies as well as across project from the Retrofit for the Future roll-out (Project 11), ensured that appropriate construction management principles were applied in planning, resourcing and implementation. In line with the Zero Carbon Hub Cost Effectiveness guide (discussed in section 2.4.4. of this report), this was more likely to support integrated installation approaches and subsequently lead to higher quality and in the long-term, more cost effective installation.

For the immediate purposes of what I hope is the last gasp of ECO as a stand-alone attempt to relieve fuel poverty via a scheme originally designed to curb emissions, it is probably opening the door to fewest unintended consequences if you leave it be for now, though to be honest I haven't the energy to carry out the mental exercise.

However, re deeming: Are 'deemed' scores for different measures really just added together to derive a supposed total cost saving? Really? (Do correct me if I'm wrong) So if you applied enough 'measures' you could make the house create money? Please tell me I'm wrong...you surely know the physics of this is nonsense.

If as you claim you want to see a 'whole house approach' this is going to lead to a great deal of nonsense. I just hope you are not putting the nonsense towards your carbon targets. Mind you, applying energy efficiency to the homes of fuel poor households won't get us towards our carbon targets either. It needs doing, I'm not arguing with that. It's just that it doesn't save much carbon. Other stuff has to be done to save carbon. You are not off the hook there whatsoever.

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31 Do you agree that obligated suppliers should have the option of delivering a proportion of their obligation through innovative products, technologies and processes and, if so, where the maximum allowed should sit between 10% and 20%?

You say you want to reduce costs for improving solid wall homes. This sounds very dangerous. As the report you commissioned from UCL pointed out, in Bristol DECC required the project to carry out more EWI installations for the same money, resulting in lowered installation quality, and, unsurprisingly, increased overall costs, as remediation then had to be carried out. (more detail in answer to Q42)

What you need to do is increase quality. It is unlikely that you can reduce the cost of installation and increase quality.

32 Do you agree with the proposed routes through which ECO can support innovation? Please provide reasons, and if applicable, any alternative preferred proposals.

I am a bit gobsmacked to see that you appear to be inviting innovation without necessarily requiring monitoring. As SEA puts it (<https://www.sustainableenergyassociation.com/wp-content/uploads/2018/04/Summary-Report-ECO-Innovation-Stakeholder-Workshop.pdf>):

“It is not clear under the current BEIS proposals the extent to which the LBS score will be based on the monitored outcome of the demonstration action or on an assumed score.” Goodness knows even the established techniques are under-monitored – are you seriously proposing to throw new ones into the mix simply on the basis of lab results and ‘confidence in expected performance’?

In-situ monitoring by the way is IMO more useful than say BBA testing. I am more than comfortable with non BBA tested products being deployed, but BBA and BBA-free alike, subject to in-situ monitoring. A sample of all kinds of materials and approaches should be being monitored, long term, for energy and comfort performance, longevity, and moisture safety. Simply looking remotely at the energy use via the NEED database (which anyway, you only say you “could” do) is no substitute for this.

I agree with the EST who say: “Innovative measures must really work in homes. We’ve heard too many stories of energy efficiency installations that end up causing problems for households: unexpected damp issues, or heating controls that residents don’t know how to use.”

And I very much endorse the comments of Scottish Energy Action where they note that “this is a ‘learning by doing’ approach, therefore this can only have strength if the outcomes of innovation are robustly and independently monitored i.e. that the results of any monitoring programme for innovation are disclosed in full. In addition it is recognised that effective learning from this part of the programme is not wholly about focussing on the outcomes,

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there are valuable lessons in the whole process and that these need to be communicated effectively and not wedded to limits around commercial sensitivity.”

Monitoring is also particularly important when it comes to smart thermostats, smart radiators, smart boilers and the rest of it. It’s hard to see how these could be evaluated for their benefit to ordinary people in their day to day lives over a period of years other than in the homes of ordinary people in their - well you get the idea .

Stakeholders at the SEA/EST/BEIS event (link:

<https://www.sustainableenergyassociation.com/wp-content/uploads/2018/04/Summary-Report-ECO-Innovation-Stakeholder-Workshop.pdf>) felt that innovations ought perhaps to be trialled in the homes of able-to-pay customers before then being assessed for suitability in the homes of the fuel poor – which I think is the right approach.

“Delegates raised concerns about installing innovative technologies into the homes of fuel poor, low income and vulnerable customers due to the inherent risks associated with deploying new solutions. There was apprehension around the risk of higher bills and untested solutions for these households in particular.”

I also agree with the suggestion of lifting the restrictions on participation in social housing for the purpose of trailing innovative measures/approaches.

Stakeholders at the SEA/EST/BEIS event also recommended that you “encourage measures that support a whole house approach” and that BEIS/Ofgem/installers “Analyse other benefits to the customer in addition to bill savings including qualitative assessments of experiences”, too. “Focusing purely on bill savings could restrict the type of measures or techniques supported,” to the detriment of real benefits to health, safety and the environment.

This is especially the case as looking for bill savings in a programme to relieve fuel poverty is misguided. As the report points out: “Uplift should not just be dependent on the bill saving alone as this may not capture other benefits to the household (e.g. comfort, health benefits, reduction of damp and mould, lower carbon emissions). And indeed, that observation should be applied just as forcefully to ECO as a whole.

Your passing mention of a “whole house” approach in para 151 is better than nothing so, to that extent, is welcome. You need to bear in mind however, that the whole house approach does not just (or necessarily even, at the initial stage) encompass multiple EE measures, but also, repairs, ventilation, and sequencing – which are not EE measures in the conventional sense, but are critical enablers.

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The whole house approach is about occupant and fabric health and safety, and about enabling a long-term strategy that sets the building on the path to a 2050 performance standard – rather than blocking off that path by deploying feeble half-measures in the wrong order. It is not necessarily about delivering a bigger LBS/emissions reduction then and there, and that should not be the criterion on which it is measured. Whole house retrofit will not be appropriately incentivised if all you are rewarding is initial LBS scores.

Simply counting measures and rewarding more – by numbers - is NOT what the whole house approach means. As the SEA event report put it:

“HOW MANY MEASURES, AND IS THAT EVEN THE RIGHT QUESTION?”

There was discussion regarding whether there should be a minimum number of measures needed to qualify for the uplift. This then raised questions around whether the uplift should be measured in number of measures at all. Some delegates felt that the route should be assessed on the overall SAP improvement, rather than the number of measures, to ensure that the installed measures work together and give an overall performance boost.” Quite.

This also seems like wise advice: “Administrators need the capacity and the understanding of the scheme and process in order to administer it in the tight timescales required.”

Yes, deployment is an important element of the innovation chain but a lot of the way that EE is deployed under ECO is – because of the design of ECO. To a large extent it is BEIS that needs to be innovating. Major issues with ECO are: it is measures-based, not whole-house and occupant centred; it is rewarded on deemed savings measure by measure, not an intelligent look at the house as a system. It is based on assumed savings, with no penalties for sub-par performance from a comfort or energy point of view, and only occasional penalties for blatantly failed installations – Ofgem only monitor a few % of installations. Some innovation addressing these issues would be good.

37 Once the quality mark requirements are fully established, functional and enforced, do you agree that in order for installers to deliver ECO measures under the quality mark, they should be quality mark approved and compliant with quality mark requirements ?

You state only that you propose to maintain “a level of influence” though endorsing standards and issuing licences. What if the QM fails to deliver? Will your “level of influence” be enough? To be honest, it all sounds a bit hands off, and it isn’t confidence inspiring. The tougher you can be with the quality mark, the tougher they can be with their members.

SMEs and accreditation

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According to research by UCL on early Green Deal/ECO initiatives, in Haringey much work under the Green Deal Go Early programme was carried out by a network of independent suppliers- about 30 in total, which included both larger suppliers and smaller SMEs. All independent installers were required to have the appropriate Green Deal Accreditation to take part in Smart Homes. The SMEs were largely local and more responsive to complaints, and considered to be a more trustworthy. As occupants viewed them to be a more positive alternative to larger providers and more flexible to project changes, they were considered as a more favourable option for many homeowners.

It will be important to ensure your well-intentioned PAS 2030/2035 and QM initiatives don't inadvertently exclude the more "responsive and trustworthy" sort of contractors by the up front burden of compliance in proportion to the volume of work they are likely to be handling.

38 Do you agree that once the quality mark is established and functional, and where we are satisfied with the guarantee principles enforced through the quality mark, all solid wall, cavity wall, park home and room in roof insulation delivered under the scheme should be accompanied by a quality mark approved guarantee in order to receive the standard applicable lifetime?

You may well be aware that there are reports that these guarantee schemes are not currently working properly? (<https://hansard.parliament.uk/Commons/2017-04-19/debates/3EDC8DFE-7EC7-4344-8381-1CB86BA4A8E3/CavityWallInsulationWales>). Anecdotally I have heard similar reports privately. I assume this is one reason why you are proposing to take a closer interest. I think therefore that demanding that the administrator (Ofgem?) is satisfied that guarantee schemes meet your criteria is the right thing to do.

You may also need a willingness to listen to requests for additional resource, if the "market" cannot bear the fresh and unfamiliar requirement for quality and durability that an effective guarantee scheme might impose.

I heartily endorse EST's remarks here: "The layers of subcontracting within ECO to date have made this very confusing for consumers and hinders their ability to [secure] redress [for]any problems. There have also been instances of questionable marketing practices by subcontractors to generate leads as part of the scheme. There needs to be a clear and simple redress mechanism under ECO so that if something goes wrong or if there is malpractice the householder knows who to turn to rectify the issue. This would increase consumer confidence in the scheme. An Alternative Dispute Resolution (ADR) mechanism is one option."

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And instances of inappropriate sales calls continue. None other than Trustmark's Liz Male complained about it on social media only last month: "[Liz Male MBE @lizmale Mar 13](#) Still bombarded by bloody calls from hard-sell lead generators for ECO who insist they don't need to comply with data protection legislation or TPS. [#EachHomeCounts](#) must put a stop to this."

41. Do you consider that heat networks installed under ECO, or connections to heat networks should require specific consumer protection standards?

Absolutely yes. It's still a bit of a wild west out there from what I've heard, and once on a network you certainly don't get the opportunity to 'switch provider' so safeguards, metering and redress are critical – as is information about – and protection relating to - standing charges and so forth.

If neighbouring households are being separately connected to a dh network or are not, depending on their eligibility and/or the condition of their dwelling, this is likely to make for inefficient and expensive distribution from the network company's point of view, so very strong protections will be needed as the heat provider may be under commercial pressure to recoup the high up front finance. On this note, the Administrator might also want to take a view as to whether the network itself is truly commercially viable, if a network (or network extension) is being created on the strength of predicted ECO-funded connections.

42 The Government invites views on the general requirements set out in this consultation and the illustrative draft of the ECO Order.

Scale of Ambition

I agree with the Energy Saving Trust and the many others who say they are deeply concerned about the overall scale of the investment in home energy efficiency..

"Current and planned levels of investment do not align with the government's ambitious targets to bring all fuel poor households to a minimum EPC "C" standard by 2030, nor for bringing all homes to EPC "C" by 2035. The government should be working on building private sector finance for energy efficiency, but also making a large scale public infrastructure investment in our homes. An energy supplier obligation –like ECO – is one way of funding that investment."

ECO is regressive however so you can't expand it to anything like the scale needed for the UK domestic estate. You need to appreciate, then realise, all the benefits missing from your rather lame impact assessment – health, wellbeing, pride, jobs, vat revenue, NI revenue –

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the lot – that would flow from a proper approach to home retrofit and renovation as infrastructure.

Instead, we have a situation summarised by the University of Exeter and Utility Week magazine:

“Proposed changes to Eco fulfil the government's promise to focus on fuel poverty, but at the cost of virtually abandoning some carbon reduction initiatives.

“ Just over 450 years: that’s how long it would take to make the UK’s solid walled homes fully energy efficient if we have to rely on the current rate of energy company obligation (Eco) scheme delivery to do the job.

“A consultation paper outlining the government’s latest proposals for the supplier-funded energy efficiency mechanism, which was published over the Easter weekend by the Department of Business, Energy and Industrial Strategy (BEIS), sets the target for insulating solid walled homes at 17,000 homes per annum. That is down on the 21,000 per annum current target for the programme.

“With the paper itself estimating that less than 10 per cent of the nation’s 8.5 million existing solid walled homes have been insulated, it is clear that Eco alone can only be expected to make a dent in the problem.

“Richard Lowes, researcher in the University of Exeter’s Energy Policy Group, put the situation into perspective by speculating on Twitter that the 17,000 figure was missing a zero. “Doing 17,000 homes a year is miniscule in terms of the scale of the challenge,” he says.

“Jonathan Marshall, energy analyst at the Energy and Climate Intelligence Unit agrees: “It’s a cut from a tiny number to an even tinier number.”

The political fear of public spending is falling out of fashion, not before time. Take a bit of pride in the UK’s homes, and do them up!

While I accept the choice to devote the (final?) three years of ECO exclusively to people in fuel poverty, looking for substantial carbon or bill savings in a programme to relieve fuel poverty is misguided – comfort take will be large – and very valuable. So to count fuel poverty alleviation towards our national carbon reduction targets in the same way that carbon savings from CERO etc were counted would be fundamentally dishonest. And sadly we cannot cheat the atmosphere.

You have once again underplayed and under-investigated the potential health dividend from your programme. While you at least have a go at qualifying them – an improvement on the original ECO - this quantification is mysterious, and various attempts to find out more

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have left me none the wiser about the way the HIDEEM model firstly predicts health impacts from EE work, and secondly, monetises those impacts – in fact the UCL website just says the model is ‘not currently publicly available’ which is annoying.

However, you do not roll these into the benefits on the I think somewhat spurious grounds that counting the cash ‘equivalent’ value of good health to those enjoying it may overlap with enjoying the cash ‘equivalent’ value of future good health. (EST agree with this) And you don’t even start to look at the real, countable cash savings to the NHS of people not being ill. It’s a long time I’ve been telling you to count this, and I am far from alone. Why are you not requiring the DoH to value it for you so you can factor it in to these plans? You could look at the work done on this in Oldham (Warm Homes), or in Wales (Nest/Nyth data linking), for example. And of course, commission some research of your own.

Design of the scheme

A lot of the way that EE is deployed under ECO is – because of the design of ECO. To a large extent it is BEIS that needs to be innovating. Major issues with ECO are: it is measure-based, not whole-house and occupant centred; it is rewarded on deemed savings measure by measure, not an intelligent look at the house as a system. It is based on assumed savings, with no penalties for sub-par performance from a comfort or energy point of view, and only occasional penalties for blatantly failed installations – Ofgem only monitor a few % of installations.

Whole House Approach

Your passing mention of a “whole house” approach in para 151 is better than nothing so, to that extent, is welcome. You need to bear in mind however, that the whole house approach does not just (or necessarily even, at the initial stage) encompass multiple EE measures, but also, repairs, ventilation and sequencing – which are not EE measures in the conventional sense, but are critical enablers.

The whole house approach is about occupant and fabric health and safety, and about enabling a long-term strategy that sets the building on the path to a 2050 performance standard – rather than blocking off that path by deploying feeble half-measures in the wrong order. It is not necessarily about delivering a bigger LBS/emissions reduction than there, and that should not be the criterion on which it is measured. Whole house retrofit will not be appropriately incentivised if all you are rewarding is initial LBS scores.

As mentioned in my reply to Q20 – and relevant to the whole house approach - If you funded repairs of rainwater goods and masonry, you’d already start saving the householder energy and improving their living conditions. And then you can go ahead and install SWI so much more easily and safely.

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It won't however deliver major savings on its own - but it will make the installation of SWI possible, effective and safe. What you need to do ideally is to tie these repairs to the start of a whole house plan which would then involve SWI at the right time for that dwelling (certainly after a full drying season, perhaps when the scaffolders are in the street, etc)

I therefore think you should include these works in the options for SW homes, and award LTS credits that reflect the cost of a repair-dry-insulate cycle versus simply insulating. You can even give it a bonus if you like, to reflect the fact that if the homes need repairs, then they are probably causing disproportionate health problems so you have benefited occupants doubly – and the exchequer too. What's not to like?

I would not however want to see the repairs funded separately from SWI. The current hurtling cycle of different funding programmes doesn't tie very comfortably with the needed drying-out period of around 6 months (at least). However, you could allow for this fairly easily by structuring the scheme appropriately.

My only caveat would be that if the homes being repaired are in the private rental sector, the landlord's property is being improved at public expense when the landlord is obliged to be doing this. I would therefore like to see some commitment extracted to keep the property in the rental sector and to peg rents. I appreciate this is out of BEIS' remit but it is something you should be talking to MHCLG about.

If you don't include pre-remediation, are you favouring slapdash projects that don't care??

'Whole house plan'

On the subject of the 'whole house plan' I am indebted to retrofit architect Harry Paticas of Arboreal Architecture for his observation that there needs to be more thought given to what measures might be carried out to achieve targets of E shortly and C in the future – and what are the significant interfaces/relationships between measures? Ideally we should make it mandatory that a whole house retrofit plan is in place before any work carried out.

This is not just idle fantasy, in fact as hopefully you are aware, it is exactly the approach that has been commissioned by the GLA and being managed by the Retrofit Works collective. They have brought in two extremely far-seeing innovations: that enabling works – repairs and ventilation – will be funded, and that each dwelling receives a whole house plan towards a deep retrofit, even if that cannot be achieved at one 'go'. The whole house plan, invaluable, prevents the 'sterilisation' of the fabric by poor measures, that impede the implementation of good, deep improvements in due course - the good, deep improvements that the planet, and the law, require us to achieve by 2050.

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Price versus Value

You commissioned a report on solid wall insulation: Understanding Best Practice in Deploying External Solid-Wall Insulation in the UK (<https://t.co/ntTLqTEhzH>) points out that the whole conception of ECO as “numbers of measures” sets it off towards underperformance.

Under the heading “Approaching EWI as a construction project” it says: examples of Best-Practice were often identified in cases where the installation of EWI was viewed not as a measure but as a construction project in itself. The application of this approach... ensured that appropriate construction management principles were applied in planning, resourcing and implementation. In line with the Zero Carbon Hub Cost Effectiveness guide, this was more likely to support integrated installation approaches and subsequently lead to higher quality and in the long-term, more cost effective installation.”

You did not specifically invite views on your remarks about consumer experience, as you are not proposing to alter the rules around customer contributions at this point. However it is noteworthy that you state: “The rationale for energy efficiency supplier obligations is that competition results in the most efficient delivery of energy efficiency measures.”

You also know – from CESP (eg Preston), ECO etc, but also from Grenfell, and from the fate of Carillion, that competition purely on price, such as ECO encourages, results in underpriced contracts going through, resulting in sub-standard, flawed and rushed work, corner-cutting, disputes and, all too frequently, firms going bust leaving people without redress.

You are now constructing (or causing to be constructed) an elaborate superstructure of safeguards and insurances (PAS 2030, 2035, Quality Mark etc) which, while containing important guidance, also involve numerous third party agencies, fees, form-filling, cross-checking, working parties as task groups etc to the extent that many feel they will never take off, so great is the weight of process they are carrying.

Is this the extent of your willingness to be involved in procuring quality? I think you should consider going further. You were told (Understanding Best Practice in Deploying External Solid-Wall Insulation in the UK <https://t.co/ntTLqTEhzH>) about several projects where the approach to procuring best practice told directly on the consequences – and the value.

For example, the project in Slough “adopted a best value approach (which should not be confused with the ‘cheapest option’).”

“This involved considering cost using a longer term lifecycle approach, factoring in not only installation costs and the proportion of grant funding available, but also maintenance costs (in this project over the 30-year lifespan) as well as the long term benefits of the project to

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the residents. This more holistic approach to weighing the relative cost/benefit of decisions was viewed as more sustainable. For example, replacing the flat roof with a pitched alternative in one of the project sites was not only to improve the look of the building, but was also in part to remedy the poor quality of the flat roof and allow easy maintenance.

“The cost viability of the scheme was based on the client receiving a certain level of grant funding. The initial funding was secured through both government grant schemes (15%-20%) and Council funding (where a capped limit had been identified). The consultant provided advice as to available sources following a review of potential schemes. In general, grant funding was viewed as being quite restricted as it did not take into account the additions associated with EWI or retrofit in general that are required to get to the end result.”

Also, “The use of experienced teams and provision of training, although a high outlay was considered a key element of the best-value approach used in the project.”

The properties in this instance were non-traditional type, but as we have seen in Preston and many other places, the same considerations more or less, apply to traditional properties too (and not just solid walled ones, either). The economic case for pre-remediation is made forcefully:

“Enabling structural works: Non-traditional properties were not built to last for a significant amount of time, they do however provide the council with housing required to meet demands. The remedial structural works to the non-traditional properties to allow for the EWI to be installed (which varied by property in the range of 5-10% of the total cost) had to be found as an upfront cost, even if it was not covered under available grants. Since a significant number of properties which would benefit from EWI are non-traditional it would be key the future grant policy take this into account and possibly include this.

“ Inspection costs: Another key cost consideration was the undertaking of inspections to prevent defects that would require significant funding to address in the future (e.g. repairs to verges and sill and addressing cold bridging and ventilation issues). “

By contrast, if costs are shaved, and procurement is on price alone, money will be wasted. Bristol were pressurised into cost-cutting, and the contractor went bust. This resulted in a lot more money having to be spent overall:

“EWI remedial works: Remedial works are currently being carried out on projects where contractors went into administration and for works that were done improperly. These often are projects where structural enabling works were not carried out in the first place. These works should be undertaken as standard and should be supported through funding such as dedicated schemes that are already in place in Scotland”

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I wholeheartedly endorse the conclusion of this report: “Maintaining quality was a main aim across all projects, with poor quality installation actually leading to increased costs for remedial works in the Bristol GDC project. To maintain quality, project participants all viewed that a more holistic and sustainable approach to evaluating cost efficiency as a metric needs to be considered. Here, a best value approach (which should not be confused with the ‘cheapest option’) that considers cost using a more long term lifecycle approach should be adopted instead of the current cost and value for money approaches used by the government.”

This is a problem with all procurement, not just in ECO. However, as ECO involves many, many contracts, and is explicitly about “competition”, the consequences are immense – and avoidable, if some other metric than crude numbers were to be used. If contracts were rewarded on the basis of performance (monitored and verified that is) and not just “x thousand cavities” then you would be achieving proper value, rather than just cheapness.

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