

Heat in Buildings Strategy

Scottish Government Quality Assurance Policy Statement

May 2022



Scottish Government
Riaghaltas na h-Alba
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Scottish Government Quality Assurance Policy Statement

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1. Ministerial Foreword

Our Heat in Buildings Strategy sets out our vision for decarbonising heat and the actions Scotland is taking in the buildings sector to deliver our climate change commitments, maximise economic opportunities, and tackle fuel poverty. This will necessitate significant improvements in energy efficiency and massively increased installation rates of zero emissions heating in buildings. Public buy-in is critical to this and consumers must be assured that any work carried out is done to a high standard, represents good value for money and achieves the necessary savings – both financial and carbon – whilst maintaining or raising high comfort levels. Achieving this will require strong quality assurance, ensuring that all work is carried out by skilled operatives, in accordance with enforceable industry standards with adequate redress in place to protect consumers.



This policy statement focuses on the actions we will take to develop a quality assurance scheme that meets the needs of people and communities in Scotland. The measures outlined in this statement will encourage the high standards that we seek, while also increasing consumer confidence in the quality of work done and the level of consumer support and redress available.

Implementing these actions will ensure that installation work undertaken under the proposed TrustMark scheme and the Microgeneration Certification Scheme will be carried out by competent individuals, with appropriate warranties and guarantees backed up by independent inspections with appropriate enforcement where required. There will also be a single point of contact to support consumers with any issues or complaints to ensure these are resolved as effectively as possible.

In developing this policy statement we have considered responses to the Heat in Buildings Strategy consultation and accompanying skills consultation. This statement also forms our response to the March 2021 consultation on Scottish skills requirements for energy efficiency, zero emissions and low carbon heating systems, microgeneration and heat networks for homes.

This statement will serve as the foundation for any future domestic householder support, and the actions taken, such as requiring TrustMark approval, will initially apply as a requirement for our upcoming Home Energy Scotland loans and cashback scheme, which will provide financial assistance directly to householders or private landlords. For non-domestic buildings ongoing work is required to establish the best quality assurance requirements, and we have also included our approach to developing these.

By requiring improved standards for our own schemes, creating opportunities for Scottish specific concerns to be raised with BSI and approval bodies, and by supporting consumers to access trusted suppliers while avoiding bad actors, we hope to encourage a greater level of skills and competence in the industry more

generally and foster a more secure sector that customers can be confident in regardless of how their work is funded.

I would like to take this opportunity to recognise the good work that installers and others in the supply chain are currently doing, and we hope that by taking the steps set out in this document, we can ensure that every business that is committed to producing high-quality work can benefit from our programmes, regardless of their size or location. We will continue to work with industry and other stakeholders to implement these actions and develop ways to support transformational change for the industry through our forthcoming Supply Chain Delivery Plan.

Overall, it is my intention that by taking the steps outlined in this policy statement, we will be able to make the process of retrofitting our homes as simple as possible while maintaining excellent quality. In addition, we can provide clarity to the supply chain about our goals for standards, skills, and quality assurance, allowing them to engage effectively in our burgeoning retrofit market, one that Scotland can be truly proud of.



Patrick Harvie MSP

Minister for Zero Carbon Buildings, Active Travel and Tenants' Rights

2. Summary of Key Actions

2.1 Quality assurance, approvals and consumer protection

- We will work with TrustMark to develop a quality assurance scheme for Scotland which will enable domestic consumers, including private sector landlords, to access approved suppliers in accordance with the principles of the British Standards Institution (BSI) Publicly Available Specification (PAS) 2035/30 standards.
- For our forthcoming successor to the Home Energy Scotland loans and cashback scheme, we will introduce a new requirement that applicants must use approved suppliers through Scotland's TrustMark scheme for energy efficiency work. Microgeneration work will retain the current requirements for Microgeneration Certification Scheme (MCS) approved suppliers. This requirement will also apply to future schemes and programmes where appropriate.
- We will set up a Scottish Quality Assurance Consumer Oversight Group to oversee the implementation of the Scottish TrustMark energy efficiency approval scheme and oversee changes and improvements to the existing MCS scheme in support of our Heat in Buildings Strategy.
- For non-domestic support schemes we will work with key stakeholders to look at quality issues experienced by businesses and to consider the role of BSI PAS 2038 retrofit standards in overcoming these and considering an appropriate approval mechanism for this.

2.2 Standards and skills

- We will work with the BSI to establish an expert technical group to advise about retrofit standards in Scotland and develop best practice that reflects the nature of our housing stock, weather and other environmental factors.
- We will integrate the Scottish installer skills matrix into both the BSI PAS 2030 installer standards and MCS installer standards in 2022.

2.3 Scams and mis-selling

- We will work with stakeholders, including Trading Standards Scotland, to prevent scams and support improved enforcement action against rogue traders within Scotland.

2.4 Public engagement

- As of Autumn 2022, we will work with the new virtual National Public Energy Agency – and future dedicated body – to ensure our messages, advice and support are provided to all consumer groups across Scotland and that consumers have a say in the development of associated policy and interventions.

- We will investigate the development of an online portal powered by TrustMark and MCS to help consumers find approved suppliers in Scotland.
- In introducing new primary legislation for energy efficiency and zero direct emissions heat, we will consider making it a requirement for any enforcement body to provide information on relevant approved suppliers who can help them meet the standard.

3. Overview

Energy efficiency and microgeneration technologies, including zero-emission heating, are important investments that can result in financial savings, better comfort, and lower carbon emissions, all of which benefit consumers and society as a whole.

Over the past few years, consumers have had to rely on the UK-wide Green Deal Oversight and Registration Body (GD ORB) to find approved suppliers for energy efficiency work. Given the well documented issues¹ with the quality assurance and consumer protections in place for this scheme, there is a fundamental need for change. For microgeneration technologies, our draft Heat in Buildings Strategy consultation revealed general support for the Microgeneration Certification Scheme; however, there was acknowledgement that improvements could still be made to this scheme.

Quality assurance is critical for achieving our climate change and fuel poverty goals; without it, there is no assurance that the products and systems being installed are appropriate for consumers and buildings, that they are installed to a high standard and that they will achieve the carbon and cost performance that is expected. If necessary, we are willing to go above and beyond the standard UK quality assurance requirements.

In this statement we set out our plans for oversight of quality assurance including quality marks and what this means for consumers, the skills and standards requirements of suppliers, how we will go about dealing with scams and our plans to engage the public on quality assurance more generally including how consumers can clearly and simply access a trusted directory of approved suppliers.

The principles and actions outlined here set-out what the Scottish Government sees as the requirements for a robust and effective quality assurance framework. We recognise, however, that there are no 'one size fits all' solutions and that different approaches to decarbonising buildings will require different quality assurance considerations. We introduce requirements to use TrustMark and maintain our requirement for Microgeneration Certification Scheme (MCS) approvals which will initially apply to our new Home Energy Scotland loans and cash back scheme launched later in 2022. Other support schemes from the Scottish Government will use this statement as a basis for their particular requirements and we will clarify as schemes are developed whether they will adhere to these requirements, use a modified version or whether a different approach to quality assurance is appropriate.

While there are no regulatory requirements to comply with the proposed TrustMark scheme for Scotland or the existing Microgeneration Certification Scheme, we want to see the high standards set out in this statement embedded across the sector to ensure that consumers are supported to the highest standards and the quality of work meets the high expectations required.

Delivering high-quality work comes at a cost to installers, homeowners, and Scottish Government finances, and we strive to keep those costs to a minimum. Depending

¹ For example [Citizens Advice Scotland 'Bad Company' report \(December 2018\)](#)

on the specific needs for each home project, meeting the required standards may incur an additional expense. However, we feel that the value of ensuring the work is completed to high standards and that consumers are protected from rogue operators outweighs this, particularly given the avoidance of potentially high costs of remedial work should there be insufficient quality assurance. The Business and Regulatory Impact Assessment, which will be published to accompany this statement, looks at the balance of costs and expected benefits in more detail.

The actions set out in our Heat in Buildings Strategy have the potential to make a significant economic contribution within Scotland and represent a sizeable opportunity for Scottish businesses. As mentioned in our Strategy, we aim to provide a clear set of signals, including the contents of this Statement, to the market to help to give clarity and confidence to suppliers to invest in the transition to net zero. We have also committed to developing a Supply Chain Delivery Plan.

We will begin implementing the actions listed as a priority as soon as possible and we will also take steps to ensure that consumer groups, industry and other key stakeholders are involved in this policy statement's implementation.

The quality assurance work set-out in this statement must be seen alongside our plans for a new dedicated National Public Energy Agency which will coordinate and scale up delivery of the heat decarbonisation agenda from 2025 onwards. To inform this work we conducted an initial Call for Evidence in February 2022 to inform the on-going design and development of the new Agency, gathering in views on the potential functions of the new body, including Quality Assurance. In recognition of the need and urgency to act now, we are putting in place a virtual Agency by September 2022, which will act as a stepping stone towards the dedicated body.

The role of the Agency in relation to Quality Assurance may extend to, for example: taking an active role in communicating to the public how they can access the required quality standards for energy efficiency and zero emissions heat; and how they can protect themselves, as consumers, from fraud and mis-selling practices alongside partners such as Trading Standards Scotland. The virtual Agency will also lead on a review of the existing delivery, advice and support landscape in Scotland for heat and energy efficiency retrofit. The purpose of this will be to scope out what will be needed moving forward to achieve transformational change and to meet our target for heat decarbonisation of a million homes and equivalent to 50,000 non-domestic properties, by 2030 with quality assurance forming a key part of this.

Defining quality assurance

Quality assurance, in this context, is an overarching term which incorporates all the different elements that make up a framework for ensuring high quality and standards in the implementation of energy efficiency and small-scale renewables work.

The various elements of this include skills, standards, consumer codes and charters, all of which need to be met and adhered to through an approval mechanism or more specifically a quality assurance scheme which measures and enforces compliance and provides adequate redress should things go wrong. Suppliers, including installers, that comply with these quality assurance elements achieve a quality mark

that consumers can look out for when choosing who will carry out the work they require.

In considering quality assurance more widely, it is important to emphasise that in general most consumer powers, including legislating for consumer rights and consumer enforcement remain reserved to the UK Government. However, we expect Consumer Scotland will have a leadership role in providing consumer advocacy work in Scotland through powers devolved to the Scottish Parliament in the Scotland Act 2016.

For the domestic energy efficiency and renewable retrofit sector the relationship between skills, standards, consumer codes and charters and quality marks can be summarised in the diagram below.

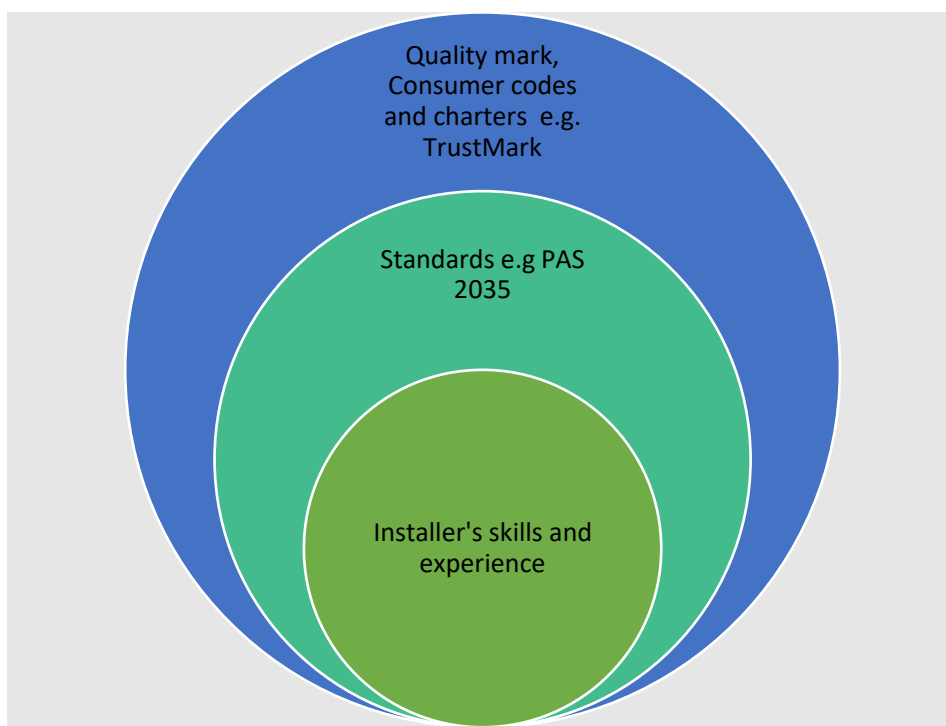


Figure 1 – overarching quality assurance showing the relationship between quality mark, standards and skills e.g. skills form part of the retrofit standards.

BSI retrofit standards

In June 2019, the British Standards Institution (BSI) published a new retrofit standard for energy efficiency known as the Publicly Available Specification (PAS) 2035. This was in response to a recommendation for raising retrofit standards following the UK government's review² of the Green Deal scheme in 2016.

This standard covers the entire energy efficiency retrofit process in homes, from initial assessment and design to installation and evaluation and incorporates the

² [Each Home Counts: Review of Consumer Advice, Protection, Standards and Enforcement for Energy Efficiency and Renewable Energy - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/reviews/each-home-counts)

updated PAS 2030: 2019 installer standard. Together they are known as PAS 2035/30: 2019.

These standards incorporate a number of well-defined roles for retrofit work including: retrofit coordinator, assessor, designer, installer and evaluator. The standards also cover the competency requirements for these roles.

BSI has also developed a retrofit standard for non-domestic buildings (published as PAS 2038:2021).

We have already committed to adopting PAS 2035/30 for our delivery programmes in our Heat in Buildings Strategy and this statement builds on that commitment. We recognise, however, that concerns have been raised about the applicability of some aspects of the PAS 2035/30 standards in Scotland and this statement commits to the set-up of a technical group to work with BSI and feed into the further development of these or other retrofit standards as appropriate.

Defining energy efficiency and microgeneration measures

The BSI PAS 2035/30 standards covers 41 different energy efficiency measures (EEMs) including internal and external wall insulation, cavity wall insulation, loft insulation, hot water cylinder insulation, draft proofing, electric storage heaters and mechanical ventilation and heat recovery.

Microgeneration is covered by the Microgeneration Certification Scheme and refers to micro-renewable technologies used for zero/low carbon generation of heat (up to 45kW) and electricity (up to 50kW). This includes heat pumps, biomass, solar photovoltaics (PV) and wind turbines.

For microgeneration, industry standards have been available for some time and continue to evolve. These standards are provided by the Microgeneration Certification Scheme (MCS) and although separate from the BSI PAS 2035/30 standards they are referenced within them.

Approvals and quality marks

Until 2019, only the PAS 2030 installer standards were available, with approvals for these handled through the UK government's Green Deal Oversight and Registration Body (GD ORB). Installers meeting the standards and other conditions set by the GD ORB could then use the Green Deal Approved quality mark.

However, this changed following a review of the Green Deal with the new standards (both PAS 2035 and PAS 2030) subsequently integrated into the UK-government endorsed TrustMark quality assurance scheme with Green Deal Approved installers transitioning over. A key driver for TrustMark registration is the GB wide Energy Company Obligation (ECO) scheme which requires suppliers to be TrustMark approved in order to access the funding. Current Scottish Government funded domestic energy efficiency schemes require Green Deal Approved suppliers, but this requirement must be updated as the GD ORB is now effectively obsolete following moves to TrustMark.

The situation with microgeneration is different with both the standards and the approvals being provided through the Microgeneration Certification Scheme (MCS), however businesses including installers, Retrofit Assessors and Retrofit Coordinators must be registered with TrustMark to access ECO and other taxpayer funded, UK government led energy efficiency schemes. Work and financial protection also needs to be lodged into the TrustMark Data Warehouse to allow oversight of retrofit activities.

Both the TrustMark and MCS approval process include requirements for suppliers to sign up and comply with consumer codes and a consumer charter. TrustMark and MCS have a complaints process and specify forms of redress for consumers should things go wrong and we expect these processes to be developed and strengthened over time, The consumer oversight body described later in the document will input into this process. Once a supplier is approved they are able to use the TrustMark and/or the MCS quality mark for their business.

Non-domestic

For Small and Medium Sized Enterprises (SMEs), a level of quality assurance is provided through the support on offer from Business Energy Scotland (BES) administered by Energy Saving Trust (see box below). BES Implementation Advisors help support SMEs to identify and scope measures that would be suitable for their business and help support SMEs to implement their recommendations. BES provide a level of quality assurance by directing SMEs to approved lists managed by relevant trade associations and provide feedback on quotes received for work. However, in order to remain impartial advisors are not be able to provide specific evaluation of quotes for work.

Business Energy Scotland

The Scottish Government's Business Energy Scotland (BES) service provides advice and support to SMEs on energy efficiency and low and zero carbon heating throughout Scotland. This service follows on from the previously available Energy Efficiency Business Support service.

BES provides a substantial free advice and support package to Scottish SMEs to help improve energy efficiency and decarbonise heating in their premises. The two main offers of support are an initial 'energy opportunities' assessment to identify where and how savings can be made and a comprehensive report including a potential site visit to highlight possible improvements and sources of funding.

SMEs contacting the service are allocated an advisor to help them work through the options available to them. Depending on the type of business and their willingness and potential to take action on reducing their cost and carbon emissions they are either offered initial advice and further self-help support resources and tools or where there is good potential for savings the service of a BES Development Officer. They will make either a desk-based or - where appropriate - detailed site assessment of

the options available to the SME. They will then work with the SME to support them to access finance, installers and to complete the installation.

Using a mix of specialist one-to-one telephone support and a range of online tools and resources, the service offers free and impartial advice and support to SMEs to reduce their energy use and costs as well as cutting carbon. The service also encourages business to finance the installation of sustainable energy measures through applications to the Scottish Government's SME loan and cashback scheme, which offers up to £100k to support implementation of carbon-saving measures such as renewable heating and insulation, with up to £20k cashback available in some instances.

SMEs can visit [Business Energy Scotland](#) to find out more.

For larger businesses above the SME scale, information, support and guidance is provided through the Energy Saving Opportunity Scheme (ESOS) which is a mandatory energy assessment scheme for organisations in the UK that meet the qualification criteria. The Environment Agency is the UK scheme administrator with the Scottish Environment Protection Agency (SEPA) being the regulator for organisations whose registered office is in Scotland. Further information can be found on the [ESOS guidance](#) webpage.

4. Improving Quality Assurance

Consumer protection through robust quality assurance and redress is critical to both our decarbonisation efforts and consumer confidence, and it is important that consumers have a clear and accessible path to redress in the event of a problem with their installation.

As it stands the complaints process can be unclear for consumers with the roles and linkages between industry bodies lacking clarity and levels of enforcement varying depending on the specific circumstances of the installation.

Quality assurance through a robust approval mechanism coupled with a simplified route to for redress when needed are required to instil consumer confidence and this chapter outlines our proposals for achieving this.

Fuel poverty programmes and quality assurance

The Scottish Government is committed to a whole house approach to the retrofit of homes in support of our Fuel Poverty Strategy. We are therefore already implementing a PAS 2035 approach to our assessment, planning and delivery of retrofit measures as part of our fuel poverty programmes. This builds upon our longstanding adoption of the industry recognised PAS 2030 installation standard and reflects our aim that every householder will be satisfied with the appropriateness, effectiveness and quality of the energy efficiency improvements they make to their home.

We require projects delivered as part of the Area Based Schemes (ABS) and Warmer Homes Scotland (WHS) programme funded by the Scottish Government to comply with all relevant building regulations, retrofit standards and guarantee requirements.

In most cases, householders referred or invited to participate in an ABS project will receive separate technical advice about energy efficiency measures that is specific to their property as part of a PAS 2035 approach to retrofit. Households receiving support from the Warmer Homes Scotland scheme will also receive technical advice about the measures installed during their retrofit process. The recommendation to install an energy efficiency measure will typically be based upon the relevant Energy Performance Certificate (EPC) recommendations and conform with advice on building standards. Householders participating in our ABS projects are also advised to contact our Home Energy Scotland service for impartial and expert advice about how to improve the energy efficiency and warmth of their home.

Energy efficiency measures delivered as part of our ABS projects must conform to the quality standards required to obtain a guarantee, such as those from the Solid Wall Insulation Guarantee Agency (SWIGA). Typically this requirement will be delivery to the PAS 2030 and PAS 2035 standards. Councils will only invite householders to agree to works that are technically appropriate, protected by a guarantee scheme (if available) and compliant with building regulations.

To help ensure they benefit from any measures installed through ABS/WHS projects, householders will also usually receive information about maintaining their energy efficiency improvements along with relevant product guarantees. Councils must set out the quality assurance and also a complaints process for all their ABS projects. WHS has a similar set up, including a service visit at the end of the initial 12 month warranty period. Typically the contracted installer and/or the manufacturer of the measure delivered as part of our ABS/WHS programmes will also provide a helpline service for follow up enquiries.

The Scottish Government is procuring a new enhanced successor to the Warmer Homes Scotland Scheme, due to go live when the current contract expires. The new scheme will deliver a quality assured retrofit process, adopting PAS 2030/2035 standards.

Heat in Buildings Strategy

Our Heat in Buildings Strategy builds upon the recommendations from the Quality Assurance Short Life Working Group through the chapters on People and Place covering quality assurance and consumer protection.

When we analysed the responses³ from the draft Strategy consultation relating to quality assurance, most of those who expressed a clear view were in favour of adopting the use of TrustMark for energy efficiency work. Respondents also stated that for microgeneration the Microgeneration Certification Scheme (MCS) already offers a quality assurance and consumer protection regime for microgeneration systems and there was a view that if there is a good existing standard there is no need to, or value in, creating another.

Based on the reports and feedback outlined above, it is clear that a robust quality assurance framework for energy efficiency is required with adequate consumer protection. Consequently we propose the following action:

Action

We will work with TrustMark to develop a quality assurance scheme for Scotland which will enable domestic consumers including private sector landlords to access approved suppliers in accordance with the principles of the British Standards Institution (BSI) Publicly Available Specification (PAS) 2035/30 standards.

We want to build upon the existing TrustMark scheme to create a new scheme for Scotland, one which is bespoke for Scotland's needs and goes further in terms of quality and consumer protections. We will continue recommending MCS in Scotland but will seek to work with MCS to ensure alignment between their scheme and TrustMark's.

Any supplier approved under this TrustMark scheme and/or MCS will be subjected to a thorough screening process, including checks against Trading Standards systems.

³ [Heat in Buildings Strategy - achieving net zero emissions in Scotland's buildings - gov.scot \(www.gov.scot\)](https://www.gov.scot/publications/heat-in-buildings-strategy-achieving-net-zero-emissions-in-scotland-s-buildings/pages/20)

Once approved, the installations and customer service will be closely monitored, and if a high number of customer complaints are received, swift action will be taken to investigate the situation and, if necessary, proportionate sanctions will be imposed, which may include suspending or removing the company from the scheme.

While the TrustMark and MCS procedures currently provide redress for consumers, we recognise that this area requires improvement, and we are committed to working with TrustMark and MCS to achieve this. Both have launched reviews of their consumer standards and redress processes, and we will aim to ensure that the process is reflective of the requirements of consumers in Scotland by bringing together industry and consumer organisations through the consumer oversight group we outline later in this statement.

We have also considered the costs associated with TrustMark approvals and compliance with the PAS 2035/30 standards both in terms of costs to the supply chain and delivery costs to households through our Business and Regulatory Impact Assessment. We estimate there will be an increase in costs associated with this but we believe the value of ensuring that work is completed to high standards and that consumers are protected from rogue operators outweighs this. Moving to a requirement for TrustMark accreditation provides a consistent approach for suppliers operating across the UK and avoids the costs and inconvenience that would be incurred by having different regimes.

We want to ensure any costs are proportionate and not cost prohibitive and we will work with TrustMark to ensure this is the case. Some areas being considered for change include: reviewing the need for retrofit coordinators for low risk work and developing an alternative pathway for suppliers, particularly installers to get approved potentially offering lower up-front certification costs balanced with higher audit and inspections frequency to ensure consumer are still protected.

Action

For our forthcoming successor to the Home Energy Scotland loans and cashback scheme, we will introduce a new requirement that applicants must use approved suppliers through Scotland's TrustMark scheme for energy efficiency work. Microgeneration work will retain the current requirements for Microgeneration Certification Scheme (MCS) approved suppliers. This requirement will also apply to future schemes and programmes where appropriate.

We believe this new requirement will significantly improve the quality assurance for our successor to the Home Energy Scotland loans and cashback scheme and make it simpler for consumers to find suppliers. For renewables funding under this scheme, we will continue to require installers and products to be certified under the Microgeneration Certification Scheme (MCS).

We will also consider applying the actions described in this document, including the new TrustMark scheme, more broadly in any future domestic energy efficiency programmes to directly support householders. However, we recognise that depending on the goals and mechanisms of each scheme, a different approach may

be required, and any deviations from the approach outlined in this statement will be made clear when the respective scheme is launched.

Currently, a householder can apply to use an unaccredited installer in exceptional circumstances where no local installer can be found who meets our HES loans and cashback scheme requirements.

We recognise that some householders, particularly those in rural areas, will find it difficult to find an improved installer to carry out work. This is something we want to avoid but we accept this may happen, particularly in the early stages of supply chain development. Consequently, we will consider what options are available for those who are unable to find a TrustMark or MCS accredited installer for our new schemes, while also working to develop Scotland's energy efficiency and zero emissions supply chain through our Supply Chain Delivery Plan.

We will also work with TrustMark to develop alternate routes to approval which can reduce cost or administrative burdens for those suppliers who wish to carry out retrofit work but are not yet ready to undertake full TrustMark accreditation. This should help improve the overall pool of suppliers available to consumers.

Action

We will set up a Scottish Quality Assurance Consumer Oversight Group to oversee the implementation of the Scottish TrustMark energy efficiency approval scheme and oversee changes and improvements to the existing MCS scheme in support of our Heat in Buildings Strategy.

The membership and role of the group is to be determined but we expect that the group will be made up of consumer organisations, industry representatives with TrustMark and MCS also having representatives on the group. The group's remit may be to:

- Monitor and promote continuous improvement of the framework's effectiveness
- Advise on technical quality of installation
- Facilitate clear and effective redress pathways for consumers
- Promote best practice and suggest areas of improvement
- Advise on the avoidance of mis-selling and scams
- Coordinate consumer advice provision to improve the consumer journey.
- Share data and improve joint working across the sector

We would also expect TrustMark and MCS to share with this group consumer insight reports covering complaints with proposed actions on how to ensure these are avoided in future. TrustMark will establish a dashboard access to their Data Warehouse to allow the working group to have visibility of their processes and outcomes to aid this process.

The new National Public Energy Agency which we committed to in the HiBs will provide the leadership and coordination required to accelerate delivery of transformational change in the decarbonisation of heat in Scotland. Given this strategic remit, there is the potential for the Agency to take on oversight of

associated quality assurance standards – this could also include development and/or ownership of the Scottish Quality Assurance Consumer Oversight group. This has not yet been decided, and will form part of the wider considerations of the independent Strategic Board that is currently being developed to steer the overall development work of the virtual Agency, from September 2022.

Action

For non-domestic support schemes we will work with key stakeholders, including BES, to look at quality issues experienced by businesses and to consider the role of BSI PAS 2038 retrofit standards in overcoming these and considering an appropriate approval mechanism for this.

The primary focus of this policy statement is on quality assurance for retrofitting domestic properties, however we acknowledge that further work is required to develop quality assurance for non-domestic buildings as well. A key development in this area is the new British Standards Institution (BSI) Publicly Available Specification 2038 standards for non-domestic and we will consider these standards and how they will apply to Scottish Government programmes. Significantly unlike PAS 2035/30 there is currently no approval mechanism for these standards - TrustMark covers domestic only. More broadly, support schemes for heat networks, community generation, industrial sites, social housing and other areas will also have unique considerations and may require modified requirements or bespoke solutions for their quality assurance.

5. Improving Standards and Skills

Our position on standards

Our Heat in Buildings Strategy confirmed that we will adopt the BSI PAS 2035/2030 standards for our domestic delivery programmes. Specifically, this refers to the local authority area based schemes, the national fuel poverty scheme, Warmer Homes Scotland, the in-development successor to our Home Energy Scotland loans and cashback schemes and any future programmes that provide support direct to the consumer. For microgeneration we will continue to use the Microgeneration Certification Scheme (MCS) as a requirement for these technologies.

We recognise, however, that concerns have been raised about the applicability of some aspects of the PAS 2035/30 standards in Scotland and this statement commits to the set-up of a technical group to work with BSI and feed into the further development of these or other retrofit standards as appropriate.

Action

We will work with the BSI to establish an expert technical group to advise about retrofit standards in Scotland and develop best practice that reflects the nature of our housing stock, weather and other environmental factors.

The PAS 2035/2030 standards will continue to evolve over time and we are keen that BSI captures stakeholder feedback from Scotland to ensure Scottish specific issues e.g. unique building types and geography are reflected in the standards. Consequently we have agreed with BSI to set up a Scottish specific group.

Our position on skills

We have worked with industry representatives, skills agencies including Skills Development Scotland and other key stakeholders through a short life Quality and Skills Working Group to develop installer skill requirements for domestic scale energy efficiency and microgeneration measures. These have now been built into an installer skills matrix which sets-out recommended career pathways and qualifications broken down by home improvement measures (e.g. air source heat pumps).

These skill requirements, which form a key part of our broader Climate Emergency Skills Action Plan, were consulted on in 2021 through our consultation⁴ on proposals for energy efficiency, zero emissions and low carbon heating systems, microgeneration and heat network skills requirements for homes in support of our draft Heat in Buildings Strategy. This consultation proposed:

- The skill requirements developed by the sector skills bodies, industry and other key stakeholders in Scotland are adopted and fully integrated into the British Standards Institution (BSI) installer standards and Microgeneration

⁴ [Consultation on Scottish skills requirements for energy efficiency, zero emissions and low carbon heating systems, microgeneration and heat networks for homes - Scottish Government - Citizen Space](#)

Certification Scheme (MCS) installer standards to reflect Scotland's skills needs.

- To work with skills agencies including Skills Development Scotland to consider the need for qualifications and/or further training in Scotland for the other roles associated with PAS 2035 e.g. retrofit coordinator, particularly where no qualifications currently exist in Scotland.

In the consultation, we asked:

We asked for your views on our proposals outlined above and other areas including the role of manufacturer training, the competency requirements for the roles within the PAS 2035 standards (e.g. retrofit coordinator) and views on timings and meeting these requirements. We also asked for your views on the impact these requirements would have, particularly in relation to remote rural and island communities, the role for digital technology and any other areas of skills you thought we should consider.

What you told us:

Our consultation analysis⁵ showed that the majority (88%) of consultation respondents agreed that the installer skills matrix should be integrated into the PAS 2030 and MCS installer standards. Similarly, the majority (86%) of consultation respondents agreed that manufacturer training should be in addition to, not instead of, the proposed skills requirements.

The general consensus was that the skills matrix should be made mandatory within the PAS 2030 standards as soon as practically possible or within 12 months. In thinking about timescales, it was considered important that smaller companies and island supply chains were not disproportionately impacted.

On the competency requirements for the non-installer roles in PAS 2035 then these were viewed as essential. Common feedback on the retrofit coordinator was that this role would be key – and would require broad knowledge and practical experience in working in refurbishment, renovation and whole house retrofit.

You also told us that developing and promoting a clear career pathway as a means of attracting new talent into the sector was highlighted as critical – attracting and training more young people, and for the sector to be seen as an attractive career option. There was strong support for industry-wide, longer-term investment in skills to help the sector achieve the proposed skills requirements (e.g. grant and bursary support, upskilling and reskilling support, support to stimulate demand for workforce development, industry-facing awareness raising campaigns).

Our response:

We have listened to your feedback and we propose the following to progress skills:

Action

We will integrate the Scottish installer skills matrix into both the BSI PAS 2030 installer standards and MCS installer standards in 2022.

⁵ [Energy efficiency, zero emissions and low carbon heating systems, microgeneration and heat networks - skills requirements: consultation analysis - gov.scot \(www.gov.scot\)](https://www.gov.scot/resources/documents/2021/04/energy_efficiency_zero_emissions_and_low_carbon_heating_systems_microgeneration_and_heat_networks_-_skills_requirements_consultation_analysis_-_gov.scot)

The installer skills matrix is now available online⁶ and has already been integrated into the BSI PAS 2030⁷ standards and we are working with MCS to integrate into their respective standards. The skills matrix will feature as guidance initially but will eventually become fully embedded into the standards as one of the key routes for demonstrating competency.

While the Quality and Skills Short Life Working Group's work is complete, we remain committed to long-term collaboration with partners interested in improving energy efficiency and microgeneration skills. This must take into account not only installer skills, but also skills for other roles, such as the Retrofit Coordinator role. As a result, we will be seeking feedback from key stakeholders including industry and skills agencies such as Skills Development Scotland on the best mechanism for further developing these skills.

⁶ [The Scottish Installers Skills Matrix, for installers working in the energy efficiency and low and zero carbon technologies sector](#)

⁷ Specifically, PAS 2030:2019+A1:2022

6. Scams and Mis-selling

The increased scale and ambition of home improvements required to decarbonise buildings in Scotland will almost certainly be accompanied by an increase in activity from rogue companies looking to take advantage of consumers. According to some reports, energy efficiency is linked to a high incidence of outright fraud, and organised criminal gangs are increasingly infiltrating consumer-related industries. Consequently it is hugely important that consumers, particularly the most vulnerable in our society, are protected from these criminal elements.

We understand the threat of rogue traders within the industry and would also point towards the Strategic Framework within Scotland's Scams Prevention, Awareness and Enforcement Strategy, published in 19 March 2021, which focusses on prevention, disruption, awareness, education and enforcement. This is intended to help all consumers with practical steps they can take to recognise common scam tactics and avoid the risk posed by this criminal activity.

Case study: multi-agency approach to deterring scams

In 2020, Trading Standards Scotland carried out an intelligence, enforcement and prevention project to identify and directly address fair trading law compliance in respect of marketing for energy efficient home improvements.

An initial 1 month intelligence gathering phase identified over 400 potentially misleading social media adverts, with subsequent enforcement action resulting in 527 adverts and 57 web pages being removed or rectified due to their misleading nature as well as 10 advertising accounts ceasing all activity. It is conservatively assessed that this work is likely to have prevented around £4.5 million of detriment to consumers, flowing from the misleading marketing practices.

Furthermore, as a consequence of the complementary prevention campaign which was supported by Home Energy Scotland and Age Scotland, over half a million consumers were reached. If just 0.7% of those reached by the campaign, acted upon the advice given, this would have prevented £9.975 million worth of detriment.

TSS continues to build upon the enforcement and prevention work undertaken in the initial project, where issues are identified and resources allow. This has seen further engagement and disruption undertaken. In some instances it has been necessary to escalate to submission of formal prosecution reports in respect of consumer protection offences, and liaison with Police Scotland over suspected fraudulent schemes. Work to raise awareness around misleading practices in the energy efficiency sector has also continued, with this notably being highlighted by TSS during COP26 at the COSLA stand in the Green Zone, followed up with a dedicated week of prevention messaging. Increased capacity to co-ordinate and undertake this work would undoubtedly facilitate a more comprehensive and sustained response.

We believe the actions set out in this policy statement will go a long way in helping protect consumers. However, there is a risk that some rogue companies will try to fraudulently present themselves as approved and use high-pressure sales

techniques and other methods to commit fraud. In order to minimise the risks of this it is important that consumers:

- Know what to look for in terms of quality marks and can access a trusted resource of approved suppliers which can be used to both find suppliers and check the credentials of any claiming to have these quality marks.
- Know what to look out for in terms of the warning signs in order to keep themselves safe if they are approached by a rogue trader.
- Can rely on an effective enforcement system if they have been a victim of a crime or attempted crime, both to seek redress and to deter scammers.

False/misleading marketing in relation to energy efficiency products is an issue across the UK and in recognition of this, Trading Standards Scotland (TSS) has designated the issue a national priority with resources being prioritised to tackle this. It is important to emphasise that false/misleading marketing is an offence under the Consumer Protection Regulations 2008 and enforcement bodies can use this and other legislation to address the misleading practice. Disruption and education are also used to reduce the effectiveness of potential scams.

A key enabler for misleading marketing claims in relation to energy efficiency products is unsolicited marketing calls. These calls are prolific in Scotland and can typically amount to several million in just a few weeks. TSS is working in partnership with the Information Commissioners Office to take action against perpetrators.

We are working with TSS as well as bodies such as Advice Direct Scotland to improve the effectiveness of disruption and enforcement. The proposed Scottish Quality Assurance Oversight Group will play an important role in co-ordinating information between relevant groups and we will ensure that this work complements other groups such as Scotland's Scams Prevention Partnership.

Action

We will work with stakeholders, including Trading Standards Scotland, to prevent scams and support improved enforcement action against rogue traders within Scotland.

We will work with Trading Standards Scotland to minimise the scale and impact of energy efficiency related scams through intelligence gathering and working with partners to disrupt/tackle these scams before they cause any consumer detriment, as well as to ensure that any retrofit work done is done accordance with industry standards that are enforceable, and with adequate redress in place to protect consumers.

7. Public Engagement

The heat decarbonisation agenda will impact nearly everyone living in Scotland. That is why, as set out in our Heat in Buildings Strategy, we are now developing a Public Engagement Strategy that will set out a framework to ensure people are placed at the heart of the transition to zero emissions heating in Scotland, reflecting the principles of a Just Transition.

Key to the strategy will be raising awareness and understanding of the changes we need to see in how we heat our homes and buildings, both now and in the future, so that people have assurance and confidence in the direction of travel that we are taking, and why. We need to raise the profile of energy efficiency and zero emissions heating options so that people are aware of the benefits, and begin to see them as a positive choice that can work for them.

Through the Public Engagement Strategy we will also explore ways to best enable people to actively participate in shaping the development of Scottish Government policy and incentives; and, working closely with local authorities, how people can help inform local level heat and energy efficiency planning. This includes, for example, consulting on any proposed new national level regulations relating to energy efficiency standards of properties and zero emissions heating installations, ahead of drafting legislation.

Once established, the new dedicated National Public Energy Agency will lead on public engagement delivery, as part of its wider remit to coordinate and scale up delivery of the heat decarbonisation agenda from 2025 onwards. In recognition of the need and urgency to act now, we are putting in place a virtual Agency by September 2022, which will act as a stepping stone towards the dedicated body.

This will include translation of the Public Engagement Strategy into an implementation plan, which may extend to, for example: taking an active role in communicating to the public how they can access the required quality standards for energy efficiency and zero emissions heat; and how they can protect themselves, as consumers, from fraud and mis-selling practices in this space. The virtual Agency will also lead on a review of the existing delivery, advice and support landscape in Scotland for heat and energy efficiency retrofit.

Helping consumers access approved suppliers

It is vital to our Heat in Buildings strategy and net zero targets that consumers have access to high quality suppliers regardless of where they live in Scotland. This will be achieved through a combination of the actions in this policy statement, our Supply Chain Delivery Plan, our Home Energy Scotland advice service and our proposed public engagement strategy. From a consumer's perspective we want to:

- Develop brand awareness of the TrustMark quality mark and the assurances and protections that come with it.

- Streamline the process for consumers wishing to improve their homes by ensuring they can find suppliers easily and have a single point of contact for redress should things go wrong.
- Provide impartial and independent advice to help consumers through the entire retrofit journey.
- Demonstrate to the public and potential rogue traders that enforcement action will be taken against rogue traders that take advantage of consumers.

Action

As of September 2022, we will work with the new virtual National Public Energy Agency – and future dedicated body – to ensure our messages, advice and support are provided to all consumer groups across Scotland and that consumers have a say in the development of associated policy and interventions.

We will continue to work closely with a range of stakeholders and networks in order to reach different consumer groups across Scotland to increase awareness and understanding of the changes necessary as we transition to zero carbon heating. In addition, we will try to elevate the consumer voice in order to inform ongoing developments and considerations relating to quality assurance.

Action

We will investigate the development of an online portal powered by TrustMark and MCS to help consumers find approved suppliers in Scotland.

It is important that consumers can find approved suppliers in one place as effectively as possible and we will work with our partners in Scotland with the aim to develop an online portal to achieve this which will provide access to both energy efficiency (TrustMark approved) and microgeneration/zero emissions heat (MCS approved) suppliers in one place. We will also work to ensure that those suppliers listed on the tool do what they say they do, particularly with regards to areas of operation to give consumers confidence that a supplier operates in their area.

As part of broader transition work regarding heat decarbonisation delivery programmes to the dedicated National Public Energy Agency, once established in 2025, consideration will also be given as to whether or not a portal of this type should be hosted by the new body.

Action

In introducing new primary legislation for energy efficiency and zero direct emissions heat, we will consider making it a requirement for any enforcement body to provide information on relevant approved suppliers who can help them meet the standard.

We have committed in the Heat in Buildings strategy to introduce legislation to improve the energy efficiency of domestic and non-domestic buildings and to require Zero Emissions Heating to be installed. We consider it important that any building owners or occupants required to carry out work on their property under resulting regulations are also fully informed of their options, the support available to them and

also how to engage suppliers/installers in their area that are approved to the relevant quality assurance standards.

8. Milestones and Timescales

Milestone	Complete by
Scottish installer skills matrix integrated into the PAS 2030 and MCS standards.	PAS 2030 (complete) MCS (Spring 2022)
Scottish Retrofit Standards Working Group set up to oversee PAS 2035/30 standards in Scotland.	Summer 2022
TrustMark scheme for Scotland set up and ready for suppliers to join with dedicated Trading Standards Scotland resource identified if appropriate.	Summer 2022
Supply Chain Delivery Plan published	Late Summer 2022
Scottish Quality Assurance Consumer Oversight Group set up to oversee quality assurance of TrustMark and MCS in Scotland.	Autumn 2022
New online consumer portal set up to find approved suppliers in Scotland.	Autumn 2022
Relaunch of HES loans and cashback scheme with requirement to use TrustMark/MCS approved suppliers	Autumn 2022

9. Glossary of Terms

The following table explains some of the commonly used terms used in this Statement.

Term	Description
Area Based Schemes	Area Based Schemes are designed and delivered by councils targeting fuel poor areas to provide energy efficiency measures to help reduce fuel poverty.
Business Energy Scotland	Scottish Government's Business Energy Scotland (BES) service provides advice and support to SMEs on energy efficiency and low and zero carbon heating throughout Scotland. It is managed by Energy Saving Trust.
Consumer	Broadly, an individual who purchases, uses or receives, goods or services in Scotland. In the context of this Statement individuals are expected to be primarily home owners and private sector landlords with the provision of energy efficiency and microgeneration (including zero and low carbon emissions heating) goods or services.
GD ORB	Green Deal Oversight and Registration Body manages on behalf of the UK government the authorisation scheme for participants in the Green Deal and is responsible for several functions aimed at providing effective administration and oversight of the scheme. Also see Green Deal below.
Green Deal	The Green Deal was a UK Government scheme launched in 2013-14 that funded energy efficiency improvements through a commercial household loan, this was then repaid as a charge on energy bills.
Home Energy Scotland	Home Energy Scotland is an advice service funded by the Scottish Government and managed by Energy Saving Trust to provide free, impartial advice on energy saving, keeping warm at home, renewable energy, greener travel, cutting water waste and more. Home Energy Scotland's mission is to help people in Scotland create warmer homes, reduce their bills and help tackle climate change.
MCS	The Microgeneration Certification Scheme (MCS) is an industry-led quality assurance scheme, which demonstrates the quality and reliability of approved products and installation companies through effective standards.
Microgeneration	Refers to micro-renewable technologies used for zero/low carbon generation of heat (up to 45kW) and electricity (up to 50kW).
PAS	A PAS (Publicly Available Specification) is a fast-track standardization document – the result of an expert consulting service from BSI. It defines good practice for a product, service or process. It's a powerful way to establish the integrity of an innovation or approach.

Quality assurance	An overarching term which incorporates all the different elements that make up an overall quality assurance framework which in the context of this Statement covers energy efficiency and small-scale renewables work.
Redress	To put right an undesirable or unfair situation.
Retrofit Coordinator	A new role within PAS 2035. The Retrofit Coordinator is responsible for overseeing the project from inception to completion and ensuring compliance with PAS 2035. See Annex A for more details.
Rogue Trader	A supplier (trader) who call uninvited to people's homes to sell goods and/or services but have no regard for the law. They generally target more vulnerable people.
Scam	A fraud or attempted fraud performed by a deceptive individual, group or company in an attempt to obtain data, money or something else of value.
Standards	A standard is an agreed way of doing something. It could be about making a product, managing a process, delivering a service or supplying materials – standards can cover a huge range of activities undertaken by organisations and used by their customers.
TrustMark	The not-for-profit organisation licensed by the Department for Business, Energy and Industrial Strategy (BEIS) to deliver the Government Endorsed Standards scheme for the Energy Efficiency, Retrofit and RMI sectors.
Warmer Homes Scotland	A Scottish Government funded scheme that helps people in need to make their homes warmer and cost less to heat. It does this by improving the energy efficiency and heating systems of homes.
Zero emissions heat	A heating system which is located within a building (or its curtilage) and which emits no more than negligible greenhouse gas emissions during normal operation. This is typically microgenerating heat technologies up to 45kW. See 'microgeneration'.



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