



Department for
Communities and
Local Government

Review of Competent Person Self-Certification Schemes

Final Report



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Government Response to the Cutland Report on the Central Administration of Competent Person Schemes

The Government welcomes the findings of this report, which found that in general the way the competent person schemes are centrally administered works well and encourages a good working relationship between the Department and industry.

There is always some room for improvement and as such we accept the majority of the recommendations in the report as ways of bringing the central administration of competent person schemes more in line with other Government schemes and clarifying the roles and responsibilities of the parties involved.

The Department also accepts that there is some room for improvement in the notifications system between competent person scheme operators and local authorities and that the Department for Communities and Local Government should take responsibility for making that happen. However, the most effective way of doing this is something that the Department is considering further and as such we cannot accept the specific recommendations of this report on the notifications system at this time.

We do not agree that it is our place to conduct centrally funded publicity schemes when it is private sector companies that would reap the benefits of such campaigns. The Conditions of Authorisation for Competent Persons' Schemes require scheme operators to promote the development and growth of the schemes to potential members and customers and the Government considers this should remain the case. Therefore, the Department does not accept the recommendation that it should play a role in conducting consumer communications above what it already does to publicise competent person schemes through the GOV.UK website.

The report suggests that applicants to run competent person scheme should be accredited by United Kingdom Accreditation Service (UKAS) before they apply to the Department for authorisation. We agree that this could strengthen the assessment process and would also be consistent with what happens already under the Green Deal and as such the Department is considering this option further.

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Acknowledgement

Cutland Consulting Limited would like to thank all of the individuals to whom we spoke in the course of this project; everyone gave freely of their time, and willingly shared their thoughts, opinions and knowledge. There is no doubt in our mind that all parties are thoroughly committed to working towards the most effective and efficient operation of competent person schemes that is possible.

Executive summary

Background, terms of reference and methodology

The Department for Communities and Local Government is responsible for authorising bodies to operate competent person schemes under which installers can be registered as competent to self-certify that their building work complies with the Building Regulations for England. Around 3.4 million jobs per year are now undertaken by members of competent person schemes.

Initially three scheme operators were authorised to cover a single type of work each. At the time of writing of this report, the number of scheme operators had risen to 17. A significant number of the scheme operators cover multiple types of work, and it is no longer clear to the general public who is authorised to self-certify which type of work.

The arrangements for central administration of competent person schemes have developed over the last 10 years and rely on (i) the scheme operators acting collectively as the Competent Persons Forum, (ii) the Forum chair acting in a voluntary capacity, (iii) the Forum minutes secretary also acting in a voluntary capacity and (iv) 1.5 Full time employed DCLG staff.

The aims of this study were to identify:

- the strengths and weaknesses of the central administration of competent person schemes;
- options for improving the efficiency and effectiveness of the central administration;
- the costs and benefits to the main players of the options identified.

Cutland Consulting Limited conducted a series of face-to-face meetings and structured telephone interviews with a total of 33 organisations and individuals between December 2013 and February 2014. We met initially with 13 key organisations with an interest in competent person schemes, and subsequently conducted telephone interviews with all of the scheme operators. Our subsequent review and analysis was informed by the opinions received. Our findings and resulting recommendations are written in bold.

The central administrative structure supporting Competent Person Schemes

The Department for Communities and Local Government are ultimately responsible for the central administration of competent person schemes. In practice, certain elements have been devolved, either formally or by informal arrangement, to third parties who lead those elements.

The Competent Persons Forum plays a significant role alongside the Department for Communities and Local Government in the central administration of competent person schemes.

Strengths and weaknesses of the current arrangements

Overall, we found that large parts of the central administration of competent person schemes work well and are not in need of reform. Where there are weaknesses they tend to revolve around clarity of who has responsibility for resolving issues.

- **Initial authorisation**

The initial authorisation of potential scheme operators is carried out by the Department for Communities and Local Government directly. The current process is thorough, although there is no requirement for applicants to disclose their full trading history (complaints, county court judgements, etc). Similarly, there is no obligation on a successful scheme operator to require its potential members (installers) to disclose their full trading histories.

On occasion the Department receives applications from potential scheme operators who would seem to simply wish to add value to their business by securing an authorisation rather than being serious about actually running a scheme. In the absence of an application fee or the requirement to obtain United Kingdom Accreditation Service (UKAS) accreditation ahead of authorisation there is little to discourage such applications.

- **Accreditation**

Scheme operators are accredited against BS EN 45011 / ISO IEC 17065 taking into account the formal conditions of authorisation required by the Department for Communities and Local Government plus the operator's scheme requirements. The conditions of authorisation require scheme members to be assessed against sector-specific Minimum Technical Competence requirements (MTCs) owned by the Sector Skills Bodies. This is technically sound, works well and is consistent with the requirements placed on installers under the Green Deal and Microgeneration Certification Scheme.

- **The Competent Persons Register**

A fundamental purpose of the register and its associated website is to provide local authorities with a means of checking whether installers are registered with a scheme. As such it works essentially as it should, and the main issues are to do with delivery responsibility. The register and website are hosted and maintained largely free of charge by Borough IT (whose managing director is currently the chair of the Forum). This is beneficial to all concerned (mainly scheme operators and local authorities) in terms of cost but leaves them exposed to the business risk that, for whatever reason, the associated goodwill may not be limitless.

- **Notifications**

The data format for notifications by scheme operators to local authorities was originally agreed through informal dialogue between the Competent Persons Forum and the Department, and resulted in an XML schema which should provide a consistent and effective mechanism for notifications. However, (i) there is still some debate about the precise definition of the XML schema, and (ii) scheme operators and local authorities are evidently using different property address data (both in format and in the associated Unique Property Reference Numbers).

- **Monitoring/checking**

The monitoring and checking system that scheme operators are required to use to check their member's competence is working well.

- **Complaints escalation**

Where a customer is dissatisfied with work done by an installer, they may escalate their complaint to the scheme operator. Where they are dissatisfied with the way the scheme operator has dealt with their complaint, they may escalate it to the Department.. Dealing with complaints can occupy a significant amount of officials' time. The European Union (EU) Directive on alternative dispute resolution, due to be implemented by July 2015, will require scheme operators to have alternative dispute resolution procedures available which may have the effect of reducing the burden on the Department.

- **Overall marketing**

Consumers need to understand the requirement to have work carried out in compliance with the Building Regulations and it would be good if they also knew that members of competent person schemes are authorised to self-certify that their work is compliant with Building Regulations. The [competent persons register website](#) includes a 'find an installer' facility, but the search function has been set up to return randomised results rather than a full list.

Scheme operators, by and large, promote their schemes well but there is a problem in trying to agree messages for central marketing by the Forum. The lack of a common brand and/or logo for competent persons may be contributing to consumer confusion, and its introduction might improve Building Regulations compliance. If this happened there is a question as to who would own it and control its use as the Forum is not a legal entity and so is unable to do so itself and there would be liability issues for the Department to consider if they were to do so.

- **Funding mechanisms**

Some peripheral administration of competent person schemes is carried out free of charge by the members of the Competent Persons Forum. Relying on goodwill to this extent is a risky business model, and competent person schemes could benefit from a more robust, stable and sustainable funding mechanism for these peripheral functions.

- **The Forum**

The Forum fulfils most of its terms of reference well, functioning with good effect as a liaison body with the Department and as a networking group. The meetings are a useful mechanism for the Department and the scheme operators to discuss and agree matters of common interest. However, there are risks inherent in members of an informal group such as the Forum having operational responsibility for items such as the Competent Persons Register and associated website.

Options analysis

We reviewed the need for a new type of ‘strong and independent’ overarching administrator, be that a legally constituted version of the Forum or a commercial body.

We concluded that, assuming that delivery ownership issues are resolved and a process of clarification and communication is undertaken, the current system does not appear to need any new type of central oversight and administration body.

- **Lessons to be learnt from the management arrangements of similar bodies:**

Incorporation: The current competent person scheme administration arrangements convey a general sense of co-operation, collaboration and mutual benefit, resulting in a ‘feel-good factor’ for industry. The more formal and onerous arrangements of Green Deal and Microgeneration Certification Scheme, for example, are generally perceived by industry as more adversarial, hierarchical and bureaucratic. **In this respect the current competent person scheme arrangements work well and there would seem to be little benefit in changing to a more formal, hierarchical arrangement.**

Authorisation: For Green Deal, the Department of Energy and Climate Change has made it a condition that providers become ISO IEC 17065 accredited prior to their initial application. **Such a requirement could also be beneficial to competent person schemes**, in terms of strengthening the process and also discouraging less serious applications.

Complaints: Unlike competent person schemes, both TrustMark and Green Deal have a layer of dispute resolution which sits between their equivalent of scheme operators and their sponsoring Government Department. **This layer absorbs some of the workload of dispute resolution, and could potentially be useful to the Department for Communities and Local Government.**

Funding models: The key point that distinguishes competent person schemes from other schemes is the sheer volume of notifications. With 3.4 million notifications per annum, even a very small levy on each notification could raise significant sums per year. Alternatively, the same level of funding could be raised in principle via a registration or licence fee charged to each scheme operator. However, the Building Act does not currently give the Department powers to levy fees or charges for competent person schemes; and introducing any such potential funding mechanism would represent a new burden on business which would need to be subject to a full impact assessment.

- **Ownership issues: the Competent Persons Register and Building Regulations notification system**

Nothing new needs to be centrally owned in the legal sense, and 'ownership' is to do with operational responsibility. Operational responsibility for the Competent Persons Register could be assigned to one of:

1. The Department for Communities and Local Government
2. The Competent Persons Forum
3. LABC (the representative body for local authority building control)
4. A contracted IT company

We suggest that the most beneficial arrangement would be for LABC to take responsibility. There is an obvious business alignment given the local authority facing purpose of the register, and it is entirely in the interests of local authorities that the register functions correctly and efficiently.

In order to resolve the current problems with the notification system there needs to be clarity about who has operational responsibility both for the XML schema specification and the source of address data.

We consider that the options for the XML schema are:

1. The Department for Communities and Local Government take ownership of the current XML schema, review the specification with LABC, and communicate a definitive specification to the scheme operators. Thereafter continue operations as at present.
2. More strongly assign operational responsibility for the XML schema to LABC, who would then communicate the definitive specification to the scheme operators and take responsibility for resolving residual XML issues between the scheme operators and local authorities.

The benefit of option 2 is that, as with operational responsibility for the Competent Persons Register, LABC has a clear interest in the notifications system working properly. They are also well placed to encourage, persuade, guide and support the local authorities in implementing the schema.

In our view the most reasonable option for solving the address data problem is for the Department to fund (perhaps only partially) the provision of consistent and authoritative address data for all scheme operators. The most likely source is the Ordnance Survey's 'AddressBase' product. AddressBase has a beneficial cost structure for Government bodies under the Public Sector Mapping Agreement.

- **The status of the Competent Persons Forum**

It is likely that the status of the Competent Persons Forum will remain unchanged as there is little appetite among scheme operators for it to be re-constituted as a legal entity. **It is therefore probable that the Forum will continue in its original purpose, acting as a conventional networking club.** It would meet periodically as now, to discuss and solve issues of common interest, to communicate with the Department, LABC and internally, to exchange information and to discuss marketing.

- **The Department for Communities and Local Government's future role in relation to scheme operators**

In our view the reasonable options for the initial authorisation of potential scheme operators are as follows:

1. The Department continues to carry out initial authorisation as now.
2. Expand UKAS's role to include aspects of the initial authorisation.

We do not see anything fundamentally wrong with the way that the Department currently assesses applications, although the Department could continue in its present role whilst also discouraging non-serious applications by **charging a substantial application fee** (as does, for example, the Approved Inspectors scheme). Such applications would also be discouraged were the Department to **require UKAS accreditation prior to application**, as does Green Deal. UKAS accreditation would also provide a deeper level of scrutiny than the present desk-based exercise by including office visits and record checking. **In our view both options have merit.**

The Department could in principle take operational responsibility for the XML schema definition, although it seems more appropriate that LABC should take ownership.

Operational ownership in the context of the address data essentially means funding its provision, which would be a valuable role for the Department to undertake.

For complaints escalation, we consider the reasonable options are:

1. The Department to continue to have a role
2. A body (or bodies) constituted as a result of the new EU Directive on alternative dispute resolution to take this on.

The Directive, due to be implemented by July 2015, will require scheme operators to have alternative dispute resolution procedures available and this may have the effect of reducing the burden on the Department.

In our view the Department could have a role to play in funding consumer communications.

- **The Department will continue to take an active role as a full participant in the Forum.**

It is probably inappropriate for the Department to assume the role of chair, but it may wish to take over the provision of the secretariat function from LABC.

- **The case for developing a consolidated set of scheme documents**

There does not seem to be a case for any closer alignment of individual scheme rules; different sectors will always need to refer to different National Occupational Standards and Minimum Technical Competences, and there is already just one set of conditions of authorisation and one quality management standard (BS EN 45011, in the process of being superseded by ISO IEC 17065).

- **The overall marketing of competent person schemes**

It should be considered whether or not consumer-facing functions such as installer search facilities are an important purpose of the central administration of competent

person schemes. If they are, the current search facility needs **improvement**. **If they are not, the search facility should be dropped from the website**. In our view the reasonable options for general consumer communications and awareness raising are:

1. The scheme operators continue to promote competent person schemes individually as per the conditions of authorisation.
2. The Department for Communities and Local Government engages with a body such as the Energy Saving Trust with a view to the latter conducting a central campaign.

There is no disbenefit in allowing option 1 to continue, but there would be clear benefits if option 2 were taken up in parallel.

1. Introduction

The Department for Communities and Local Government is responsible for authorising bodies to operate competent person schemes under which installers can be registered as competent to self-certify that their building work complies with the Building Regulations for England¹. This removes the burden for installers and consumers of having to notify the work to a building control body in advance and have it checked by them when completed, thus saving both time and money as building control charges (typically £60 - £180) are not payable. Most notifiable building work, around 3.4 million jobs per year, is now undertaken by members of competent person schemes and to that extent most building control is implemented through self-certification under competent person schemes.

The Department periodically invites applications for new or extended schemes and undertakes an assessment process that is consistent with the requirements of the European Union Services Directive. Successful applicants are authorised as competent person scheme operators by being named in Schedule 3 to the Building Regulations 2010 (as amended). Authorisation is subject to scheme operators meeting conditions laid down by the Department.

After an extensive review and consultation exercise, revised conditions were issued in June 2012 designed to raise standards and improve consistency between all competent person schemes. All scheme operators undertook to meet them in full by 6 June 2014. A key change introduced by the new conditions was that scheme operators have to be accredited by UKAS as meeting the requirements of the European quality management standard BS EN 45011 or latest equivalent (ISO IEC 17065). UKAS also check on behalf of the Department that scheme operators meet all of the Department's other conditions for competent person schemes.

At the outset in 2002, three competent person scheme operators were authorised to cover a single type of work each: FENSA for self-certification of replacement windows & doors, OFTEC for oil-fired combustion appliances and HETAS for solid fuel combustion appliances. At the time of writing of this report, the number of Scheme Operators had risen to 17 (20 including Gas Safe Register, the Air Tightness Testing and Measurement Association and the British Institute of Non-Destructive Testing²). A significant number of the scheme operators cover multiple types of work. In 2012 Green Deal installer certification bodies sought to become competent person scheme operators for the full range of notifiable Green Deal measures, and as a result it is no longer clear to the general public who is authorised to self-certify which type of work.

¹ Welsh Ministers authorise schemes in Wales.

² While Gas Safe registrants are required to self-certify & notify local authorities, the Gas Safe Register is not a legal entity so cannot be authorised as a competent person scheme operator. The British Institute of Non-Destructive Testing and the Air Tightness Testing and Measurement Association are authorised as scheme operators for pressure testing, but not for self-certification of building work.

The arrangements for central administration of competent person schemes have developed and expanded over the last 10 years and rely on:

- (a) the scheme operators acting collectively as the Competent Persons Forum
- (b) the Forum chair and other individual members acting in a voluntary capacity
- (c) the Forum minutes secretary also acting in a voluntary capacity
- (d) Department for Communities and Local Government staff (1.5 FTE).

However, there is a question as to whether these arrangements which may have been fit for a small number of straightforward schemes are still fit for purpose in the more complex setting which now prevails.

Cutland Consulting Limited was appointed to carry out this review on behalf of the Department under the terms of reference described in the next section.

2. Terms of reference

The aims of the study were to identify:

- the strengths and weaknesses of the current arrangements for the central administration of competent person schemes
- the options for improving the efficiency and effectiveness of the central administration
- the costs and benefits to the main players of the various options identified.

The objectives were to:

- identify lessons to be learnt from the management arrangements for other bodies including Approved Inspectors, the Green Deal, the Microgeneration Certification Scheme and TrustMark
- review ownership issues relating to the Competent Persons Register and the system for notifying Building Regulations compliance
- review the current status of the Competent Persons Forum
- review the Department for Communities and Local Government's role in relation to scheme operators, including the way in which the Department assesses the technical and management competence of potential scheme operators
- review the case for developing a consolidated set of scheme documents (similar to the Green Deal and Microgeneration Certification Scheme) for competent person scheme operators to use to deliver accredited certification of scheme members
- review issues relating to the overall marketing of competent person schemes
- make recommendations.

The scope of the project was limited to competent person schemes in England only. Since 2011, responsibility for authorising scheme operators in Wales has been devolved to the Welsh Government, although the Department for Communities and Local Government has continued to work closely with the Welsh Government and they share the intention of keeping the two regimes as closely aligned as possible. To this end we also spoke with representatives of the Welsh Government.

The content of the Departments conditions of authorisation and the role of UKAS in accrediting scheme operators were outside the scope of this study.

3. Methodology

We believe that in projects of this nature it is the key industry and Government players themselves who really know what is right and wrong with the current arrangements, and who have the first hand, practical experience necessary to know how to improve the situation. We therefore considered it essential, prior to forming our own opinions or conducting any options analysis, to interview such parties, use our judgement to discern the facts, and then extract and collate the key points from what we heard.

Our experience also shows that gathering opinions in person, rather than by email or electronic survey approaches, invariably works best. For this project we conducted a combination of face-to-face meetings and structured telephone interviews with a total of 33 organisations, many of them more than once, between December 2013 and February 2014.

Our overall approach for this project was as follows, all stages being conducted in close liaison with the Department for Communities and Local Government.

- 1 Read up on current arrangements; formulate 'null hypotheses' (our initial thoughts on the issues, as yet unbiased by the opinions of the players).
- 2 Meet with 13 key organisations:
 - The Department for Communities and Local Government
 - LABC
 - TrustMark
 - The Department for Business, Innovation and Skills
 - Construction Industry Council
 - Gemserv
 - The Department of Energy and Climate Change (Microgeneration Certification Scheme)
 - The Department of Energy and Climate Change (Green Deal)
 - The Welsh Government
 - The United Kingdom Accreditation Service (UKAS)
 - The Competent Persons Forum chair, outgoing chair (now vice-chair) and chair of the marketing sub-committee.
- 3 Discern/collate/conclude. Formulate draft strengths & weaknesses. Consider early options for improvement. Report progress to the Department.
- 4 Conduct structured telephone interviews with all 17 competent scheme operators and the three related schemes (the pressure testing schemes run by Air Tightness Testing and Measurement Association and the British Institute of Non-Destructive Testing, and the Gas Safe Register). A full list of all organisations contacted is at Appendix A.
- 5 Discern/collate/conclude. Refine strengths & weaknesses. Refine options for improvement. Interim report to the Department

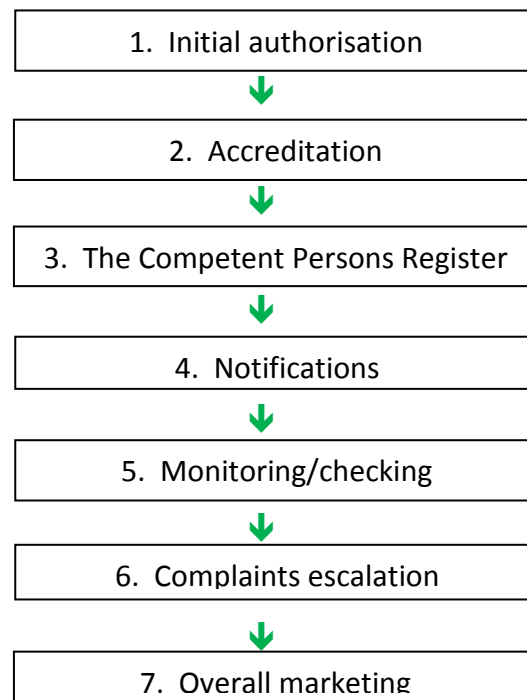
6 Formulate outline cost implications; contemplate 'left field' suggestions.

7 Refine, and write up final report for the Department.

Our interviews with the 33 organisations provided invaluable views and opinions which formed the background to our analysis. The interviewees' specific views and opinions are collated in Appendices B and C.

4. The central administrative structure supporting Competent Person Schemes

The central administrative structure supporting competent person schemes essentially consists of seven functional elements:



The main parties involved are the Department for Communities and Local Government, who in terms of overall delivery can be thought of as its 'owner', the body ultimately responsible for its central administration. In practice, certain elements have been devolved, either formally or through informal arrangements, to third parties who effectively take lead responsibility for those elements. These include scheme operators coming together as the Competent Persons Forum (see note below), the LABC representing the interests of local authority building control bodies, and the United Kingdom Accreditation Service.

The seven elements and the organisations with lead responsibility are summarised as follows:

Initial authorisation

Lead responsibility: The Department for Communities and Local Government.

Purpose: check the suitability of potential scheme operators against the conditions of authorisation, by scoring a comprehensive application form and seeking further information as necessary. Also includes potential de-authorisation of scheme operators due to failure

to achieve BS EN 45011 / ISO IEC 17065 accreditation or other downstream non-compliances.

Accreditation

Lead responsibility: The United Kingdom Accreditation Service (UKAS).

Purpose: assess scheme operators against BS EN 45011 / ISO IEC 17065, and the conditions of authorisation, feeding back to the Department for Communities and Local Government.

The Competent Persons Register

Lead responsibility: not clear. Informally, individual scheme operators (data) / Borough IT (implementation).

Purpose: provide central data resource for local authorities to check whether an installer is registered with a scheme; enable scheme operators to share information on former members whose membership has been terminated; provide a consumer-facing competent person search facility.

Notifications

Lead responsibility: not clear. Informally, individual scheme operators (inputting notifications) / LABC (creating data transfer format).

Purpose: notify local authorities of work carried out under competent person schemes.

Monitoring/checking of installers by scheme operators

Lead responsibility: individual scheme operators

Purpose: assessment of competence of potential members and checking to ensure that a competent person scheme member's work complies with the requirements of the Building Regulations.

Complaints escalation

Lead responsibility: installers/scheme operators /Department for Communities and Local Government.

Purpose: First-line complaint handling is by installers, then the scheme operators.

Escalation of unresolved complaints can involve the Department, who may check the scheme operator's conformity with the conditions of authorisation.

Overall marketing

Lead responsibility: individual scheme operators / Competent Persons Forum / Borough IT (website provision) / local authorities / the Department for Communities and Local Government.

Purpose: increase awareness of competent person schemes amongst consumers.

Note on the role of the Competent Persons Forum

The Competent Persons Forum plays a significant role alongside the Department for Communities and Local Government in the central administration of competent person schemes, providing assistance and input via the Forum collectively and also from specific individuals. Forum members input data to the Competent Persons Register, the consumer-facing [competent persons register website](#) is maintained by Borough IT, and issues such as the format for notifications are discussed and agreed by the Forum.

Its terms of reference are as follows:

- Share information and solve issues of common interest
- Look for common approaches to common issues
- Communicate information to members
- Make recommendations to the Department for Communities and Local Government, LABC and others
- Encourage co-operation between competent person schemes
- Agree communications including letters, press releases and other documents

5. Strengths and weaknesses of the current arrangements

The main function of competent person schemes is to ensure Building Regulations compliance, but scheme operators also have responsibility for ensuring a robust complaints procedure and financial protection are available to consumers, as required in their conditions of authorisation.

Large parts of the central administration of competent person schemes work well and would not necessarily benefit from reform. Where there are weaknesses they tend to revolve around clarity of who has responsibility for resolving issues.

There follows a discussion of the strengths and weaknesses of each of the seven elements of the central administration identified in the previous section.

5.1 Initial authorisation

The initial authorisation of potential scheme operators, before they proceed to accreditation by UKAS, is formally the responsibility of the Secretary of State and applicants are assessed by the Department for Communities and Local Government, in consultation with the Building Regulations Advisory Committee and LABC.

The desk-based assessment process includes detailed scrutiny of applications by departmental policy and technical officers against the conditions of authorisation. This scrutiny includes an assessment of the managerial and technical competence of the applicant for the type(s) of work applied for.

Conditions of authorisation 1–5 are given particular attention (commitment to achieve/maintain accreditation to BS EN 45011/ISO IEC 17065, robust and non-discriminatory management, quality & administrative system, technical ability to assess/inspect competence to deliver compliance with Building Regulations, assurance of financial viability, conflicts of interest avoidance procedures).

Condition 7 requires applicants to provide audited accounts, and the Department carries out a Companies House check. However, there is no requirement for applicants to disclose their full trading history (including complaints, County Court Judgements, etc). Similarly, there is no obligation in condition 9 on a successful scheme operator to require its potential members (installers) to disclose their full trading histories.

On occasion the Department receives applications from potential scheme operators who would seem to simply wish to add value to their business by securing an authorisation

rather than being serious about actually running a scheme. In the absence of an application fee or the requirement to obtain UKAS accreditation ahead of authorisation there is little to discourage such applications.

5.2 Accreditation (Scheme requirements)

The role of UKAS as the accreditation organisation for scheme operators is outside the scope of this study. The potential for unifying the scheme requirements is, however, within scope.

The current accreditation against BS EN 45011 / ISO IEC 17065 takes into account the conditions of authorisation (required by the Department for Communities and Local Government) plus the operator's scheme requirements. The conditions of authorisation require scheme members to be assessed against sector-specific Minimum Technical Competence requirements (effectively owned by the Sector Skills Bodies). In our view this is technically sound and works well. It also has the benefit of being consistent with the requirements placed on installers under the Green Deal and Microgeneration Certification Scheme.

Some scheme operators believe that UKAS attaches insufficient importance to the technical detail within each set of scheme requirements, concentrating on procedures rather than outcomes. It is important to realise, however, that UKAS's role is specifically to assess the competence of scheme operators to certify installers, and not to assess the installers' work itself. We are also satisfied that UKAS's assessment of the scheme operators does in fact include technical aspects such as the assessment of qualifications and competence of technical staff, and accompanied site visits to assess the scheme operator's inspection of their members' work.

5.3 The Competent Persons Register

The main reason for setting up the register was to provide local authorities with a means of checking whether installers were registered with a scheme. As such it works essentially as it should, although lead responsibility for delivery is not entirely clear.

All of the scheme operators regularly upload their membership lists to a central server, and the resulting combined register is accessed via the [competent persons register website](#), which has a public facing section as well as a restricted area for scheme operators. The site was originally set up by the Electrical Contractors Association and Borough IT with funding from individual scheme members. Borough IT have maintained and hosted the website (hence the list too) since its inception, largely free of charge.

This arrangement is beneficial to all concerned (mainly scheme operators and local authorities) insofar as they incur no ongoing costs, but they are exposed to the business risk that, whether due to acquisition, winding up or simply a change in business priorities, Borough IT's goodwill may not be limitless. Borough IT has indicated its willingness in principle to hand over practical operation of register and website to a more formally constituted owner.

We considered whether the procedure for sharing information about former scheme members whose membership has been terminated is sufficiently formal. Discussions with some scheme operators initially led us to conclude that it might not be, although now that a restricted area has been established on the register we have no reason to suppose that it is not.

5.4 Notifications

This is a problematic area, largely because lead responsibility for delivery is not entirely agreed by all parties.

Scheme operators are required to notify the relevant local authorities of all work carried out by their members, but the actual format of such notifications is not dictated by statute or in the Department's conditions of authorisation. The original format was agreed through informal dialogue between the Competent Persons Forum and the Department, and a subsequent XML schema was produced by LABC which should, in theory, provide a consistent and effective mechanism for notifications.

We observed two fundamental problems with the notifications process. Firstly, there is some debate about the actual definition of the XML schema. This is fundamental, and any disagreement defeats the object of defining an open standard of this nature. Secondly, scheme operators and local authorities are evidently using different property address data – both in the format (eg. how many lines and characters an address should contain) and in the associated Unique Property Reference Numbers.

The ill-defined XML schema has come about through lack of clear delivery responsibility. Despite LABC originally commissioning the schema (with Department for Communities and Local Government funding) they consider that they are no longer responsible for it. Confusion has subsequently arisen from, for example, differences between what was discussed in the Forum and the schema that is actually in use (eg. how many lines a property address should contain). We believe that this problem is relatively easily resolved.

The definition and source of address data is a more complex issue. Potentially every local authority in the United Kingdom may have defined its own format, and although the existence of a consistent XML schema should enable them to 'translate' and import notifications in principle, they may not have the IT resources to do so. Moreover, local authorities will generally have a licence from the Ordnance Survey to use centrally collated address data but scheme operators, being businesses, would be charged a far higher rate to obtain such a licence and have not considered this to be a viable proposition.

5.5 Monitoring/checking of installers by scheme operators

Some scheme operators argue that the monitoring and checking regimes should be more consistent between scheme operators, and some believe that the minimum inspection requirements in the Department for Communities and Local Government's conditions of authorisation are too light. However, the specified minimum requirements in the context of

a risk-based approach, with scheme operators having the discretion to impose more stringent regimes if they wish, is pragmatic and is consistent with schemes such as Energy Performance Certificates and Green Deal Advice Reports.

Fundamentally the monitoring and checking system seems to be working well.

5.6 Complaints escalation

The conditions of authorisation require scheme operators to have complaint resolution procedures in place based on the Office of Fair Trading's Consumer Codes Approval Scheme, and which aim to ensure the rectification of any upheld faults. These processes seem to be working well overall.

Where a customer is dissatisfied with work done by an installer, they may escalate their complaint to the scheme operator. Where they are dissatisfied with the way the scheme operator has dealt with their complaint, they may escalate it to Department for Communities and Local Government. This occupies a significant amount of officials' time.

The European Union (EU) Directive on alternative dispute resolution, due to be implemented by July 2015, will require scheme operators to have alternative dispute resolution procedures available and this may have the effect of reducing the burden on the Department.

5.7 Overall marketing

The [Competent Person Schemes webpages](#) on the GOV.UK website provides a reference for industry and Government. However, with the notable exception of the excellent downloadable consumer leaflet, as a consumer-facing website it is unhelpful, being unlikely to appear in a web search for "plumbers", "electricians" etc. Consumers think in terms of these sectors and may therefore find it hard to understand a complex picture where several scheme operators operate in each sector, and where those same scheme operators operate in many different sectors (especially where a 'specialist' scheme operator is operating in one or more of its 'non-core' sectors).

It could be argued that while it is vital that consumers understand the requirement to have work carried out in compliance with the Building Regulations, at the same time they should not be expected to understand the complexities of competent person schemes. However, they might well be glad to know that members of competent person schemes have had their competence checked and are authorised by Government to self-certify that their work is compliant with Building Regulations.

We were struck by a single (albeit anecdotal) conversation that we had with a consumer in the course of this project:

*"When I'm getting some work done in my house I don't know that I need a 'Competent Person'. What I **do** know is that I get three quotes and one is cheaper than the others. Personally I'd go with the cheapest, and it's only when I come to sell the house that I discover he was cheaper because he's not a Competent*

Person. And by the way, you need a better phrase than ‘Competent Person’, because it was perfectly clear to me that none of the three workmen were incompetent.”

The [competent persons register website](#), despite its primary purpose being to provide a checking facility for local authorities, is well designed to be consumer-facing. It has a modern feel, and even though there is still some confusing material about the underlying concepts, from this website consumers can click on the ‘find me a plumber’ search facility that they want.

That said, the functionality which has been put in place to ensure ‘fair shares’ and to prevent data mining make the search results confusing. For example, if an identical query is run twice, the displayed list of 20 plumbers is different each time.

We also observed some apparent bugs in the search facility. In one case Borough IT suspected that this was down to the ‘tags’ that installers had chosen to represent themselves. Whatever the reason, it is confusing for the consumer when (as we found) a search for ‘oil heating’ in a given area returns zero results, yet a search for ‘any heating’ in the same area returns 18 OFTEC-registered installers.

Further confusion is caused by the omission of Gas Safe-registered installers from the register, which we understand is because Gas Safe operates under statute from the Health and Safety Executive and not formally as a competent person scheme, and operates its own publicly available register of installers.

Overall, we believe that [competent persons register website](#) has the potential to provide a solid consumer engagement tool (although, as discussed later, this function may not be required in future). As with several other elements of competent person schemes, any weaknesses essentially revolve around delivery responsibility.

Regarding basic publicity and marketing, some scheme operators take very seriously their obligation under the conditions of authorisation to promote the scheme and all have a commercial interest in doing so. At the same time there is an obvious problem in trying to agree the messages for central marketing by the Forum – for example, a sector-specific market leader such as HETAS, OFTEC or FENSA will find it hard to agree to a message which urges the use of an installer registered with any one of the other more generalist competent person schemes who operate in ‘their’ specialist sector.

To conduct a major ‘above the line’ public awareness campaign would require significant financial resources (potentially £10+ million from central Government) and there are questions about the effectiveness of such campaigns.

Finally, there is a lack of a common brand and/or logo for competent persons. Scheme operators’ logos are often seen on their members’ vans and industry insiders will realise that this implies that they are competent persons. But nowhere do these logos actually say to the consumer “I am authorised by the Government to self-certify work under the Building Regulations, and I will give you an official certificate that my finished work is legally compliant.”

Some form of brand which unifies the diverse competent person schemes would benefit the consumer by reducing confusion, and hence could improve Building Regulations compliance.

5.8 Funding mechanisms

Currently, the Department for Communities and Local Government's central role in competent person schemes is funded from its normal departmental staff budget, while some peripheral work is carried out free of charge by the members of the Competent Persons Forum. In particular, several key roles are fulfilled by employees of LABC and the scheme operators, who donate their time free of charge – in total around 0.1 to 0.2 full time staff equivalent (Chair 12-15 days per annum, Marketing Chair 5-7 days per annum. and secretariat 6-8 days per annum). In addition, the hosting and maintenance of the register and the [competent persons register website](#) are carried out free of charge by Borough IT.

Whilst it is in all of these parties' interests for competent person schemes to be running, and running well, relying on goodwill is a risky business model, and competent person schemes would benefit from a more robust, stable and sustainable way of funding the peripheral work.

5.9 The Forum

The Forum fulfils most of its original terms of reference well, functioning with good effect as a liaison body with the Department for Communities and Local Government and a networking group. As such it is valued by the scheme operators and the Department alike. However, it does not perform the more operational aspects of its role as effectively. In any case there are some risks inherent in members of an informal group such as the Forum taking operational responsibility for items such as the register and associated website.

Forum meetings are a useful mechanism for the Department and the scheme operators to discuss and agree matters of common interest. However, a criticism that we heard was that some matters on the agenda “never move on” and the Forum is simply a ‘talking shop’.

The Forum also faces difficulties in agreeing and disseminating common marketing messages, due to its membership being in competition for market share.

6. Options analysis

We reviewed the need for a new type of ‘strong and independent’ overarching administrator, be that a legally constituted version of the Forum or a commercial body. It was gratifying to note that the main issues facing the administration of competent person schemes come down to clarity and ownership of delivery responsibility rather than anything more systemic.

We therefore concluded that, assuming that the delivery responsibility issues are resolved and a process of clarification and communication is undertaken, the current (seemingly fragmented) system does not appear to need any new type of central oversight and administration body. It is also important to note that the Department for Communities and Local Government has statutory obligations to fulfil, and that the Department will inevitably continue to have a major involvement in many aspects of the future central administration of competent person schemes whatever its form.

This chapter directly addresses the project objectives, and outlines our thinking on the options that the Department for Communities and Local Government may wish to consider in any reform of the central administration arrangements for competent person schemes.

It must be noted that the outline costs we have provided are indicative only, and serve simply to illustrate the relative costs of the options.

6.1 Lessons to be learnt from the management arrangements of similar bodies

In this section we discuss the management, administrative and financing arrangements of Green Deal and the Microgeneration Certification Scheme (overseen by the Department of Energy and Climate Change/Gemserv), the Approved Inspectors scheme (overseen by the Department for Communities and Local Government/ the Construction Industry Council / the Construction Industry Council Approved Inspectors Register Ltd), and TrustMark (overseen by the Department for Business Innovation and Skills), insofar as they are pertinent to competent person schemes.

6.1.1 Incorporation

Green Deal has arguably the most complex management arrangements of all of the schemes, with very detailed scheme requirements imposed on providers, assessors and installers. Its central administration is conducted under commercial contracts between the Department of Energy and Climate Change and two companies, Gemserv and Landmark Information Group. The Microgeneration Certification Scheme is also administered by Gemserv under contract to the Department of Energy and Climate Change. Being effectively grant schemes using public money, both Green Deal and the Microgeneration Certification Scheme are necessarily highly focussed on consumer protection and fraud prevention and are more complex than competent person schemes, to the extent that the administrative overhead incurred by the participants is often criticised.

The Department of Energy and Climate Change's officials with responsibility for Green Deal and the Microgeneration Certification Scheme are firmly in favour of the contracted-out oversight/administration model. They feel that it operates effectively and increases accountability in general, while also reducing the Department of Energy and Climate Change's workload – albeit at a cost. By way of illustration, the value of Gemserv's contract to oversee Green Deal is understood to be £5.8m over three years.

The TrustMark and Approved Inspectors schemes, on the other hand, are administered by not-for-profit limited companies which operate under a licence from their respective Government Departments. Both have non-executive boards of directors, some of whom are elected and some co-opted from industry stakeholders. The directors receive just expenses in the case of Approved Inspectors or a 'notional fee' in the case of TrustMark. The day-to-day operations of TrustMark are carried out by four full-time staff, and those of the Approved Inspectors by between one and two full-time equivalent staff members. Since their inception phases both organisations have been self-funding via membership fees, the income and expenditure resting with the respective not-for-profit companies.

Government involvement is arm's length in both cases, and is essentially limited to overseeing the companies' licences to operate. Despite having been originally incorporated solely to operate the schemes, the companies could in principle have their licences to operate withdrawn.

The Department for Communities and Local Government could consider contracting out the central administration of competent person schemes to a commercial company (the Green Deal / Microgeneration Certification Scheme model), or granting a licence to operate the administration on its behalf to a not-for-profit organisation (the Approved Inspectors / TrustMark model).

We observed that the current competent person scheme central administration arrangements convey a general sense of co-operation, collaboration and mutual benefit, resulting in a significant industry 'feel-good factor'. The more formal and onerous arrangements of Green Deal and the Microgeneration Certification Scheme, on the other hand, are sometimes perceived by industry to be more adversarial, hierarchical and bureaucratic. The competent person scheme operators prefer relating directly to the Department for Communities and Local Government, so in this respect the current competent person scheme arrangements work well and there would seem to be little benefit in inserting an additional layer of management into the structure.

6.1.2 Authorisation

For Green Deal, the Department of Energy and Climate Change has made it a condition that providers become ISO IEC 17065 accredited prior to their initial application. Such a requirement could also be beneficial to competent person schemes, whereby UKAS's role would be expanded to include aspects of the initial authorisation. The UKAS assessment would include office visits and record checking and as such would be a more rigorous underpinning than the desk-based assessment that the Department for Communities and Local Government currently undertakes, and would have the added benefit of discouraging less serious applications. UKAS would not, however, be able directly to consult the Building Regulations Advisory Committee, a statutory obligation on the Secretary of State.

The possible chicken-and-egg situation (ie. how can a body be accredited before demonstrating that it can manage the role for which it is being accredited?) is not considered by UKAS to be a problem. This is very much the norm for organisations seeking accreditation against any standard, and in such cases the accreditation process specifically re-assesses the organisation's work once their operation is up and running. UKAS have handled this situation numerous times for Green Deal and for the Notified Bodies system (whereby organisations are accredited to certify compliance with specific standards imposed by EU Directives).

6.1.3 Complaints

The schemes which we studied all attempt to resolve 'first line' consumer complaints internally, only escalating those where the consumer is not satisfied with the outcome. All schemes have the possibility that MPs and Ministers might ultimately become involved, but while the schemes commonly describe such escalation as inconvenient, they also say that very few such escalations ever become necessary, and even fewer are ultimately upheld. As a result, none of the schemes seems to consider their complaints escalation process to be particularly onerous.

That said, unlike competent person schemes, both TrustMark and Green Deal have a layer of dispute resolution which sits between their equivalent of scheme operators and their sponsoring Government department. This layer absorbs some of the workload of dispute resolution. In the case of TrustMark the layer is simply its Chief Executive Officer. In the case of Green Deal the layer is specified as 'any relevant ombudsman service', some of whom are named (the Financial Ombudsman, the Assessor certification bodies, "equivalent Alternative Dispute Resolution schemes", etc).

An additional layer of independent dispute resolution such as this could potentially be useful to the Department.

6.1.4 Funding models

Competent person scheme operators currently charge their members an annual fee, plus between £1.50 and £7 (typically £2) per Building Regulations notification³. The level of fees charged by other schemes varies greatly.

At the lowest end, TrustMark charges registered firms a flat fee of £30 per annum with no further payments 'per use'. Landmark, for Green Deal, charges £1.67 to lodge each domestic energy performance certificate and £11.81 to lodge each commercial energy performance certificate, on top of which the assessor certification organisations charge typically £5-£8 (domestic) or £15-£20 (commercial) per energy performance certificate lodgement. The approved inspectors scheme charges each entity a five-yearly registration fee of £2,000 plus 0.8% of turnover, and a five-yearly re-application fee of £3,500.

At the higher end of the range (depending upon an installer's volume of business), the Microgeneration Certification Scheme charges an annual fee of £115 plus £15 per notification. This funding provides the central administration, indemnity insurance for

³ We understand that the £7 end of the range includes additional services such as financial protection.

officers, a helpline and marketing materials/ activities. We understand that the Microgeneration Certification Scheme is currently considering future investment in items such as an insurance backed warranty for each job, an arbitration scheme and more supporting tools for installers.

The key point that distinguishes competent person schemes from other schemes is the volume of notifications. 3.4 million notifications were reported in the 2012/13 financial year, so even a very small levy on each notification, paid by the installer, could raise significant sums per year.

Alternatively, the same level of funds might be raised via an annual registration/licence fee paid by the scheme operators. This could take the form of a flat fee per operator, or a on a sliding scale depending on the number of industry sectors covered, or a volume-related fee based on notifications. The pros and cons of the fee structure would depend upon the particular business of each scheme operator.

It should be noted that the Building Act does not currently give the Department powers to levy fees or charges for competent person schemes. Also introducing any such funding mechanism would represent a burden on industry which would need to be subject to a full impact assessment. However, in our view the burden would be low and the benefits could be high.

6.1.5 Income handling

Green Deal effectively includes the equivalent of notification fees. As with competent person schemes, the transactions occur between the scheme installers and their certification bodies, who set the fees at whatever level they deem appropriate in the competitive market. The annual authorisation/ registration fees imposed on Green Deal participants, which effectively fund the Gemserv contract, are being waived by the Department of Energy and Climate Change for the first two years of the scheme; the mechanism for handling the income arising thereafter is yet to be decided.

In the case of the Microgeneration Certification Scheme, the entire scheme is treated by the Department of Energy and Climate Change as industry-led and entirely at arm's length. As such, fees are set, and the associated income held, by the Accredited Certification Bodies. The Accredited Certification Bodies set the fees at whatever level they deem necessary in order to remain a financially viable business.

If the Department for Communities and Local Government were to seek the powers to raise funds from the competent person scheme installers and/or scheme operators, from an administrative viewpoint it would be considerably simpler to charge the scheme operators an annual fee rather than to charge the installers a levy per notification. The scheme operators may in turn choose to recover the fee from their members via a levy per notification, or via some other route - but that is essentially a straightforward business decision for them.

The Department for Communities and Local Government would have to consider the mechanism for receiving the associated income, but the current lack of a mechanism does not in itself seem to be sufficient reason for needing a contracted-out administrator. Discussions with the Department of Energy and Climate Change on potential methods

could be fruitful, given that they will need to consider what process they will use once the two-year waiver period ends.

6.2 Ownership issues: the Competent Persons Register and building regulations notification system

6.2.1 The Competent Persons Register

As with other aspects of competent person scheme, in this context 'ownership' is to do with operational responsibility rather than legal ownership⁴.

The Competent Persons Register effectively has three elements: the data itself (which is gathered by the scheme operators individually), the electronic database which holds the amalgamation of that data (which is currently hosted free of charge by Borough IT) and the web-based front end into the database (also hosted free of charge by Borough IT). The register currently serves two purposes: (i) to enable local authorities to check that installers are in fact registered competent persons and (ii) to enable consumers to search for trade-specific competent person scheme members in their area.

In our view, the reasonable options are to assign operational responsibility for the register to one of:

1. The Department for Communities and Local Government
2. The Competent Persons Forum
3. LABC
4. A contracted IT company

The Department would not wish to manage the register directly but could, in principle, take the lead in contracting an IT company to run the register (option 4).

There has been much talk, over a long period, of the Competent Persons Forum becoming a legally constituted body that is then able to enter into contracts, receive an income and employ staff. It is quite apparent that, at present, there is no great appetite for this course of action within the Forum itself. Moreover we believe that the consequential conflicts of interest and 'power struggles' would almost certainly prevent it from happening. We do not therefore believe that the option of the Competent Persons Forum operating the register is currently a realistic one.

LABC have expressed an interest in principle in running the Competent Persons Register. We see benefits for competent person schemes, since there is an obvious business alignment with the local authority facing purpose of the register, and it is entirely in LABC's interest that the register functions correctly and efficiently. The Department may wish to

⁴ Legally, the data is owned by the scheme operators (and we would not suggest that this should change), and the database/website contains little intellectual property of value that needs to be protected legally. Hence, in our view, nothing new needs to be 'centrally owned' in the legal sense, and the focus should instead be on clarifying the operational responsibility for the database and its website presence.

consider the extent to which this option might represent a conflict of interest for LABC, given that the full local authority building control process could be perceived as a competitor to competent person schemes, although we do not anticipate that this will be a problem. This option is likely to be low or no-cost, since LABC are already geared up for such activities. It could even be self-financing via LABC's normal fee mechanisms. LABC would need to confirm the costs and discuss with the Department.

The option of passing operational responsibility for the register to a (probably small) IT company is very similar to the prevailing situation; with the IT company hosting the [competent persons register website](#) and its underlying database, and administering the data uploads from the scheme operators. An important difference would be that the arrangement would be 'de-risked' by formally recognising it through a small contract (£20-£50,000 in year 1, thereafter £10-20,000 per annum? – to be let either by the Department or LABC, with costs recouped via levy or scheme operator fees), rather than relying on the goodwill of Borough IT. Moving to this situation would be considerably less involved than to a Green Deal-like system, mainly because the functional specification is very much simpler (especially if the consumer-facing search function were removed). Borough IT's clear desire to make competent person schemes efficient and sustainable may also mean that they would provide the functional specification at low or no cost (and Borough IT would presumably be invited to quote for the formal contract in any case).

The Competent Persons Register – further **rejected** options

1. Leave operations with Borough IT as at present, but with a formal Memorandum of Understanding and IT audit process in place.
2. Pass ownership to a large commercial company already operating in the field, such as Capita or Gemserv.
3. Pass ownership to a not-for-profit organisation such as the Construction Industry Council, TrustMark or Constructing Excellence.
4. Leave a fragmented register with the individual scheme operators, with no central database.

Option 1 would reduce somewhat the exposure to third party goodwill, although the situation would only be fully de-risked by letting a commercial contract. Working up a Memorandum of Understanding and IT audit process is likely to involve nearly as much effort as letting a small contract, so it does not seem to offer any benefit over the latter.

Capita currently run the Gas Safe Register and Construction Line, and as such they are well experienced and geared up to running the Competent Persons Register in principle. Gemserv currently provide oversight and operational functions to both Green Deal and the Microgeneration Certification Scheme, and they too are well experienced and geared up to running the Competent Persons Register.

However, we do not see any clear justification for letting a single tender contract to any of these organisations.

The Construction Industry Council's Approved Inspector scheme might be perceived as a competitor to competent person schemes in some ways, although their operations are well aligned with running the Competent Persons Register. The Construction Industry Council have indicated that they would not be averse to taking on elements of competent person

schemes in principle, although this has not previously been their ambition. TrustMark operates in a similar way to competent person schemes, but there are concerns about the organisation's size (an order of magnitude smaller than competent person schemes in terms of installer members). Nevertheless, some form of closer integration between competent person schemes and TrustMark in terms of its brand is worthy of consideration. Constructing Excellence are another membership organisation who in principle would have the infrastructure required to run systems such as the Competent Persons Register⁵.

We considered the case for leaving the operation of the register with the individual scheme operators but *without* the requirement to upload to a central database. In this instance the current central register would in effect be abandoned in favour of a series of smaller registers. All scheme operators would agree a common data format for their registers (probably the current format of the central database), and the interface on the website would be modified to link to the multiple scheme operators' registers while appearing to the user to be a seamless single database. The benefits would be that formal ownership of a single central register would not be needed, and that the data would be real-time rather than a 'snapshot'. On balance, however, in our view the benefits would be outweighed by the increased complexity of the IT solution and the attendant loss of functionality for the consumer.

6.2.2 Notifications

Eleven of the scheme operators cited data format issues, rather than lack of central administration, as the reason for the current shortcomings in the notification process.

Having considered the problem at length, we believe that the current situation could be resolved by clarifying the operational responsibility for its two separate aspects - the XML schema specification and the source of address data.

The *raison d'être* of an XML schema is to ensure a consistent data format, and it should not be hard to agree once and for all the format of the competent person scheme notification schema.

We consider that the reasonable options for the schema are therefore:

1. The Department for Communities and Local Government take ownership of the current schema, review the specification with LABC, and communicate a definitive specification to the scheme operators. Thereafter continue operations as at present.
2. More strongly assign operational responsibility for the XML schema to LABC, who would then communicate the definitive specification to the scheme operators and local authorities and take responsibility for resolving residual XML issues between the scheme operators and local authorities.

Option 1 could work, but leaves the question of operational responsibility unclear and perpetuates the current reliance on goodwill. Costs would be low - 5 DCLG person-days in total? - and could be met from the current Departmental staff budget.

⁵ We attempted, without success, to speak with Construction Excellence in the course of this project. We anticipate that they will consider CPS to be too far removed from their core activities for it to be of interest in this respect.

The benefit of option 2 is that, as with operational responsibility for the Competent Persons Register, LABC has a clear interest in the notification system working well. They do not have any day-to-day involvement in the building control activities of individual local authorities, so cannot dictate that the local authorities necessarily adopt the official schema. Nevertheless, as a not-for-profit membership organisation which currently represents all of the local authority building control departments in England and Wales, LABC are well placed to encourage, persuade, guide and support the local authorities in implementing the schema. LABC have indicated their willingness to assume this role in principle. We would anticipate there being no cost to the Department for Communities and Local Government, although LABC would need to confirm this.

Options for the address data problem:

In our view the most reasonable option is for the Department for Communities and Local Government to fund (perhaps only partially) the provision of consistent and authoritative address data for all scheme operators.

The commonest source of consistent Unique Property Reference Number data is the Ordnance Survey's 'AddressBase' product, a commercial joint venture between the Local Government Association, Royal Mail and Ordnance Survey. There are three different levels of data available, with varying fees including a beneficial cost structure for Government bodies under the Public Sector Mapping Agreement which is centrally funded by the Department for Business, Innovation and Skills. There are some 3,300 licenced users under the Public Sector Mapping Agreement, comprising central Government departments (including the Department for Communities and Local Government), local authorities, parish councils, National Health Service Trusts, etc.

Initial conversations with Ordnance Survey have indicated that the scheme operators would, in principle, be allowed to use AddressBase under the Public Sector Mapping Agreement as long as the Department for Communities and Local Government were to manage the arrangement (ie. sub-licence the data to the scheme operators). This is to ensure that the scheme operators do not use the data for other commercial purposes while enjoying the benefits of the Public Sector Mapping Agreement price. We are advised that the Public Sector Mapping Agreement would cover the fees owed to the Ordnance Survey, but there would still be a fee due to Royal Mail. This fee is currently under negotiation between Royal Mail and the Department for Business, Innovation and Skills, but is currently around £4,000 per system per annum, ie. the total cost for the Department for Communities and Local Government to provide this to all scheme operators would be £68,000 per annum – possibly funded via levy or scheme operator fees, or perhaps centrally in conjunction with the Department for Business, Innovation and Skills? The scheme operators may also incur minor IT development costs to import the data.

Notifications – further **rejected** options

We have rejected the option of a central notifications repository such as that used for energy performance certificates. It would appear to be a 'sledgehammer to crack a nut', given the more straightforward options that we have identified for improving the current situation. Operationally, it does not appear to provide any increase in the efficiency of delivery, and introduces an additional degree of separation between the scheme operators and the local authorities. A central repository is also likely to incur significant set-up costs

(£100k from the Department for Communities and Local Government or via levy or scheme operator fees) as well as operational costs to be borne by industry (if lodgement fees were charged as for the Energy Performance Certificate register, then the costs could be of the order of £3-4million per year).

Importantly, in the course of the project we did not hear any particularly strong desire from the interviewees to establish a central repository; only two scheme operators mentioned it to us, and LABC (who have a strong vested interest in the notification process working well) said they did not favour a central repository for the reasons described above.

Regarding the address data problem, we also considered the 'do nothing' option - ie. continue to require the scheme operators to solve any problems in liaison with the relevant local authorities. Once there is an agreed, official XML specification it is a basic expectation of any professional organisation such as a scheme operator to solve its own interface problems. The energy performance certificate accreditation industry, for example, has no problem with this requirement. However, it is not a favoured option because the current situation is clearly broken, so to do nothing would solve nothing.

6.3 The status of the Competent Persons Forum

Under most of the options discussed in this chapter the role of the Competent Persons Forum in the day-to-day administration of competent person schemes would be unchanged. It does not seem likely that the Competent Persons Forum will become re-constituted as a legal entity. It is therefore likely that the Forum will continue with its original purpose, acting as a lobbyist / networking group as reflected in its terms of reference. It would meet periodically as now, to discuss and solve issues of common interest, to communicate with the Department for Communities and Local Government, LABC and internally, to exchange information and to agree marketing communications.

From our understanding, this continued role would not be resisted by the members. We anticipate that the Department would continue to attend Forum meetings, although the Forum members would probably want their own 'closed' agenda items as well.

There is a case for establishing sector-specific sub-fora, although for the larger scheme operators this would increase their time commitment significantly. Against this, it has been suggested that sub-fora are not necessary now that the Minimum Technical Competence assessment procedures are in place and are formally the responsibility of the sector skills bodies. The decision is not critical, and can easily be made by the Forum members themselves.

It is for the Forum members to agree who should next chair the Forum. Given the role expected for the Forum, it is still appropriate for the chair normally to be a representative of the scheme operators.

It might be argued that the Department should chair the Forum, although given that many of the papers are written by the Department this is probably not appropriate. Moreover, were the Department to assume the role of chair the collaborative and supportive nature of the current relationship between the Department and the scheme operators could change to a more hierarchical one, which would not be helpful as outlined previously.

While the appointment of the chair is an important decision, it is not time-critical in reforming any aspects of competent person schemes.

6.4 The Department for Communities and Local Government's future role in relation to scheme operators

The Department for Communities and Local Government's role in relation to scheme operators could change, depending on which options in this report that it chooses to implement, and this section should be read in that context.

6.4.1 The Department for Communities and Local Government's future role: Authorisations

In our view the reasonable options for the initial authorisation of potential scheme operators are as follows:

1. The Department for Communities and Local Government continue to carry out initial authorisation as now.
2. Expand UKAS's role to include aspects of the initial authorisation.

We do not see anything fundamentally wrong with the way that the Department currently assesses applications, although we are aware that they have concerns about relying on what is primarily a desk-based assessment. In our opinion either option could work well, subject to the following:

- The number of non-serious applications could be reduced if the Department were to charge a substantial application fee (as does, for example, the Approved Inspectors scheme), and/or if the Department were to require BS EN 45011 accreditation prior to application (as does Green Deal).
- Requiring UKAS accreditation ahead of application has additional benefits to the Department, notably a deeper level of scrutiny than the current desk-based exercise can provide (eg. office visits and record checking). It will, however incur a cost for some new scheme applicants.
- The Department may like to consider placing a requirement on scheme operators and their members to disclose their full trading history (including complaints history and County Court Judgements). Both TrustMark and the Construction Industry Council, for example, consider that such requirements increase consumer confidence and result in fewer escalated complaints.

Authorisations – further **rejected** options

The Department could pass the initial authorisation on a commercial basis to an organisation such as TrustMark, who are already geared up for such activities. We can see little benefit in this option, because it would result in a loss of control without the upside of having a specialist such as UKAS involved.

6.4.2 The Department for Communities and Local Government's future role: Notifications

The Department may wish to take operational responsibility for the XML schema definition, although it seems more appropriate that LABC should take ownership. The Department may also choose to become the funder of address data for the scheme operators, a key role which has much support amongst the scheme operators.

6.4.3 The Department for Communities and Local Government's future role: Complaints escalation

We consider that the reasonable options are:

1. The Department to continue to have a role
2. A body (or bodies) constituted as a result of the new EU Directive on Alternative Dispute Resolution to take this on.

Considering the importance of this task, it seems to be an appropriate use of the Department's resources and there is little reason in principle to seek alternatives. However, other similar schemes have an additional escalation/resolution layer which sits between the operators and the corresponding Government Departments, thus reducing these Departments' workloads. .

The Alternative Dispute Resolution Directive could allow the scheme operators to provide a resolution service themselves subject to various conditions (including having a separate budget). Alternatively, the directive permits any third-party certified Alternative Dispute Resolution provider to offer the service. The results of the Department for Business, Innovation and Skill's consultation will inform individual scheme operators' decisions on which is the preferred route for their schemes. Either way, they will need to have such a service in place and this can be expected to reduce the Department's role.

Complaints escalation – further **rejected options**

Complaints escalation could be made the responsibility of a suitable commercial body which is already geared up for such activities, such as Capita, Gemserv, the Construction Industry Council or TrustMark. However, this is likely to incur significant additional costs with little associated benefit. Moreover, consumers would presumably continue to escalate their 'unresolved' complaints to their MPs and Ministers, so the Department for Communities and Local Government's associated workload is unlikely to reduce.

6.4.4 The Department for Communities and Local Government's future role: Marketing and communications

One option we considered was for the Department for Communities and Local Government to fund general consumer awareness activities for competent person schemes. There is strong support amongst the scheme operators for such a campaign. The Department, however, takes the view that it is for the scheme operators to fund their own publicity rather than Government, given that scheme operators and their members stand to make commercial gains as a result of such activity.

6.4.5 The Department for Communities and Local Government's future role: The Competent Persons Forum

It is clearly appropriate for the Department to continue to attend Competent Persons Forum meetings and to contribute in whatever way proves useful to all parties. It is probably undesirable for the Department to assume the role of chair, but neither should its role become that of a mere observer. There is no reason to suppose the Department will not continue to take an active role as a full participant.

Specifically, they may wish to consider taking over the provision of the secretariat function from LABC. The Department already provides a meeting room, administers the attendance lists and undertakes sundry housekeeping tasks.

6.5 The case for developing a consolidated set of scheme documents

Were the scheme operators required to unify their scheme requirements, the cost of doing so would be incurred mainly by scheme operators and in part also by the Department, yet the benefit would mainly accrue to UKAS in terms of a simplified task and reduced overall workload (although we presume that this might also result in a small reduction in the average accreditation fee).

There does not seem to be much of a case for any closer alignment of the schemes' requirements; different sectors will always need to refer to different National Occupational Standards and Minimum Technical Competences, and there is already a single set of conditions of authorisation (which are comprehensive) and a single quality management standard (BS EN 45011, in the process of being superseded by ISO IEC 17065). The Department has no wish to dictate in more detail how schemes should organise themselves.

6.6 The overall marketing of competent person schemes

There is, unsurprisingly, a strong desire from scheme operators for a central publicity campaign, for competent person schemes, to be carried out funded by Government. The Department, however, takes the view that it is for the scheme operators to fund their own publicity rather than Government, given that scheme operators and their members stand to make commercial gains as a result of such activity. Whoever funds marketing, however, our overall observations are as follows:

- For everything that is consumer-facing, the phrase "Competent Person(s)" could usefully be replaced with something more meaningful.
- A common competent person schemes brand (including a logo) should be established, and all scheme operators be required to use it alongside their own brand. We recognise, however, that there is an issue about who would own the brand and control its use. The Forum is not a legal entity and so not able to do so itself and there would be liability issues for the Department to consider if they were to do so (as below).

- There is something to be said for using the “Government Endorsed Standards” strapline that the Department for Business, Innovation and Skills has granted TrustMark, and a logo which mirrors that of TrustMark. Medium cost (£20,000, perhaps split between the Department for Business, Innovation and Skills and the Department for Communities and Local Government?). Against this, there would be increased liability for Government in associating itself in the eyes of the consumer with specific Competent Persons. The experience of the Department for Business, Innovation and Skills in the context of the TrustMark scheme is that defending the integrity of the “Government Endorsed Standards” strapline can require significant manpower.
- The Department for Communities and Local Government could also commission a brand, logo and strapline from scratch using a branding company. High cost (£50-100,000+ from the Department for Communities and Local Government or via levy or scheme operator fees). No obvious benefit and similar manpower implications in defending its integrity.
- The Competent Persons Forum has a marketing sub-group, comprising marketing experts from some of the larger schemes, which could make proposals on branding to be agreed by the wider Forum.

Specifically, there is a question of whether the **register and website** should actually perform a consumer-facing function at all; there is an argument that providing a ‘find an installer’ facility for consumers is not a job for the central administration of competent person schemes. Our observations are as follows:

- The consumer search facility should either be removed or made less confusing. Minimal cost to remove, or medium cost to improve (£20,000 from the Department or via levy or scheme operator fees)
- If the search facility is retained, Gas Safe installers should be included in the search facility. Low- or no-cost.

Options for general consumer communications (awareness raising, etc) are:

1. The scheme operators continue to promote their own schemes individually as per the conditions of authorisation.
2. The Department engages with a body such as the Energy Saving Trust with a view to the latter conducting a central campaign.

Option 1 runs the risk of perpetuating the confusing and fragmented nature of competent person schemes, although with the marketing collateral of a new competent person schemes brand and logo this might be avoided. No additional cost to continue the current situation.

Option 2 has the benefit that the Energy Saving Trust is the UK’s leading independent organisation for promoting environmental issues to consumers and communities, and already works closely with Government Departments. The Energy Saving Trust was set up by Government in 1992, and has extensive routes to market including websites, call centres, social media platforms and email lists. They engage with five million consumers and 2,000 community organisations per year. Despite now being constituted as a social enterprise rather than a Government agency, the Energy Saving Trust still operates the Department of Energy and Climate Change’s Energy Saving Advice Service and has several staff working on the Energy Company Obligation, Green Deal and the Microgeneration Certification Scheme. Notably, the Energy Saving Trust assisted the

British Standards Institute in the development of PAS2030: Improving the Energy Efficiency of Existing Buildings.

The Energy Saving Trust considers Building Regulations to be within the scope of its activities. Its Chief Executive Officer has suggested that for schemes such as competent person schemes 'traditional' advertising campaigns are unlikely to be effective in terms of their outcomes (notwithstanding the large sums of money required). Conversely though, established, specific channels such as those used by Energy Saving Trust are likely to yield far better results, paradoxically at considerably lower cost. Cost of "£thousands rather than £millions", to be funded by the Department or via levy or scheme operator fees.

Overall marketing – further **rejected** options

We considered the option that the Department for Communities and Local Government funds a major 'above the line' public awareness campaign. However, we recognise that this would require significant financial resources (potentially £10+ million) that are unlikely to be forthcoming. In any case there are questions about the effectiveness of such campaigns. The Department might also continue to rely on the Competent Persons Forum to agree common messages for central marketing and carry out that marketing. However, we believe that this may continue to prove extremely challenging for the scheme operators.

6.7 'Left field' ideas

We heard only one somewhat radical suggestion: that the entire central administration of competent person schemes might be passed to a national builders merchant, who would operate it free of charge in return for the marketing access that this would provide to the 134,000 competent person scheme members. We do not consider that this idea is particularly desirable or has a high chance of success, but we offer it to the Department for Communities and Local Government nevertheless as an innovative insight.

7. Conclusions

This chapter summarises the main findings of the project and our favoured options for reform where appropriate (in bold). We would not, however, suggest that the Department for Communities and Local Government should disregard the other options that have been discussed at length in this report; **it is for the Department to consider which options to take forward in dialogue with the scheme operators, both individually and via the Competent Persons Forum.**

7.1 Strengths and weaknesses of the current arrangements

We found that large parts of the central administration of competent person schemes work well. Where there are weaknesses they tend to revolve around clarity of who has responsibility for delivery. Specifically, we found that:

- The initial authorisation process is thorough, although there is scope for enhancement. For example, there is little in place to discourage non-serious applications.
- The accreditation arrangements for scheme operators are technically sound, and are broadly consistent with Green Deal, the Microgeneration Certification Scheme and the Energy Company Obligation.
- The Competent Persons Register works well as a facility for local authorities, although its delivery responsibility needs clarifying. The hosting arrangements leave scheme operators and LABC overly exposed to goodwill.
- The Building Regulations notification system has two problems: the definition of the XML schema and the source of property address data.
- The installer monitoring and checking system is working well.
- The handling of escalated complaints occupies a significant amount of the Departmental staff time.
- The interested parties are undecided as to whether www.competentperson.co.uk should have a consumer facing role.
- The current 'find an installer' search facility is confusing.
- Scheme operators promote their schemes well but have a problem in agreeing central messages for marketing by the Forum.
- The lack of a common brand and/or logo for Competent Persons may be contributing to consumer confusion.
- Some of the central administration of competent person schemes is carried out free of charge by the members of the Competent Persons Forum, and relying on goodwill is a risky business model.
- The Forum fulfils its terms of reference well.

We contemplated the need for a new type of overarching administrator, but found no systemic failures apparent within the current arrangements. **We therefore concluded that the current system does not, fundamentally, need any new type of central oversight and administration body.**

7.2 Lessons to be learnt from the management arrangements of similar bodies

- Unlike some schemes, the current competent person schemes central administration arrangements convey a general sense of collaboration, resulting in a 'feel-good factor' for industry. **In this respect there would be no benefit in changing to a more formal, hierarchical arrangement.**
- **It would be beneficial if scheme operators were required to be accredited to BS EN 45011/ISO IEC 17065 prior to their initial application.**
- **An additional layer of complaints resolution between the scheme operators and the Department would bring competent person schemes in line with other similar schemes.**
- Given the scale of competent person scheme activity, there are opportunities to raise significant funds to finance any reforms that may be needed to its central administration. However, this may be prevented by lack of legal powers.

7.3 Ownership issues: the Competent Persons Register

- **The most beneficial arrangement would be for LABC to take operational responsibility for the register.**

7.4 Ownership issues: the building regulations notification system

- **The current problems could be resolved by clarifying who has operational responsibility for the XML schema specification and the source of address data.**
- **There are clear benefits in LABC more strongly taking responsibility for the XML schema.**
- **The Department for Communities and Local Government should fund the provision of address data for all scheme operators.**
- **There is little appetite for a central notifications repository.**

7.5 The status of the Competent Persons Forum

- **The Forum is likely to continue with its original purpose, acting as a conventional liaison / lobbyist / networking group.**

7.6 The Department for Communities and Local Government's future role in relation to scheme operators

- We do not see anything fundamentally wrong with the way that the Department for Communities and Local Government currently assesses applications from potential new scheme operators.
- The Department could discourage non-serious applications by charging an application fee.
- **A similar outcome could be achieved, and a deeper level of scrutiny provided, by requiring UKAS accreditation ahead of application.**
- The UKAS option is likely to require less resource from the Department.
- **The Department could benefit from the additional layer of escalation/resolution that other schemes have, but the EU Alternative Dispute Resolution Directive (which will require scheme operators to have alternative dispute procedures in place from July 2015) can be expected to reduce the Department's role.**
- **The Department could have a role to play in conducting consumer communications.**
- **The Department should continue to take an active role in the Forum as now, and consider taking over the secretariat function from LABC.**

7.7 The case for developing a consolidated set of scheme documents

- **There does not seem to be a case for any closer alignment of the scheme requirements.**
- **It is perfectly appropriate for different sectors to refer to different National Occupational Standards and Minimum Technical Competences, and the conditions of authorisation plus BS EN 45011 / ISO IEC 17065 provide a robust overarching framework.**

7.8 The overall marketing of Competent Person Schemes

- **There is a question to be considered on whether or not consumer-facing functions such as the installer search facility are part of the role of the Competent Persons Register website. If they are, the current search facility needs improvement. If not, it should be dropped from the website.**
- **Basic options for general marketing are for the scheme operators to continue to promote competent person schemes individually, or for the Department for Communities and Local Government to work with a body such as the Energy Saving Trust to conduct a central campaign.**
- There is no disbenefit in allowing the scheme operators to continue promotion as now, but there are clear benefits if a body such as the Energy Saving Trust were to promote competent person schemes in parallel. The Energy Saving Trust engages with five million consumers annually, and already works closely with various Government Departments.

Appendix A – Organisations contacted

Department for Communities and Local Government
Local Authority Building Control
TrustMark
Department for Business, Innovation & Skills
Construction Industry Council
Gemserv
Department for Energy and Climate Change (MCS)
Department for Energy and Climate Change (Green Deal)
The Welsh Government
UK Accreditation Service
The Competent Persons Forum Chair, outgoing Chair (now Vice-Chair) and Marketing Chair
Scheme Operators:
Association of Plumbing and Heating Contractors (Certification) Ltd
ATTMA (Air Tightness Testing and Measurement Association)
Benchmark Certification Ltd (was CORGI)
British Board of Agrément
BM Trada Certification Ltd
Building Engineering Services Competence Assessment Ltd
British Institute of Non Destructive Testing

BRE Global Ltd
British Standards Institution
Cavity Insulation Guarantee Agency Ltd
CERTASS Ltd
CERTSURE
FENSA Ltd (Fenestration Self Assessment Scheme)
Capita Gas Registration and Ancillary Services Ltd (Gas Safe Register)
HETAS Ltd (Heating, Testing and Approvals Scheme)
NAPIT Registration Ltd
National Federation of Roofing Contractors
Network Veka Ltd
Oil Firing Technical Association Ltd
Stroma Certification Ltd

Appendix B – Interview outcomes

This appendix presents the collated views which emerged from our interviews with the scheme operators and key organisations (both industry and Government).

It is important to note that our research was deliberately qualitative in nature, so while we are able to present the ideas and opinions that we heard, it is not possible to quantify the ‘strength’ of those views. We present a summary table showing a numerical breakdown of the SOs’ views in Appendix C, but this should not be regarded as rigorously quantitative either.

The views which were expressed tended to group into the following themes:

- The role of the Department for Communities and Local Government generally
- Authorisation and accreditation (scheme requirements)
- The Competent Persons Register
- Notifications
- Monitoring/checking
- Marketing and the public face of competent person schemes
- The role of the Competent Persons Forum

The role of the Department for Communities and Local Government generally (Interviewees’ views)

- In an ideal world the Department for Communities and Local Government should take on full and strong administration of the competent person schemes including all of its aspects – whilst avoiding “the sheer complexity of a Green Deal-like system”. But this would seem to be an unlikely outcome.

Authorisation and accreditation (scheme requirements) (Interviewees’ views)

*Our brief in respect of UKAS was limited to the potential unification of scheme requirements between scheme operators. However, several interviewees expressed views and shared ideas on the **wider** role of UKAS, which we have discussed informally with the Department.*

- The concept of unifying all scheme requirements, is likely to reduce costs – “If UKAS have to read fewer sets of scheme requirements then it would cost them (and hence the scheme operators) less”.

- Against this, there is widespread opinion (including within the Department for Communities and Local Government and the scheme operators) that the current combination of consistent conditions of authorisation, owned by the Department, plus the sector-specific Minimum Technical Competences, owned by the Sector Skills Councils, is technically more sound, and actually works well.
- ISO IEC 17065 is designed to accredit an organisation's competence to set up and run schemes, rather than to accredit the scheme requirements per se. So in the opinion of some, a scheme with poor scheme requirements could in principle achieve accreditation. However, ISO IEC 17065 also states that the scheme requirements should be professionally formulated and peer-consulted, so the current use of the conditions of authorisation plus the Minimum Technical Competences should mean that this is not a problem.
- UKAS feel that they should automatically be made aware when changes are made to a Minimum Technical Competence by its owning Sector Skills Body.

The competent persons register (Interviewees' views)

- Ownership is unclear.
- An *independent* overseer is considered essential by some interviewees that are not scheme operators, but opinion within scheme operators was divided 50-50 on whether a single centrally held list or the individual SOs' lists would be better.
- It should be mandatory to contribute to its funding.
- More emphasis should be placed on continual professional development, which should be recorded on the register.
- We heard two opinions that the mechanism for administering of the sharing of information about former members whose membership has been terminated is too informal. We also heard clearly from different parties that it *is* sufficiently formal, and *does* work.
- The consumer-facing 'search' function is ad-hoc, inconsistent and confusing. This is due to (a) a 'fair shares' algorithm which displays different contractors in the specified region each time, and (b) limitations on the number of displayed contractors to prevent data mining by 'list sellers'.
- Consider funding the register via a small levy on the notifications made to scheme operators by their members.

Notifications (Interviewees' views)

- A majority of scheme operators feel that notifications within a scheme are working well, but that notifications to the local authorities are failing.
- Indeed, most organisations (non-scheme operators as well as scheme operators) contend that everyone is genuinely trying to notify correctly and diligently (i.e. no-one is acting negligently or fraudulently), but that the *systems* are making notifications hard.
- Against this, we heard one opinion that notifications are *not* being diligently attempted – although we noted a vested interest that could have led to this statement.
- There was a widely expressed opinion that the XML notification schema is somehow 'broken'. On one hand we heard that there are maverick versions of the schema in use, but we also heard that the problem lies not in the schema per se but in the Unique Property Reference Number data that local authorities use and scheme operators lack. It was stated that "Ordnance Survey own the Unique Property Reference Number data which the local authorities use, but the scheme operators can't afford it – so we are all using different address references."
- There are valid concerns that any failure to notify might only come to light upon the attempted sale of a dwelling.
- There is also some concern that installers who are not suitably qualified are carrying out work under the authority of registered competent person scheme member companies.
- There is some appetite amongst interviewees who are not scheme operators for a central repository of notifications/ lodgements (similar to the Landmark repository for energy performance certificates), but only two scheme operators favoured this route. It has obvious cost implications.

Monitoring/checking (Interviewees' views)

- One organisation considered that the checking and enforcement requirements of competent person schemes are too lenient, especially when compared with the full Building Control process and its strict schedule of inspections.
- We heard more than once that there is too much disparity in monitoring/checking requirements between scheme requirements. Minimum requirements are set out in the Department for Communities and Local Government's conditions of authorisation, however there is no consistent view among the scheme operators about the 'right' level; as many scheme operators think that the current frequency of inspections is "about right" as think it too low or too high.

Similarly, the concept of a risk-based regime is supported by around the same number of scheme operators as those who disagreed.

- One scheme operator feels that there should be flexibility for scheme operators to set *higher* standards – although it is our understanding that there is nothing currently preventing this. If sector-specific Competent Person Forum sub-groups were to be set up, they might be invited to suggest higher levels for their individual sectors.

Marketing and the public face of competent person schemes (Interviewees' views)

- Interviewees felt that consumers are confused by the complex Department for Communities and Local Government competent person schemes webpage. While [competent persons register website](#) is significantly clearer, do consumers actually *need* to understand the finer points of Building Regulations and competent person schemes? “In their mind, all they really want to say is ‘find me a plumber’, and then to know that the plumber is ‘Government-approved’”.
- At root, the fact that multiple scheme operators operate in each sector, and the fact that the same scheme operators operate in multiple sectors, presents a very complex picture to the consumer. “How can an electrical body certify solid wall insulation installers?”
- This might just come down to clarification – ie improving communications for consumers. Scheme operators generally support this notion, although opinion is divided on whether it should be a central campaign or run by each scheme operator. A central campaign could require significant funding though – “it’ll all be a waste of time unless Government invests £50M over 5 years, not the £2M that TrustMark got”.
- Ownership of [competent persons register website](#) needs to be clarified.
- We heard one tentative opinion that local authorities could become the first point of reference for the consumer. If there were a centrally-controlled public list of competent person scheme members (as opposed to a central *website*) then local authorities could build the list into their own websites in whatever way they wish. (This might cause a conflict of interest given that all local authorities subscribe to the LABC model.)
- Common marketing by the Competent Persons Forum is hard. For example, why would sector-specific market leaders such as HETAS, OFTEC or FENSA agree to a message such as “Use an installer registered with any of the following eight competent person schemes who are operating in this sector (which was historically ours alone)...”?
- It was suggested that TrustMark and competent person schemes might be more closely integrated, possibly through mandatory membership of TrustMark. For example, there is a plethora of independent ‘trusted trader’-type websites; could competent person schemes signpost to TrustMark’s website or vice versa to reduce the confusion?
- There is also some support for more strongly associating TrustMark’s “Government Endorsed Standards” tag with competent person schemes, in particular if other

schemes such as Green Deal, the Microgeneration Certification Scheme and the Energy Company Obligation could be brought under the same branding - “why not have ONE Government badge for all of these schemes?”

- However, it is not currently possible under the Building Act for Government to mandate TrustMark membership for competent person schemes. And even if it were possible, this would be deemed to be imposing an additional financial burden on industry, which is considered undesirable.
- We also heard opinions that:
 - TrustMark are wedded to ISO IEC 9001 whereas most (if not all) similar Government schemes are using ISO IEC 17065, PAS2030: Improving the Energy Efficiency of Existing Buildings and the Minimum Technical Competences. (Postscript – we understand that TrustMark are conducting a review of this requirement.)
 - TrustMark are too small to take on something of this scale. (14,000 members as opposed to the 134,000 of competent person schemes, or 300,000 including Gas Safe registrants).
 - TrustMark’s scheme audit process is ineffectual.
 - Because TrustMark allow retailers to become members, items such as windows and boilers which are installed by the DIY community without Building Control could still be perceived as ‘Government endorsed’.

The role of the Competent Persons Forum (Interviewees’ views)

- Nearly all parties agree that the role of the Competent Persons Forum is unclear, but also that converting it to a well-functioning legal structure would be hard. The competing interests amongst the scheme operators, especially within a specific sector, would, without a doubt, lead to power struggles - which may be insurmountable.
- “But even a legally-constituted Forum would be just another body that everyone would ignore. Only the Department for Communities and Local Government itself has the authority and the teeth to make this stuff work; if *they* say we have to do something, we will.”
- The Forum could possibly remain as an informal body but with some kind of ‘Government approved’ status (like TrustMark), and possibly with a Department for Communities and Local Government officer as chair to increase its gravitas and authority. But there are resourcing implications: the Forum would not be able to rely on goodwill and secondments at this scale.
- Too many, and too diverse, organisations attend Forum meetings. Possibly form a sub-forum for each sector, or perhaps just for two super-sectors: fabric and services. (The scheme operators were divided, but there was no strong appetite for a large number of sub-groups. Concern that this would increase the commitment required by the larger scheme operators by a factor of six or more.)

- Some support for leaving the Forum simply as a discussion/lobbying/networking body.
- Widespread agreement that in its current form it achieves little. “The agenda doesn’t move on from one meeting to the next, and actions never get closed”. (This is possibly indicative of the power struggles referred to previously.)
- “Competent person schemes are lacking a strong and properly resourced central administrator. Whatever its future, it needs independence at the top; in particular the chair should not work for a scheme operator”.

Appendix C – Summary of scheme operators’ views

1. Competent Persons Forum - current views and suggestions for reform.

View	Number of scheme operators expressing this view	Additional information
No views on Forum	2	
Good network opportunity with other scheme operators	5	
Items discussed are not relevant to own area or are too diverse	7	6 relate this to the number of different groups represented
Useful to ensure that all scheme operators receiving same information from the Department for Communities and Local Government	5	
The Forum is too big / too many organisations are represented	6	Reducing the ability of the Forum to make decisions
Split the current Forum into sub-committees, feeding back to main Forum	3	Either split by types of work covered, or split into two groups; building services & building structures
Do NOT have sub groups, as these will reduce effectiveness of Forum	1	
The wrong people attend. (The attendees are not Chief Executive Officers, so they can't make decisions)		
Allow scheme operators to send only one representative, even if they cannot represent 'all the different hats'	1	
Not sure of purpose of Forum	1	
Processes are too slow	1	Reducing the ability of the Forum to make decisions
Have a paid secretary to manage the Forum agenda and manage meetings	1	

The Forum should become part of a trade organisation to give it a legal status	1	
Forum should become a limited company	1	
Any changes should cost no more money	2	

2. Who should maintain the register of competent person scheme members?

View	Number Expressing View	Additional information
No view on list ownership	1	
Separate lists should be maintained by individual scheme operators	8	
An single independently controlled list should be developed	10	Unsure who – 3 Department for Communities and Local Government – 3 Competent Persons Forum – 3 LABC - 1
The register information sharing section should have more categories	1	
Expressed concerns about data protection of lists	4	Personal data requirements -1 Business /commercial - 3
Data must be real time and remain up to date	2	

3. Is the notification system working?

View	Number Expressing View	Additional information
Not relevant, or not yet undertaking so no experience	3	
Works well, or has experienced no problems	4	
Installer to scheme operator: working well/OK/no concerns. Scheme operator to LA: failing	11	All 11 cited computer issues with some local authorities
Disheartened by proposed changes	1	
A central database or lodgement system to record all information/test results	2	
The cost of Unique Property Reference Numbers is prohibitive	1	

4. Comments on conditions of authorisation/assessment

View	Number Expressing View	Additional information
No comments	2	
Principle of UKAS accreditation is good	6	But has no value to scheme operators - 1 UKAS are not consistent - 2 UKAS is consistent - 1 UKAS and the Department for Communities and Local Government do not communicate effectively - 1
More guidance notes are required	3	
Conditions are too costly (both financially and in time)	3	Costs will be passed on to installers resulting in them disengaging - 2
UKAS accreditation should not be required if you already have it in other areas	1	
The conditions cover the right areas	1	
UKAS has no effect on compliance, therefore there is no case for accreditation	1	
The minimum technical requirements have not gone down well with installers	1	
Concern about the move to commercial interests rather than a focus on building control, i.e. complaint handling	1	
Conditions should be aligned with those of the Green Deal	2	
It is important that any period of introduction with waivers of some conditions should not be too long, as it reduces the competitiveness of established scheme operators.	1	

5. Scheme requirements documents - could or should they be common?

View	Number Expressing View	Additional information
No comment	1	
Yes, the more streamlined the better	5	
Should be kept the same except where technologies require something different	8	There must be agreement in sectors - 1
No, UKAS should be enough	3	

There should be better communication with the Green Deal and Microgeneration Certification Scheme	2	For consumer and Government protection - 1
There should be a fundamental shift to recognising training	1	
It could be common for all testers (as opposed to installers)	1	

6. The monitoring of scheme members.

View	Number Expressing View	Additions information
No comments	3	
Current frequency of inspection is about right	2	But there should be more flexibility for very infrequent installers- 1
Fundamental shift towards internal company auditing is required	1	
A risk approached basis for inspection frequency is the way to go	3	
A risk approached basis for inspection frequency is a move in the wrong direction	4	It's a watering down – 1 Higher frequency of visits is required, as when things start to go wrong they go wrong quickly – 2 Installers see annual visits as supportive - 1
The required increase in frequency of inspections will put up prices to installers and stop them registering	1	
There should be a consequence if installers do not comply with the scheme	1	
Inspection frequency should be aligned with the Green Deal to reduce the number of inspections	1	
Installers who already have BS EN 17024 accreditation should automatically start on 3 year inspections	1	
Lodgement would allow all tests to be assessed	1	
There should be flexibility for scheme operators to set higher standards	1	

7. Marketing of competent person schemes.

View	No. Expressing View	Additions information
A public awareness campaign is required to improve home owners'/installers' knowledge of competent person schemes	9	Unsure who should be responsible – 3 Could be role of LABC – 1 Should be role of the Department for Communities and Local Government – 5 Could be role of the Competent Persons Forum - 1
scheme operators should just market their own schemes	5	
Marketing will not work, requires a kite mark	1	
Financial restrictions raised	4	

8. Other comments.

View	No. Expressing View	Additions information
Competent person schemes are meeting the needs of the regulators but not the customers	1	
All scheme members should carry a card; these could be electronic on an iPhone	1	
Building Regulations are not sufficiently clear on who should be notifying works	1	
There should be more joined up working to reduce duplication with the Green Deal and Microgeneration Certification Scheme	4	Ring-fencing money is difficult when installers are working in multiple areas -1
Devolution will increase difficulties as Building Regulations diverge	2	
The Department for Communities and Local Government need to clarify the specification requirements on insurance, as current premiums are more than have historically been paid	1	
There should be consequences for installers who do not comply with competent person scheme requirements	2	Fines are lower than fees - 1
There should be better/more Government support for competent person schemes	2	

Additional resources are required for the Department for Communities and Local Government to more effectively manage competent person schemes	2	
When conferring a competent persons standard upon a scheme member it must be clear what that individual is competent in	1	
Standardised software is required at local authorities	2	