



CONSULTATION RESPONSE FORM

Consultation on proposed changes to MCS

Thank you for taking the time to provide feedback on this consultation. MCS values input from all interested parties for the development of the Scheme.

We would be grateful if you could use this form for your response, as this will help us with collating all of the responses aligned to the proposals included in the consultation.

Responses are welcome to all, or a selection of, the consultation questions included in the consultation document at: <https://mcscertified.com/mcs-scheme-redevelopment>. General feedback on the reforms described in this document is also welcome.

Please submit your response by 9.00am on 17 July 2023 to mcsmeetings@mcscertified.com or The MCS Service Company Ltd, Violet 3, First Floor, Sci-Tech Daresbury, Keckwick Lane, Daresbury, Cheshire, WA4 4AB.

Please state below whether you are responding as an individual or representing the views of an organisation and if you want the information that you provide to be treated as confidential.

Respondent Name	Individual or organisation	Organisation name (if applicable)	Organisation type
Fiona Hodgson	Organisation	SNIPEF: The Scottish and Northern Ireland Plumbing Employers Federation	Professional Association

Date
14 July 2023

Consultation Questions

Proposal 1: New scheme structure

1.1 Do you agree with a proposed new scheme structure to incorporate MISs containing the technical requirements for an installation, new Scheme Rules and Customer Duty? Please explain why, providing evidence to support your answer.

To begin, the Scottish and Northern Ireland Plumbing Employers Federation (SNIPEF) has engaged with its members, many of whom are also MCS Contractors, and sought their views on this MCS consultation. Our submission is based on their views as existing or potential MCS contractors.

Overall

SNIPEF agrees with the proposed new scheme structure incorporating MCS Installation Standards, Scheme Rules, and Customer Duty. If implemented carefully and with clear guidance and help to contractors and Certification Bodies (CB), this proposal would promote quality delivery in the renewable energy sector while strengthening consumer protections.

The MCS Installation Standards, outlining the technical requirements for installations, are critical in ensuring consistent, high-quality services across the board. SNIPEF believes that a standard benchmark against which all contractors must adhere creates a level playing field and helps enforce best practices necessary to gain consumer confidence and promote renewable technologies' uptake.

The Scheme Rules provide a framework which mandates contractors' adherence to specific standards of practice, promotes transparency and accountability, and enhances the sector's reputation with customers.

Introducing the Customer Duty ensures contractors put their customer's interests first (within reasonable limits), helping to generate higher satisfaction and trust with customers. The Customer Duty also presents some significant advantages over the consumer code, as long as it is tailored to this industry's requirements and addresses many consistent concerns or issues customers have faced when choosing to install renewable technologies.

Overall, the implementation of the new scheme proposals must be undertaken carefully and with consideration for contractors, CBs and customers. Contractors should be supported during this transition to ensure they understand and comply with the new requirements. The new standards must also be clearly communicated to customers to aid understanding and boost their confidence in engaging with MCS-certified contractors.

Certification Bodies

SNIPEF recognises the MCS scheme's value in ensuring quality, consistency, and consumer protection within the renewable energy sector. However, the proposed changes could significantly burden certification bodies, potentially creating an imbalance in the distribution of responsibilities and resources.

We recognise a certification body's resource-intensive role, especially when dealing with contractors utilising multiple renewable technologies (especially if a contractor performs poorly). The assessment processes require significant time and expertise to ensure the scheme's technical compliance and customer duty requirements.

We are concerned about the reliance on certification bodies to monitor and enforce standards while MCS focuses primarily on maintaining the rules and managing complaints is imbalanced, ie. one rule-setting and passing judgement on complaints, and the other on rule-enforcement.

SNIEPF's concern is that if certification bodies are overburdened, it could jeopardise the scheme's sustainability, affecting the quality of assessments and potentially deterring potential certification bodies from participating.

SNIEPF believes in a more balanced distribution of responsibilities between MCS and certification bodies. This could include MCS taking a more active role in contractor assessment or providing more significant support and resources to certification bodies, ensuring a more holistic approach.

Finally, SNIEPF believes that all installations should be undertaken by an MCS-approved installer (or equivalent), not just those installations subject to government funding. This would provide a more even playing field and accelerate quality within the sector. Without this, there is a danger of a two-tier system with those registered with MCS adhering to strict guidance and not registered not being monitored. The position will only worsen in the future when government funding is removed.

Overall, we are supportive with some minor considerations.

1.2 In light of the proposed introduction of the MCS Customer Duty, are there any risks that need to be considered with the removal of mandatory Consumer Code membership? Please explain, providing evidence to support your answer.

SNIEPF recognises the value of the proposed introduction of the MCS Customer Duty and its anticipated benefits, including greater transparency and consistency in consumer protection. It is a proactive step towards quality assurance and customer satisfaction within the renewable energy sector.

However, we express concerns over the proposed removal of mandatory Consumer Code membership.

The Consumer Code currently offers an established framework for ethical business practices, including robust mechanisms for dispute resolution and a strong emphasis on fair trading. Its removal could create a void in certain parts of consumer protection, potentially exposing customers to unfair business practices. Furthermore, it would place additional responsibility on MCS Contractors to understand and comply with complex consumer protection laws directly.

While the MCS Customer Duty provides a more direct and tailored approach to consumer protection within the MCS, ensuring that its application and enforcement are as robust and comprehensive as the existing Consumer Code is crucial.

Any transition from the Consumer Code to the MCS Customer Duty must be smooth to prevent any gaps in consumer protection during the transition phase. This means a more transitional approach is required than a simple cut-off date. Second, clear definitions need to be put in place between existing and current installations and future installations ie. is the Customer Duty retrospective?

Contractors will also need clear guidance to understand their obligations under consumer protection laws and the MCS Customer Duty. Thus, the potential administrative and financial burden on contractors should be assessed.

Finally, SNIPEF is keen to understand how MCS will manage complaints and dispute resolution under the new system, considering the current integral role of the Consumer Code in these processes. We recommend that MCS carefully evaluate this aspect to ensure it has the resources and expertise to manage potentially increased responsibilities.

Some members expressed concerns that under the existing Consumer Code, action did not appear to be taken against those contractors failing to meet standards. Our members would like to see a transparent complaints process where contractors who consistently fail quality installations are excluded from MCS membership.

Overall, we are supportive with some minor considerations.

Proposal 2: Certificates for replacement, extended and adopted systems

2.1 What risks, associated with MCS allowing for the certification of replacement or extended systems, should be considered? Please highlight any differences or limitations for the various technologies certified.

SNIPEF agrees with the view of MCS that the proposed changes reflect the evolving landscape of small-scale renewable energy installations and can better serve the needs of consumers and contractors.

SNIPEF would, however, like to highlight a few risks that need careful consideration:

1. **Quality assurance:** If an MCS contractor can certify a replacement, extension, or uncompleted installation, irrespective of the original installer's MCS status, the risk of quality dilution increases.

Full responsibility must indeed rest with the certifying contractor, yet ensuring the same level of compliance as a fully MCS-certified project may prove challenging, potentially impacting customer confidence.

2. **Contractor accountability:** Extending certification to include work on non-MCS installations could increase disputes over installation defects. If the original non-MCS installation is flawed, it may pose issues in assigning responsibility between the original and MCS contractor.

3. Technological variability: Different renewable technologies carry varying degrees of risk, installation complexity, and potential for extension or replacement. Therefore, a blanket approach to certification may not serve the best interests of the specific technology in question, risking improper or insufficient evaluation.

In terms of evidence, we refer to our industry experience and feedback from our member base, who have highlighted these risks in various scenarios over the years.

To mitigate these risks, SNIPEF recommends thoroughly revising the MCS installation standards to incorporate these changes and ensure all possible scenarios are accounted for. Additionally, a clear dispute resolution mechanism is beneficial to resolve any accountability issues. Lastly, a technology-specific approach to certifying replacements and extensions might be more effective in ensuring quality and compliance.

Overall, we are supportive with some minor considerations.

2.2 Should MCS allow for the adoption of incomplete installations and if so, what additional checks or consumer protections might be necessary? Please explain why, providing evidence to support your answer.

SNIPEF agrees that MCS should allow the adoption of incomplete installations if the original contractor cannot fulfil an installation, helping to reassure the public about MCS-certified contractors and the security of delivery of the broader installation industry. It also opens up new business opportunities for contractors, especially in a market increasingly dominated by larger companies.

However, in adopting incomplete installations, checks must be considered to maintain MCS's commitment to delivering quality outcomes and protecting consumers:

- 1. Quality and compliance:** In cases where an MCS contractor takes over a non-MCS installation, there may be potential deviations from the MCS Installation Standards. Hence, the Certification Body (CB) or MCS should conduct thorough initial and ongoing inspections to ensure compliance.
- 2. Liability:** If a non-MCS contractor starts the installation and an MCS contractor completes it, there may be issues over who is liable for any faults or non-compliance that arise. Clear guidance must be provided on how liability is determined in such scenarios.
- 3. Contractor accountability:** Contractors who adopt incomplete installations should be fully accountable for the work, irrespective of the initial installer's status. The Contractor Agreement should clarify these responsibilities; an MCS certificate will only be issued if the contractor agrees to abide by these terms.
- 4. Consumer protections:** Mechanisms should ensure that customers are protected and informed in such scenarios. This could include clear documentation stating the change in contractor and the contractor's new obligations.

We draw from the experiences of our members, who have reported issues arising from incomplete installations or contractor changes.

Overall, we are supportive but additional thought is required to ensure adoption of installations is not detrimental to the new contractor.

Proposal 3: Risk-based compliance assessments

3.1 Do you agree with our plans to refocus the scheme's CB-delivered compliance assessments on "delivered quality", with a reduced focus on a contractor's back-office systems and paperwork? Please explain why, providing evidence to support your answer.

SNIPEF members welcome MCS's proposed shift from overemphasising back-office systems and paperwork to focussing on delivered quality. This change aligns with the core values of our profession and SNIPEF membership criteria, and it will enhance customer satisfaction and the reputation of MCS-certified contractors.

The one-size-fits-all approach of the current compliance assessment model often burdens contractors without necessarily resulting in improved installation quality. Feedback from our members suggests that the administrative burden of current assessments can hinder their ability to focus on the quality of their work.

We agree with the proposed risk-based compliance assessments as they can better allocate resources to contractors who need more scrutiny while reducing the burden on low-risk contractors. This approach would incentivise contractors to deliver higher quality installations to lower their risk profile and, consequently, their assessment burden. The success of similar risk-based compliance models, as seen in other certification schemes, provides evidence of the effectiveness of such an approach.

However, SNIPEF believes specific considerations should be made for this shift to be successful:

1. The **Compliance Risk Model** should be transparent and fair with the factors contributing to a contractor's risk rating outlined. Is there an appeals process?
2. Care must be taken to ensure this shift does not create a gap in compliance regarding administrative aspects of the business, such as record-keeping and customer contracts. Even though the focus is shifting, these aspects remain essential for overall compliance and customer protection. (Our members strongly advocated the necessity for continuing good back-office management)
3. **Proper training and guidance** must be provided to Certification Bodies to determine risk levels and conduct focused assessments accurately. Similarly, contractors need clear advice on the new risk model and its implications for their business.
4. The **compliance assessment** must be properly communicated to customers.

An example from our members is the experience of a small business contractor who found the paperwork requirements of the existing model to be burdensome and detracting from the quality of installations. This contractor would greatly benefit from the proposed changes, focusing more on quality and customer satisfaction than administrative tasks.

Overall, we are supportive with some minor considerations.

3.2 Do you agree with the deployment of a scheme-wide compliance risk model that determines the volume and nature of contractor assessments, with the aim of ensuring more compliance effort is spent on higher risk contractors, with low-risk contractors rewarded with less site assessments? Please explain why, providing evidence to support your answer.

MCS's proposition for a new risk-based compliance assessment model is a logical and efficient approach to focussing resources where they are most needed. By targeting higher-risk contractors, the MCS will be better able to ensure the quality of installations, reduce non-compliance, and protect consumers from poorly executed work.

The proposal also benefits contractors with a strong compliance track record, reducing their assessment burden and incentivising them to maintain high standards. SNIPEF believes this shift will foster a culture of excellence within the industry as contractors strive to achieve a low-risk status, promoting consistent quality in microgeneration installations.

However, while focussing on higher-risk contractors is commendable, care must be taken to ensure that reducing site assessments for low-risk contractors does not lead to complacency. Ongoing scrutiny is vital to maintain the scheme's integrity, even among those with a low-risk rating. Therefore, SNIPEF advocates a balanced approach to ensure the model's effectiveness in upholding high-quality standards.

We recommend that MCS ensures transparency and fairness in applying the Compliance Risk Model. Transparent, easily accessible, and understandable criteria for risk categorisation will ensure contractors understand the process and can take appropriate actions to mitigate their risk level.

Finally, SNIPEF believes it is necessary to understand the assessment requirements that the Certification Bodies will be asked to undertake and the increased costs that this may or may not incur. (See our concerns regarding CBs in our Question 1.1 submission).

Overall, we are supportive as long as the compliance model is transparent and fair.

3.3 Do you agree with the level of assessment burden described and that this can only decrease after 2 years on the scheme? Please explain why, providing evidence to support your answer. If you disagree, please propose alternative assessment levels and reasoning behind your recommendations.

SNIPEF appreciates your commitment to ensuring quality within the microgeneration industry. However, the proposed initial level of assessment burden and the stipulation that it can only decrease after two years in the scheme may need reconsideration.

While we understand the reasoning behind rigorous assessments to ensure quality and a consistent track record before reducing assessment levels, this proposal may inadvertently create barriers to entry for smaller contractors or those with an existing and successful track record in this industry. Given that these businesses are crucial to the microgeneration sector's growth, it's essential to balance ensuring quality and promoting industry growth.

Looking at other similar schemes, many have shown flexibility and proportional adjustments in assessments. For instance, the Green Deal certification process employed a proportionate approach, adjusting scrutiny levels according to the specific risks presented by each contractor rather than maintaining a strict timeframe.

We recommend the MCS consider an approach that tailors assessment levels to the specific risk factors associated with each contractor. This could be achieved by refining the Compliance Risk Model to incorporate additional measures such as the contractor's previous experience, quality of training, financial stability, and customer feedback.

This approach would reduce the assessment burden for contractors demonstrating consistent compliance and high quality, regardless of the length of time on the scheme. It would also enable a quicker response to increasing assessments for contractors showing signs of potential risk, irrespective of their tenure on the scheme.

As we continue to work towards a green economy, the MCS Certification Scheme must support growth in the industry while maintaining a high standard of quality. Overall, we are supportive with some minor considerations.

Overall, we are supportive of this proposal.

3.4 Do you agree with our proposed list of factors that should influence a contractor's risk of non-compliance (increasing or decreasing)? Please provide any further recommendations in addition to the factors already described, along with their relative importance.

SNIPEF agrees with the proposed list of factors that should influence a contractor's risk of non-compliance. The emphasis on delivered quality and shifting away from a 'one size fits all' approach towards risk-based compliance assessments is a positive step forward. The revised system better allocates resources towards higher-risk contractors while incentivising all contractors to maintain high-quality installations.

However, these risk measures must be applied objectively and transparently. For instance, while growth in the volume of installations may indicate increased risk due to potential quality compromise, it could also reflect an expanding business, honing its proficiency and improving service quality. It would be unfair to categorise an efficient, expanding contractor as a higher risk based solely on increased installation volume. Therefore, risk measures should be evaluated holistically, considering overall performance indicators rather than isolated factors.

Additionally, considering the variety of renewable technologies and their differing complexities, the risk assessment process could benefit from including a factor that considers the specific technology or technologies a contractor uses. This allows for a more nuanced understanding of the risks involved.

SNIPEF recommends periodic review and adjustment of the risk measures to accurately reflect the sector's realities and effectively predict non-compliance risk. This process should include input from various stakeholders, including contractors and certification bodies, to maintain its relevance and robustness.

Lastly, the proposal to require corrective and preventative measures within four weeks of receiving the assessment report may impose a considerable burden, particularly on smaller contractors. It is essential to ensure that the timeframe provided is realistic and achievable without affecting the routine

operations of the contractor. Alternatively, a tiered system could be implemented where the timetable for corrective measures is correlated to the severity of the non-compliance. This would allow for a fair and proportionate response to each specific case.

Overall, we are supportive with some minor considerations.

3.5 Do you agree with the proposal to record a contractor's risk rating on the MID and make this visible to them? Please explain why, providing evidence to support your answer.

SNIPEF has no comment on this question.

Proposal 4: Technical responsibility for each installation

4.1 Do you agree with a move away from Nominated Technical Person (NTP) to a Technical Supervisor recorded on the MID for each installation? Please explain why, providing evidence to support your answer.

In principle, we agree with the shift from the Nominated Technical Person (NTP) to recording a Technical Supervisor for each installation on the MID.

Our agreement is based on the proposal's emphasis on the accountability of each installation, which should enhance quality assurance and reinforce compliance. Recording a Technical Supervisor for each installation will ensure clarity of responsibility and accountability.

However, the impact on larger businesses with a broad geographical scope and higher volumes of installations could be significant. There may be instances where assigning a single Technical Supervisor for each installation could cause logistical challenges and potentially introduce delays in the certification process.

Thus, for larger contractors, a team of Technical Supervisors could be recorded against each installation, provided the responsibility for each part of the process is delineated. This solution would balance accountability and efficiency, allowing larger contractors to continue operations without substantial disruption while meeting the new standards.

Further, it is crucial to ensure that the qualification process for Technical Supervisors is rigorous, accessible, and standardised across the sector. This ensures that all supervisors have consistent competence and skills, further strengthening the scheme's credibility.

Finally, it is essential that the liability rests on the business, not the individual who signs off on the installation, an important issue if the company liquidates.

Overall, we are supportive with some minor considerations.

4.2 What checks should be made when assessing an installation as to the technical supervision that was put in place, and the involvement and competency of the Technical Supervisor? Please explain, providing evidence to support your answer.

When assessing an installation, the primary check should be a thorough review of the Technical Supervisor's qualifications. These must meet the MCS-approved standards, ensuring consistent, high-quality supervision. This could be confirmed by checking certification validity and verifying with the certifying body if necessary.

In terms of competency, we would suggest the following:

1. **Peer reviews** could be effective, ideally from a third party, assessing a sample of the Supervisor's installations against MCS standards to measure their competence and consistency.
2. **A requirement for IPD or CPD**, adopting those of CIPHE, ICE, and IMechE, ensuring that professionals keep their knowledge and skills up to date.
3. The Construction Industry Training Board mandates a specific **supervisor-to-worker ratio** depending on the nature and complexity of the work. The MCS could consider similar guidelines to ensure effective oversight of installations.
4. ICE and IMechE employ schemes where more experienced colleagues' **mentor** less experienced members. In the context of the MCS, this could support the development of less experienced Technical Supervisors, improve the quality of installations, and foster a culture of continuous learning within the organisation.

Overall, we are supportive of this proposal.

4.3 We do not plan to include the Technical Supervisor's details on an MCS certificate but retain this information in the MID for compliance reasons only. Do you agree with this approach? Please explain why, providing evidence to support your answer.

SNIPEF has no comment on this question.

Proposal 5: Pending (conditional) certification

5.1 Do you agree that a “pending certification” option is of benefit to contractors struggling to secure a first installation without having to complete an installation at their own cost? Will this resolve the issue of contractors needing to complete a first installation to support their initial assessment, but unable to find a customer willing to contract with a contractor who isn’t already MCS certified? Please explain why, providing evidence to support your answer.

SNIPEF recognises contractors' hurdles while seeking their initial MCS certification and appreciates the proposed Pending Certification option. This proposal may well satisfy customer concerns about contractors' capability to achieve certification.

Our members have highlighted the pressing nature of the 'chicken and egg' problem, which significantly curtails the number of contractors able to achieve MCS certification.

However, the £5,000 bond proposed could pose a considerable barrier for smaller businesses and was resoundingly unpopular and restrictive in our members' views, possibly inhibiting potential market entry for micro and small businesses. As feedback from our members stresses, this upfront cost is a substantial deterrent. SNIPEF, therefore, suggests implementing either:

- 1) A sliding scale for the bond, contingent on the contractor's business size, to promote equity.
- 2) A mentoring system where the first installation is undertaken with the guidance and protection of an existing low-risk MCS contractor who can supervise all aspects from design to installation and fulfilling customer duty.

Additional clarity is also required on how MCS would delegate another contractor to complete the installation should the original contractor fail to attain certification. We urge MCS to establish clear guidelines, including a dispute resolution framework for installation completion or quality disagreements.

Aligning Pending Certification with consumer protection measures is critical. Maintaining MCS scheme credibility is imperative to ensure transparent communication about the process and potential customer risks. The experiences shared by our members underscore the need to consider alternative methods.

Overall, we have considerable reservations about the £5,000 bond and its direct impact on micro and small businesses. Our alternative option of mentoring is the preferred option.

5.2 Will taking a bond to offset the cost of completing a customer's installation if a contractor fails to achieve MCS certification, provide adequate protection for customers? Do you have any other suggestions that could provide adequate customer protection during a contractor's "pending certification"? Please explain, providing evidence to support your answer.

SNIPEF concurs that providing adequate customer protection during a contractor's pending certification is essential. The £5,000 bond might offer financial security; however, it might also inadvertently dissuade smaller businesses from seeking MCS certification due to the hefty upfront cost.

Moreover, the bond does not entirely address potential non-financial issues that could arise, such as disputes over work quality or timeliness. It is, therefore, imperative to incorporate non-financial protections into the scheme. A bond might be insufficient to fully cover the costs of completing or rectifying a complex installation and might not fully assuage customer concerns about contracting with an uncertified installer.

Given this, SNIPEF members suggest an alternative approach: a mentoring system. Rather than a financial bond, new contractors could partner with experienced, MCS-certified contractors who would provide guidance, oversight, and on-site support during their initial installations. This system could not only enhance the skills and competence of the new contractors but also offer an additional layer of reassurance for customers.

This mentoring system would likely increase the overall quality of installations, lower customer risk, and provide valuable hands-on experience for contractors seeking certification. Depending on their experience level and the complexity of the installations they undertake, the system could be tailored to contractors' specific needs. It also fosters a community of practice among MCS-certified contractors, promoting best practices and ongoing learning.

We acknowledge that such a system would require careful design and oversight to ensure its effectiveness and fairness. However, SNIPEF and its members are willing to collaborate with MCS and other stakeholders to develop this alternative model of support for new contractors, aiming to enhance customer protection and confidence in the MCS scheme.

Overall, we have considerable reservations about the £5,000 bond and its direct impact on micro and small businesses. Our alternative option of mentoring is the preferred option.

5.3 Is a bond of £5,000 enough of a deterrent to prevent unscrupulous contractors taking advantage of an option for "pending certification"? Please explain why, providing evidence to support your answer.

SNIPEF acknowledges the need for a deterrent to prevent contractors from taking undue advantage of the Pending Certification status; the proposed bond of £5,000 presents concerns, primarily around accessibility and equity within the industry.

Primarily, this bond could act as a financial barrier for micro or small businesses or those new to the sector. While larger, more established firms may be able to absorb such costs, for smaller entities, this upfront expense could be prohibitive and potentially stifle their ability to enter the market or expand their offerings into the microgeneration sector.

Secondly, more than the deterrent effect of the bond, while potentially dissuasive for some, might be needed to prevent all unscrupulous contractors, some considering the bond as a calculated business risk and proceeding despite substandard practices, which would ultimately undermine the purpose of the bond. (Note that water companies often factor fines into their business planning as a low-cost risk worth taking.)

SNIPEF believes that more nuanced measures could be more effective in preventing misconduct. For instance, enhanced ongoing surveillance or random checks, stricter application screenings, and robust enforcement measures may deter poor contractors.

Furthermore, mandatory liability insurance and warranties requirements could provide additional assurance to customers while dissuading those with dubious intentions. Evidence from other trades in the UK suggests that stringent enforcement of standards and penalties for non-compliance can be a more effective deterrent than bonds or fines (water companies again being a good example).

Overall, we are not convinced the bond would be as much of a deterrent.

Proposal 6: MCS Contractor Agreement

6.1 Do you agree that MCS should further strengthen its ability to hold contractors to account for poor quality installations via a new Contractor Agreement?
Please explain why, providing evidence to support your answer.

SNIPEF agrees with the initiative to enhance accountability for poor-quality installations via a new Contractor Agreement. The Contractor Agreement, with stringent Scheme Approval checks, provides a comprehensive mechanism to ensure contractors meet high-quality standards and adhere to the scheme rules. The multi-faceted reviews proposed, including financial stability, adequate insurance, and post-installation customer feedback, create a robust structure that addresses various aspects of a contractor's operations, enhancing consumer protection.

However, introducing these checks must avoid imposing a disproportionate administrative burden on smaller contractors, potentially affecting their business viability. Therefore, the implementation process should balance stringent oversight and operational practicalities for contractors of different sizes.

SNIPEF also advocates for continuous consultation with industry stakeholders to fine-tune this proposal, ensuring that it aligns with real-world practices and effectively addresses consumer protection issues while promoting business growth within the sector.

Overall, SNIPEF supports this proposal.

6.2 Do you agree that MCS should adopt powers so that a contractor who is no longer on the scheme is not absolved from the liabilities and responsibilities accrued during their operation as an MCS certified Contractor? Please explain why, providing evidence to support your answer.

SNIPEF supports the proposal for MCS to adopt powers that hold contractors accountable for their liabilities and responsibilities even after they have left the scheme. This stance is rooted in the belief that quality assurance and consumer protection should not be contingent on a contractor's current membership status but should extend to all installations carried out while they were MCS certified.

This lack of accountability can reduce customer confidence and harm the industry and its growth potential. By maintaining contractor responsibility post-MCS membership, the proposal bolsters consumer protection and the overall credibility of the scheme.

Furthermore, this measure ensures a level playing field among contractors by discouraging practices aimed at evading responsibility. It emphasises the permanence of each contractor's commitment to quality upon becoming MCS certified, enhancing the scheme's integrity.

SNIPEF does have concerns about the time period proposed (six years) by which complaints regarding workmanship can be submitted, particularly around system performance. As technology advances and more evidence is gathered about system performance, expectations may change, and it would not be fair for a customer to complain four years later when more information is known about system performance.

However, SNIPEF recommends clarifying the specifics of enforcing this proposal to avoid undue burden on contractors who have left the scheme. A practical, straightforward process should be established for dealing with disputes and complaints arising after a contractor departs from the scheme.

Overall, SNIPEF agrees with this proposal.

Proposal 7: Centralised complaint management

7.1 What are the most important aspects of complaint management that we should consider? Please explain why, providing evidence to support your answer.

SNIPEF operates a robust complaint process for its members, focussing on transparent and prompt investigations and resolutions. This process shares common values of accessibility, transparency, and impartiality with the proposed MCS centralised complaint management system. However, the latter suggests additional features, such as a triage system and direct engagement with product manufacturers, which could enhance efficiency and specificity in resolving complaints.

When a SNIPEF member is also an MCS-certified contractor, the customer complaint avenue must be signposted and not bounced between two parties. To prevent confusion, the contractor should communicate the nature of the work, the relevant certifications, and corresponding complaint processes to the customer.

This also presents an opportunity for SNIPEF and MCS to share best practices, align complaint processes where possible, and establish a referral process for misdirected complaints. In doing so, both organisations can maintain high standards of accountability and customer service, which are essential to the credibility and growth of the renewable energy sector.

Overall, SNIPEF believes some clarity for dual memberships is needed.

7.2 How should we judge the success of our complaint management and dispute resolution, including through the partnerships we form for the provision of dispute resolution services and ADR? Please explain, providing evidence to support your answer.

SNIPEF believes a well-functioning complaints system should yield a measurable reduction in the number and severity of complaints and disputes over time. The success of MCS's complaint management and dispute resolution should be measured using a combination of quantitative and qualitative factors. Quantitative metrics should be collected, such as number of complaints, median and mean resolution times, how many complaints are escalated to dispute, and customer satisfaction levels with the process. These indicators can be tracked and reported regularly, providing a precise performance measure.

For instance, introducing KPIs on customer satisfaction with the complaints system is an excellent initiative. These could be measured through customer surveys after the resolution, capturing their process experience and whether the solution was fair and reasonable. Surveying contractors to understand their perceptions of the system's fairness and effectiveness could also be beneficial.

Qualitative analysis is equally important. The periodic examination of the nature of complaints to identify common issues and trends is an excellent approach. This will provide invaluable insight into recurrent problems within the industry, facilitating proactive improvements in standards, training and communication. We strongly recommend sharing this analysis with all contractors, providing transparency and facilitating industry-wide learning.

Furthermore, the success of dispute resolution services and ADR partnerships should be evaluated based on their effectiveness in achieving fair resolutions promptly. This includes carefully reviewing how often the MCS Guarantee had to be triggered to support customer restitution and how successful MCS was in recovering costs from contractors.

The experience of our members suggests that a successful system should also be judged on its clarity and accessibility for both customers and contractors. The single point of contact, central database and dedicated case manager, which have been proposed, are all elements that will contribute to this.

Both customers and contractors must see action taken against those installers associated with poor-quality installations. Furthermore, the system must have "teeth" to show members of the scheme that there are consequences for failing to adhere to the rules; again, these should be laid out clearly.

Some members raised concerns that they were often called upon to correct poor installations but felt the business associated with the initial installation was not held to account and continued to be members of the scheme. As our experience with SNIPEF's complaints process indicates, the continuous improvement of the system based on feedback and experience is also crucial to its success.

Finally, reducing customer confusion is vital. The centralisation of complaint management within MCS will go a long way towards this, but the system must be easy for customers to navigate and understand. All contractors must also be required to communicate to customers about the complaint process at the start of any work.

Overall, we support this proposal.

Proposal 8: Implementation of new financial protections

8.1 Do you agree with the premise of the “MCS Guarantee” as a new financial protection to be associated with MCS certified installations? Please explain why, providing evidence to support your answer.

SNIPEF recognises the idea of the MCS Guarantee as a step towards establishing greater customer confidence and creating an environment of trust within the sector. Our position is based on our understanding of the risks customers may perceive when investing in unfamiliar technologies, which can be a considerable barrier to sector growth.

The assurance that contractors are certified and participate in a fund that guarantees the quality of their work will likely provide customers with peace of mind. This initiative aligns with the SNIPEF ethos of promoting professionalism among its members.

However, SNIPEF and its members are concerned that the obligation for contractors to contribute to the fund disproportionately affects smaller companies, possibly reducing the diversity of contractors within the scheme. Considering a scaled contribution approach is crucial, reflecting the contractor's size and capacity.

Are there lessons that can be taken from MCS's perceived failure of the Insurance Backed Guarantee? Critical evaluation of its shortcomings can help design the new MCS Guarantee to be more effective and resilient. Maybe this has already been undertaken.

Moreover, the proposed maximum remediation limit of £20,000 may not cover larger or more complex installations. Therefore, assessing whether this cap is adequate to cover all likely scenarios is essential.

SNIPEF is concerned with the wide range of circumstances where the fund can be used, which appears to be exhaustive. Given that the members of MCS need to contribute to the scheme, there was concern that contributions could be unaffordable and continually increase to deal with demand. There needs to be an indication in the consultation regarding how much the Guarantee is likely to be.

There was also a view among SNIPEF members that when they received a complaint about work undertaken, they would, by their reputation, go back and rectify the work. This being the case, they felt that a fund of this nature was better placed for work undertaken where the business was now insolvent etc.

Finally, while the guarantee's focus on remediation rather than financial compensation is commendable, the actual remediation process must be clearly defined. This includes outlining the criteria to evaluate installation defects, setting timescales for remediation, and establishing procedures for situations where remediation may not be possible or practical.

Overall, we require more clarity and detail regarding the MCS Guarantee.

8.2 What should we consider in designing the “MCS Guarantee” and in our choice of a financial protection partner(s)? Please explain, providing evidence to support your answer.

We have no comment for this question.

8.3 Do you agree that there is little or no consumer detriment from removing the current mandatory requirement for IBGs? Please explain why, providing evidence to support your answer.

We have no comment for this question.

8.4 Are alternatives to credit card protection of deposits necessary in today’s market and if so, what form of protection would you suggest? Please explain, providing evidence to support your answer.

We have no comment for this question.

8.5 Should MCS prescribe the maximum deposit a contractor can take from their customer, as a percentage of the overall cost of an installation? Are there any other considerations in relation to a contractor taking deposits that we should review? Please explain, providing evidence to support your answer.

SNIEF recognises the delicate balance that must be struck between ensuring customer protection and maintaining business viability in the renewables sector. Our consultation with members has highlighted a shared belief that the decision regarding the size of a deposit should remain in the hands of individual businesses.

SNIEF members argue that a one-size-fits-all approach to determining deposit amounts needs to consider the diversity of business sizes and models within the industry. For example, smaller businesses may require larger deposits due to the relative impact of upfront costs on their cash flow compared to larger organisations.

In the highly competitive marketplace, businesses that require substantial deposits may find themselves at a competitive disadvantage, as customers can select a contractor whose terms are most appealing. This market-driven approach encourages fairness and competition within the industry.

The decision to set a maximum deposit cap could inadvertently standardise a higher deposit across the industry, even when unnecessary or justified. Moreover, a cap might unintentionally constrain business operations and limit flexibility in pricing structures.

However, our members agree that the MCS could provide guidance on good practices regarding deposits without mandating a specific cap. Such guidelines suggest that contractors communicate their deposit requirements and refund policies to customers before contracting, thereby fostering transparency and trust between contractors and customers.

In conclusion, SNIPEF believes that the MCS should encourage transparency and fairness regarding deposits without imposing a rigid maximum limit, allowing businesses to set terms appropriate to their individual circumstances while ensuring consumer protection.

Overall, we do not support this proposal.

Proposal 9: Retirement of existing scheme documents

9.1 Do you agree that we can retire MCS 001-1, MCS 001-2, MCS 025 and MGD 001 as result of proposed changes to MCS? Please explain, providing evidence to support your answer.

We have no comment for this question.

General Comments

Should you wish to make comments on the draft documents themselves (Scheme Rules and Customer Duty) please use the following table.

Document	Page No.	Line No.	Comments	Suggestion for alternative (if relevant)

Note: You may add as many additional rows as required to table above.