



ANNUAL REPORT

1ST JANUARY 2018 - 31ST DECEMBER 2018



“ With HIES you get accredited installers, independently backed guarantees (even if the firm refuses to help you or goes out of business), free access to industry inspectors at HIES’s discretion, industry leading professional mediators and - if you’re unsatisfied - access to a highly regarded Ombudsman Service which can settle your dispute with the power of the law behind them. There are lots of confusing trade association logos in the building and home improvement sectors, but few offer complete consumer protection. HIES is the real deal. And you don’t pay extra for the safeguards. ”

George Clarke
Brand Ambassador

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STATEMENT FROM FOUNDER

“ HIES is a CTSI Approved Code Sponsor operating in the renewable sector. We were established in 2012 and offer a refreshing and revitalising change in the consumer protection landscape.

Our overriding objective is to promote best practice in the sale, installation and after sale service of renewable products to consumers. Protecting consumers is at the heart of everything we do.

We have a very unique and comprehensive approved Code of Practice to stop consumers falling through the net and actually be there for them when they need help. It's a different approach, one that will ultimately reflect well on the sector and give confidence that this sector is well run and well policed.

As of 31/12/18, HIES:

- Protected over 108,000 consumer contracts;
- Received over 20,000 customer feedback forms on installer performance;
- Professionally and quickly handled 2,600+ disputes between consumers and traders (members), and;
- Insurers paid out over £1.9 million in insurance claims (deposit claims and guarantee rectification works for consumers).

Relationship Building

HIES now regularly meets with politicians, civil servants, trade bodies, BEIS, Ofgem, Trustmark, MCS, Flexi-Orb and the certification bodies and is now seen as a respected source of influence and information.

This Report

I hope this report will give you a flavour of the sweeping nature of HIES's unique protection and comprehensive approach. It is far reaching and all embracing, but much needed.

We welcome your thoughts on improving the sector. ”



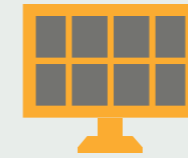
Tony Pickup, HIES Founder

THE RENEWABLE SECTOR - 2018 REVIEW

Where is the industry?

2018 has been a year of transition for many renewable installers. Some have withdrawn from the marketplace and many have diversified into different products to help sustain their business as the industry prepared for the removal of the government's Feed-In Tariff Scheme in 2019.

HIES has seen an increase in registrations for Solar PV. There has also been an increase in registrations for Air Source Heat Pumps, Boilers, Biomass and a major increase in Battery Storage. The figures below provide you with a snapshot of our experience in the last 12 months:



54% increase in Solar PV registrations



27% increase in Air Source Heat Pump registrations



33% increase in Boiler registrations




370% increase in Battery Storage registrations




164% increase in Biomass registrations


OVERVIEW OF HIES – SINCE OUR INCEPTION




Over 450 members recruited




Over 108,000 consumers protected




Over 20,000 returned customer satisfaction surveys




Over £59 million worth of deposits protected




Over £846 million worth of contract value insured




Over 2,600 consumer disputes handled



Over 1,200 validated insurance claims received



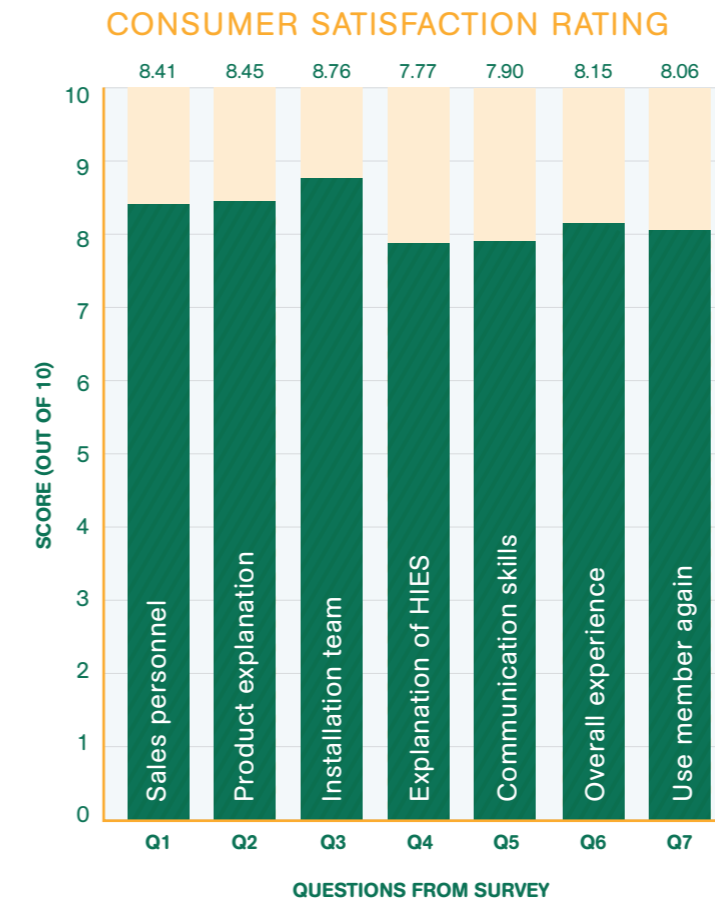
Over £1.9 million paid out in insurance claims



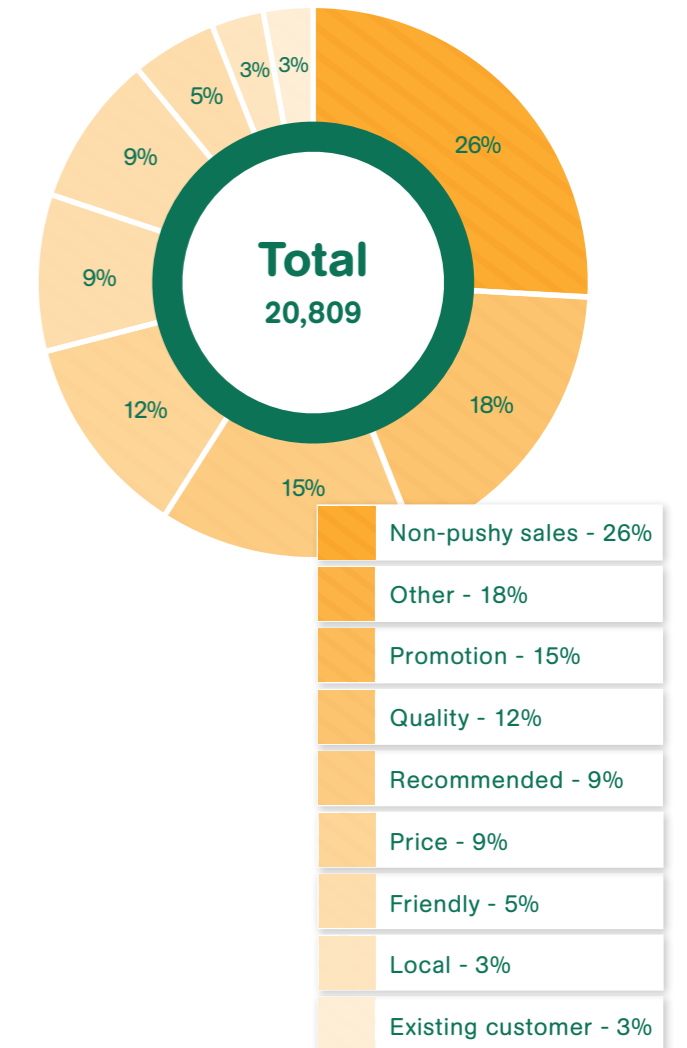
73% of validated claims successfully completed

ALL TIME CUSTOMER SATISFACTION RATINGS

The diagrams below display the customer satisfaction results our membership has achieved since the inception of HIES.



WHY CONSUMERS CHOSE HIES MEMBERS (SINCE INCEPTION)



QUALITY OF MEMBERSHIP

Since HIES was granted Consumer Code approval on 21st July 2015, installers had, for the first time, a choice between Consumer Codes in order to comply with MCS legislation, access government incentives (such as the Feed-In Tariff, which stopped in March, or Renewable Heat Incentive) and provide consumers with deposit protection and an Insurance Backed Guarantee.

As of 31st December 2018, our membership stood at 317.

Accreditation Process

HIES's accreditation team carry out the following checks:

- Company and director background checks;
- Financial stability and accounts;
- Competency and qualifications;
- Accreditations and MCS membership;
- Advertising and marketing materials;
- Contractual paperwork and terms;
- Insurance protection;
- Product guarantees and service plans, and;
- Complaint handling procedures.

If an applicant does not meet the HIES minimum accreditation criteria, it may be rejected or referred to the internal Membership Review Panel (MRP) for further consideration (see page 32). If the MRP decide to refuse membership, then the applicant may request a decision to be referred to the Independent Applications Panel as per the Memorandum of Understanding (MOU) between the current Code Sponsors and the Chartered Trading Standards Institute (CTSI).

MEMBERSHIP RECRUITMENT

Within the last 12 months we have received 147 enquiries from installers interested in a HIES membership. We accepted 148 members who met the HIES accreditation criteria. At the start of the year we had 118 installers in the accreditation process from the previous year. Below is a breakdown of what happened next:

	2015-17	2018
No. of membership enquiries generated	429	147
No. of installers already in accreditation from previous year (as of 31/12/18)	19	118
No. of installers entering accreditation	280	245
No. of installers not progressed to accreditation	149	20
No. of installers failed accreditation/ didn't complete process	61	82
No. of installers remaining in accreditation (as of 31/12/18)	125	15
No. of installers passed accreditation and accepted as HIES Members	113	148

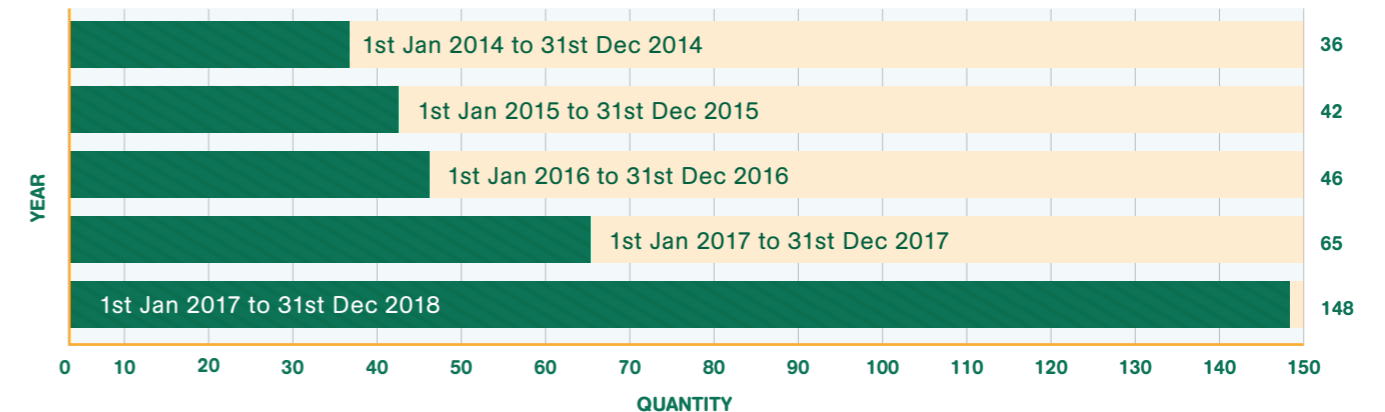
2018 vs 2015-17

- 33.9% of installers who applied for membership either failed accreditation or didn't complete the process in 2018 compared to 14.3% in 2015-17.

Main reasons why installers fail accreditation:

- Ongoing/previous issues with another Code Sponsor (MOU)
- Bad online reviews
- Limited funds available in the account
- Directors' previous trading history
- Mis-selling statements on their website
- Taking more than 25% deposits

NEW MEMBERS RECRUITED TO HIES

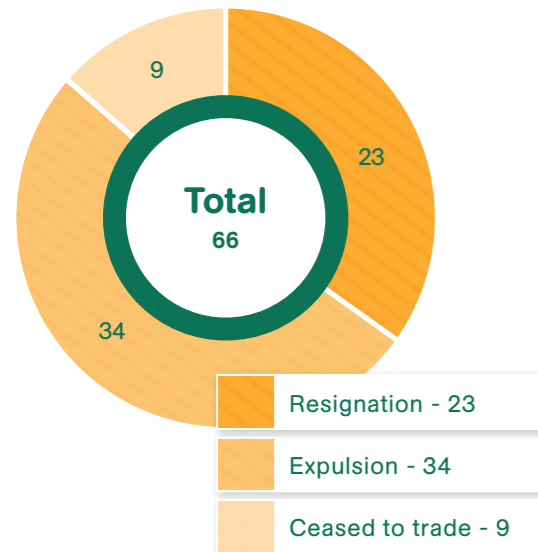


MEMBERSHIP RETENTION

Within the last 12 months there were 66 installers whose membership ceased with HIES.

Our current membership stands at 317 (as of 31/12/18). This compares to 119 members at the same period last year (31/12/17).

WHY MEMBERSHIP CEASED



Main reasons for resignation of membership:

- Switched code sponsors
- No longer doing domestic work
- Wanted to reduce costs
- Didn't want to set up Go Cardless Direct Debit

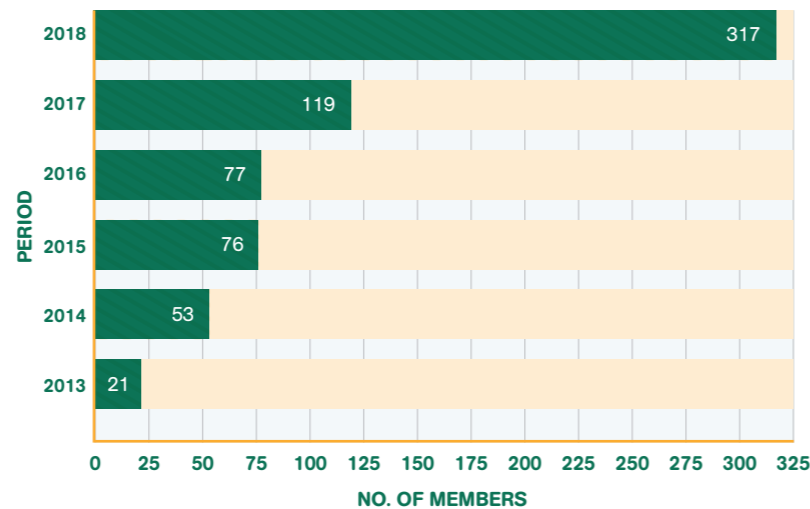
Main reasons for ceasing to trade:

- No longer trading in renewables
- Company in debt to numerous companies/bodies

Main reasons for expulsion of membership:

- High volume of complaints received against the company
- Didn't set up Go Cardless Direct Debit
- Non-registration of contracts
- Low credit scores/CCJs filed against the company
- Suspicion of company going into liquidation

TOTAL HIES MEMBERSHIP



MEMBERSHIP SUPPORT

We work closely with members to provide excellent support for our Code of Practice; providing comprehensive point of sale materials, industry information, new product innovations and ongoing assistance. We believe in co-operation, support and working in partnership with installers.

Membership Survey

We asked our members what they liked about HIES and below are a selection of the responses we received (as quoted by our members):

- Easy to deal with, friendly staff, telephone contact is good
- Supportive and fair when a customer has complained
- Simplicity of your website
- The service offered and ease of use of the portal
- Security for us and our clients
- Support and improving industry
- HIES is a good selling tool that offers a good service
- Good communication
- Everything
- Peace of mind for consumers
- Nick Ross endorsement gives the consumer confidence
- Being there for the consumer but also for the installer
- Marketing materials and Nick Ross affiliation
- Ability to work together constructively
- Makes us stand out
- Guarantee that the customer will never be out of pocket
- Security of knowing our customers are protected
- Proactive keeping me up-to-date
- The accountability and the dispute resolution
- It's a recognised organisation
- Allows me to sell finance
- Consumer code, helpful advice and professionalism
- Great communication with the team and a fair resolve for both parties
- Their commitment to the customer and the company to resolve any issues
- Transparent consumer protection

66.3%*

of members believe HIES membership gives them an edge over the competition.

*based on 86 responses from HIES members

OUR ETHOS ON CONSUMER PROTECTION

HIES's main mission is to protect consumers. The HIES Code of Practice requires that consumers are dealt with professionally, courteously and sympathetically. Any products installed by HIES members must be fit for purpose, installed professionally and come with comprehensive guarantees which are covered by specialist insurance providing consumers with a high level of protection and peace of mind.

Benefits to consumers using a HIES member:

- The HIES Scheme is endorsed by Nick Ross (former BBC Watchdog & Crimewatch Presenter) and most recently George Clarke (architect and television presenter of Amazing Spaces and Old House, New Home on Channel 4)
- Vetted and Audited Installers
- Free Consumer Advice Line: 0344 324 5242
- Free Deposit & Stage Payment Protection (up to 25% of the contract value)
- Free Insurance Backed Guarantee (for every customer)
- Free Mediation (to help fully resolve any disputes should they arise)
- Free Independent Inspections (to assist with installation/product defects at HIES's discretion)
- Access to an Independent Ombudsman (to conclude disputes without incurring legal fees or costs)
- Provide homeowners and installers with the trust, confidence and peace of mind they deserve

Consumer Advice Line

Our dedicated customer service team is available to answer any questions consumers may have; whether it's looking to commission a HIES member, understand how HIES can protect them or if they need some specialist guidance on dealing with an existing member. Our team is always on hand to provide support and direction.

97.7%*

of members believe consumer protection is important to consumers

*based on 86 responses from HIES members

CONSUMERS USING A HIES MEMBER

Within the last 12 months we have seen over

18,000

consumers use a HIES member

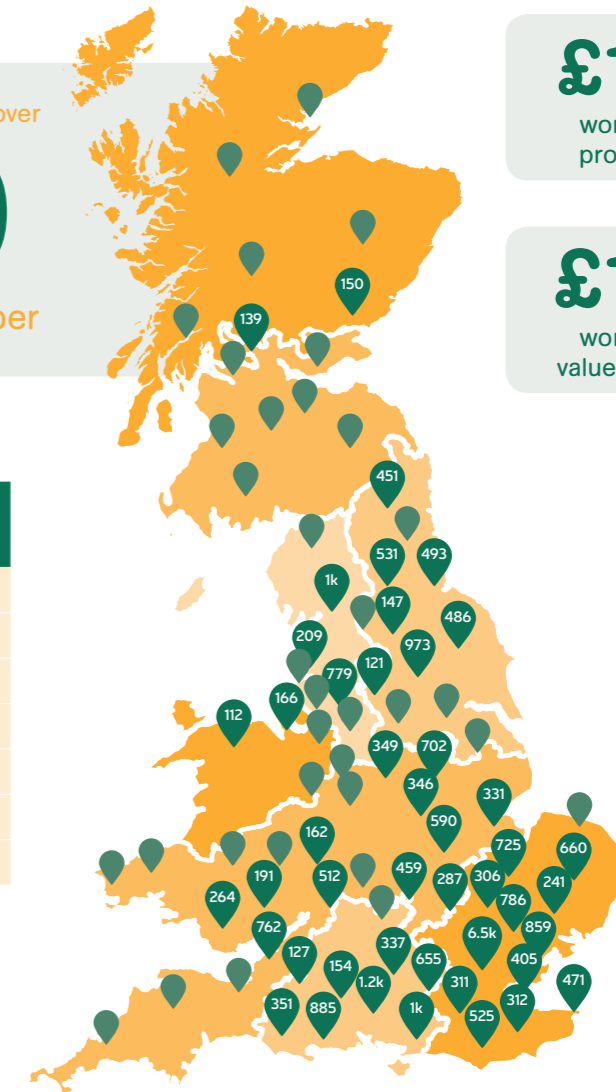
£11.9m

worth of deposits protected in 2018

£133m

worth of contract value insured in 2018

Type of Product Installed by HIES Members	2017	2018
Solar PV	8,893	13,722
Boilers	3,170	4,237
Heat Pumps	1,429	1,816
Battery Storage	630	2,963
Biomass	11	29
Other	2,329	499
Total	16,451	23,266



WHAT DO CONSUMERS THINK OF HIES MEMBERS?

We monitor the performance of our members in order to reduce consumer detriment. We do this by writing to every customer who has placed an order with a member and asking them to complete a Customer Satisfaction Survey. The survey asks customers nine important questions that cover the whole buying experience, from the initial meeting with the sales personnel to the after sales service they received. The results are displayed on two graphs (see across) and offer important feedback on how members can improve their customer service and helps HIES to identify the specific areas where consumer detriment may be occurring.

The questionnaire asks consumers to rate:

- Q1 The sales personnel (helpful, friendly, etc.)
- Q2 The explanation of the products
- Q3 The installation team (courtesy, cleanliness, etc.)
- Q4 The sales personnel's explanation of HIES
- Q5 The communication skills of the company
- Q6 Their overall experience with the company
- Q7 Whether they would use the business again
- Q8 The main reason why they chose the business
- Q9 If membership of HIES influenced their decision



Publication of results

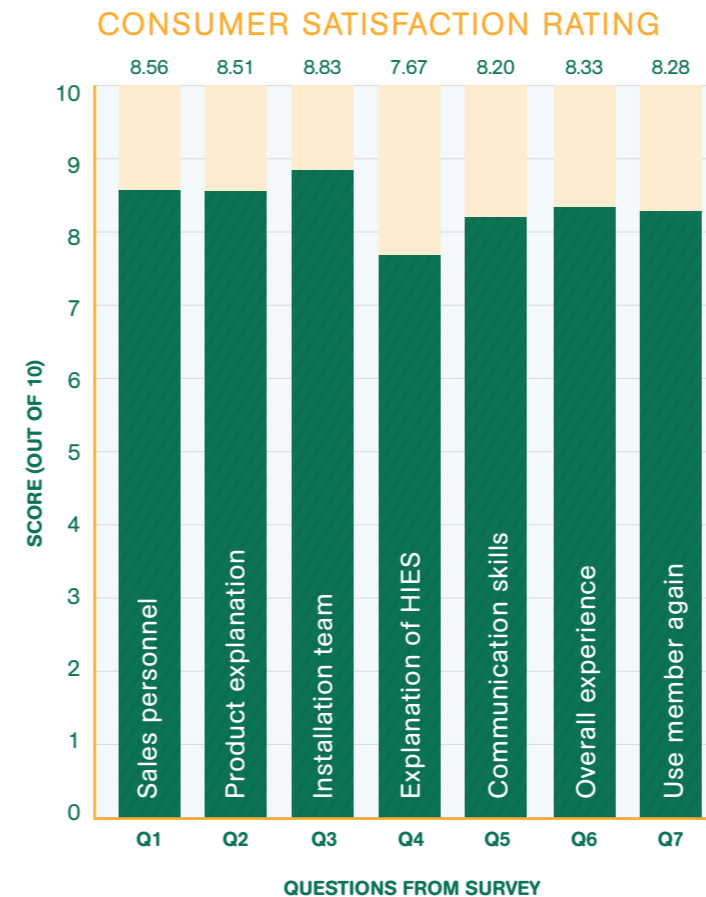
We received 3,055 completed surveys within the last 12 months. The results of the survey for the HIES membership are displayed on the two graphs to the right.

How members can use the results

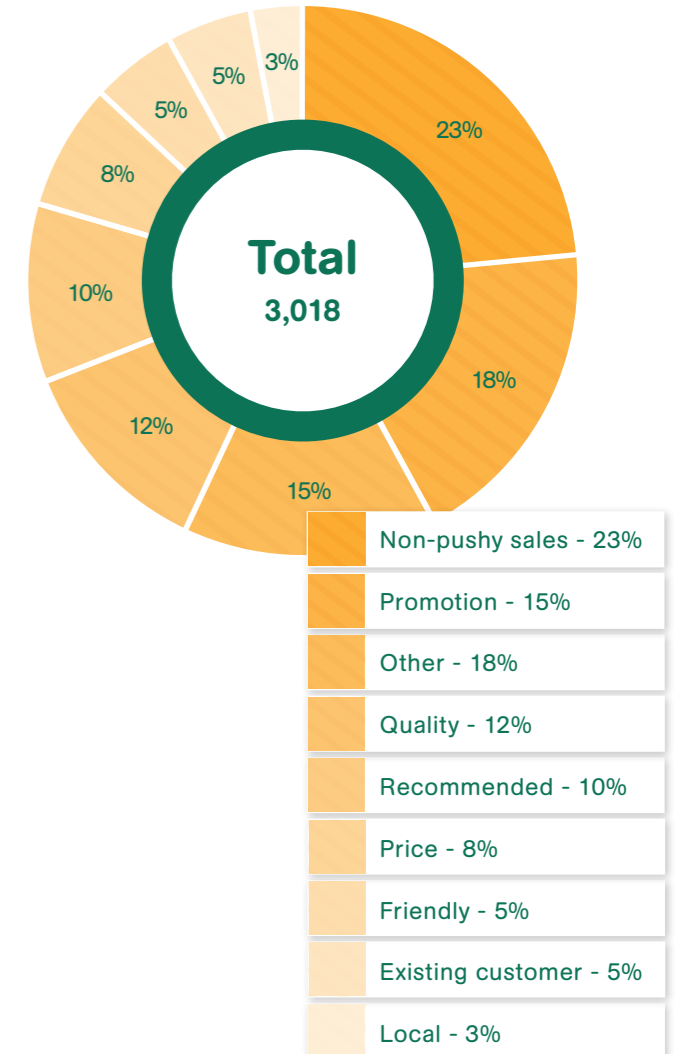
The results of the customer satisfaction surveys are displayed on two graphs on the member's dashboard. The graph shows how they compare against the national average and, by downloading their performance report, they can identify how their sales people and fitting teams are rated by their customers.

CONSUMER SATISFACTION RESULTS

The diagrams below display the customer satisfaction results that our membership achieved between 1st January 2018 to 31st December 2018.



WHY CONSUMERS CHOSE HIES MEMBERS (LAST 12 MONTHS)



We aspire to deliver industry leading dispute resolution services for consumers and members of our schemes. In order to reduce consumer detriment HIES provides a single point of contact for consumer complaints. We know from experience that complaints handling is critical to the development of the renewable sector.

Alternative Dispute Resolution is a service that is used to resolve disputes between consumers and traders, preventing the need to go to court.

- **Mediation** - We employ professional, fully trained mediators to resolve disputes. Mediators can commission independent forensic defect analysis reports at no cost to the consumer or member (in most cases) where they deem it necessary to help resolve the dispute. Should a dispute not be resolved in 1st stage mediation, it would be escalated to 2nd stage where the process becomes more formal.
- **Ombudsman** - Consumers have free access to an Independent Ombudsman (HIES pays the fees for this) to settle disputes without incurring legal costs. The Ombudsman's decision is binding on the member.

Our process is designed to provide transparency, quick resolution of disputes, protect consumers and the industry's reputation. HIES takes ownership and investigates all complaints.

Ombudsman Services

HIES use Ombudsman Services to investigate and settle any disputes between members of our schemes and their consumers that may not have been settled at an earlier stage.

Ombudsman Services are a leading independent multisector Ombudsman and are approved by the appropriate regulatory bodies to provide their services. Ombudsman Services provide independent dispute resolution and run national, private sector Ombudsman schemes including in the communications, energy, property, copyright licensing sectors and Green Deal. Ombudsman Services currently employ more than 450 people at their head office based in Warrington.



The table below is a breakdown of the complaints we handled:

	2015/16	2017	2018	
1st Line Complaints	No. of complaints brought forward from prev. year (as of 31/12/17)	16	14	4
	No. of new complaints received	830	489	669
	Total no. of complaints handled by 1st Line	846	503	673
	No. of complaints resolved by 1st Line	826	454	462
	No. of complaints remaining in 1st Line	18	4	2
	No. of complaints passed to mediation	2	45	214
	% 1st Line success rate	97.6%	90.3%	68.6%
Mediation	No. of complaints brought forward from prev. year (as of 31/12/17)	7	5	3
	No. of new complaints received	34	45	211
	Total no. of complaints handled by mediation	41	50	214
	No. of complaints concluded in mediation	36	46	203
	No. of complaints remaining in mediation	3	3	2
	No. of complaints offered to the Ombudsman	2	1	10
	% Mediation success rate*	87.8%	92%	99.6%
No. of cases handled by the Ombudsman				
	12	1	3	

Note, during 2018, the dispute resolution process changed.

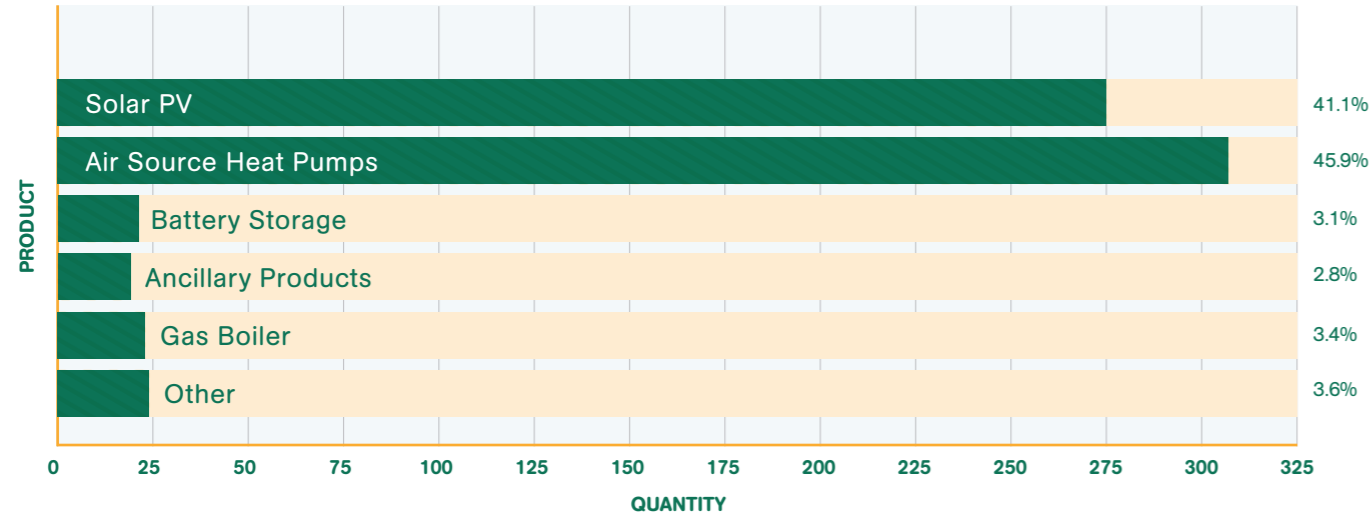
*No. of complaints carried over into 2019 - 4

Main reasons for complaints in 2018:

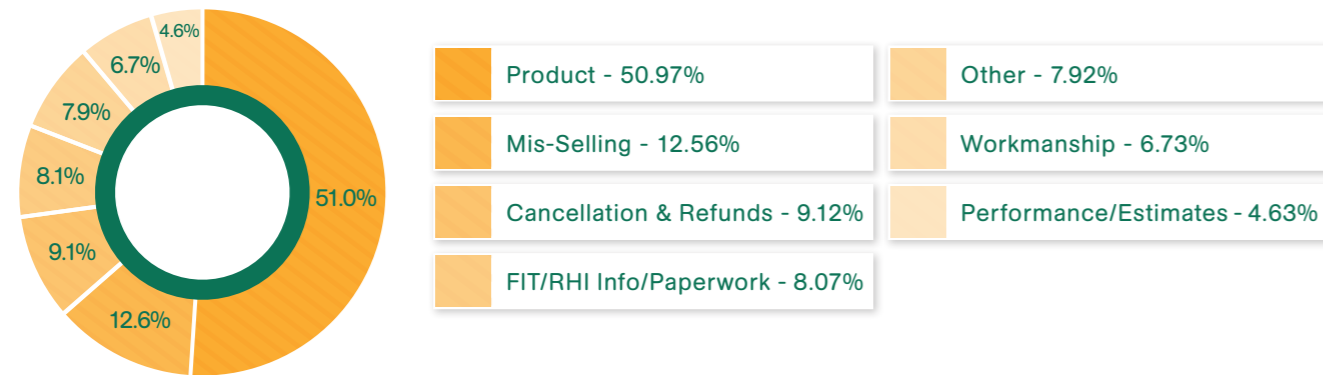
- Poor workmanship
- Faulty products
- Customer service
- Paperwork issues
- Underperformance of system i.e. solar panels
- Mis-selling of system
- Damage to property/furniture

DISPUTE RESOLUTION STATISTICS

TYPE OF PRODUCTS COMPLAINED ABOUT IN 2018

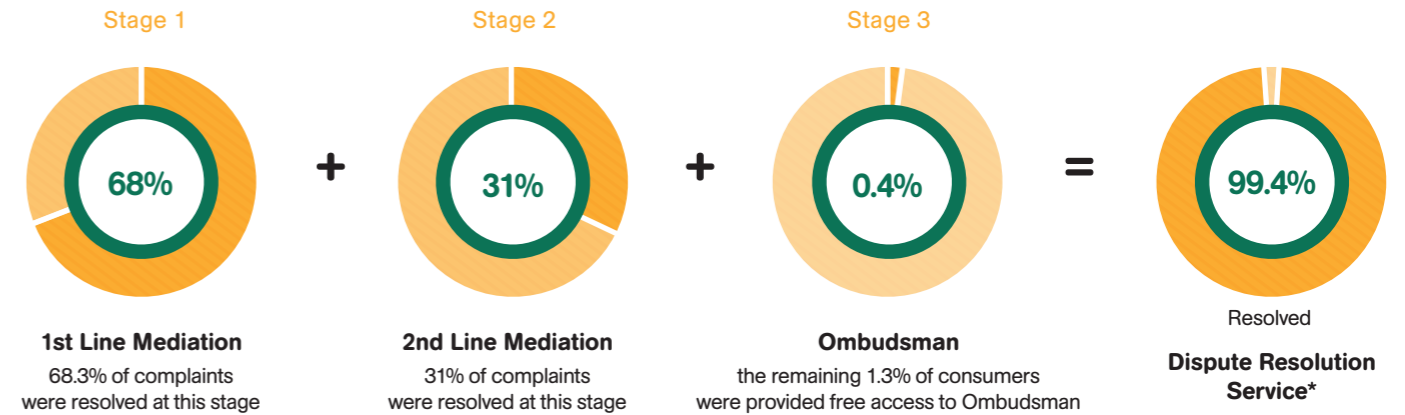


TYPE OF COMPLAINTS RECEIVED IN 2018



DISPUTE RESOLUTION STATISTICS

HIES's 3 Stage Dispute Resolution Process achieved the following results in 2018:



*the remaining 0.6% of complaints will be carried over into 2019

13.5%
of consumer complaints resolved within 24 hours

45.89%
of consumer complaints resolved within 2-7 days

59.04%
of consumer complaints resolved within 7 days

In 2018, all consumers using a HIES member receive Deposit Protection and an Insurance Backed Guarantee free of charge. This provides consumers with protection in the event the HIES member ceases to trade and is unable to fulfil the terms of its guarantee. The insurer is Safe World Insurance Group UK Ltd, which is a UK based insurer who are authorised by the Prudential Regulation Authority and regulated by both the Prudential Regulation Authority and the Financial Conduct Authority.

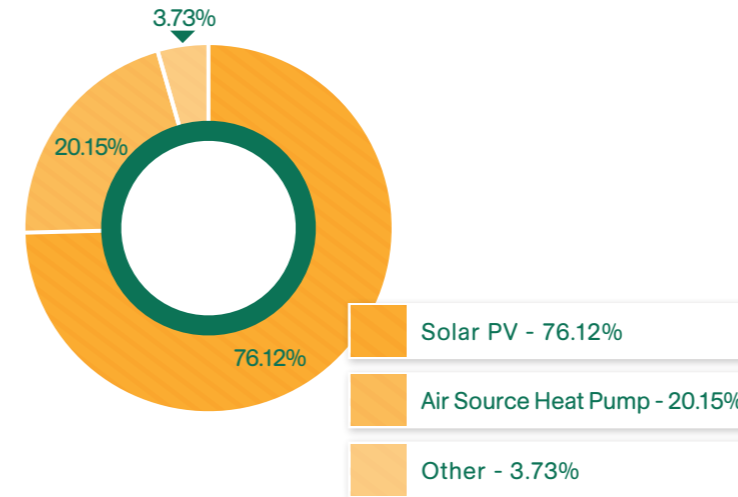
The table below is a breakdown of insurance claims handled:

	2018
No. of claims brought forward from previous year (as of 31/12/2017)	39
No. of existing 2017 claims validated	26
No. of validated claims received	134
No. of validated claims that have not progressed*	12
No. of validated claims that progressed	122
Total number of completed claims during the financial year (paid out)	134
Total number of claims remaining at the end of the financial year	22
Ratio of completed claims vs validated claims received	100%

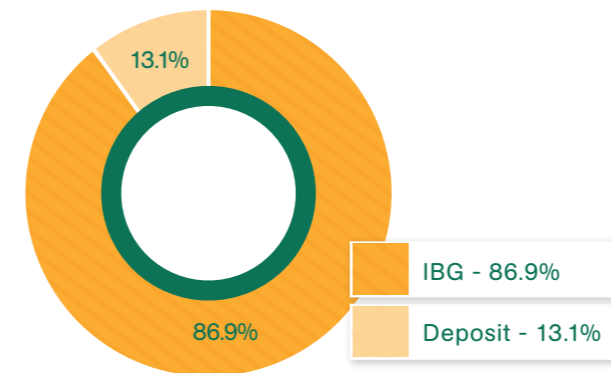
*Main reasons for validated claims not being progressed:

- Out of guarantee
- Claim withdrawn
- Mis-selling claim not covered
- Undertook work with an alternative contractor

TYPE OF CLAIM PAID OUT BY PRODUCT IN 2018



TYPE OF CLAIM IN 2018



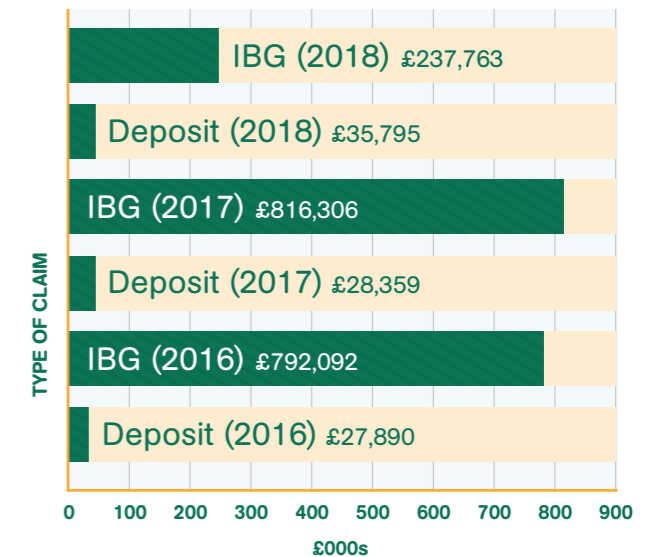
£1,947

average Solar PV claim payout

£2,482

average Air Source Heat Pump claim payout

VALUE OF CLAIMS PAID OUT



AUDITING OUR MEMBERSHIP

The auditing function ensures that members are complying with the Scheme Rules & Code of Practice and also assesses the financial stability of an existing member. The two types of audits undertaken are:

- **Onsite audit** - comprising an independent auditor visiting the member's premises to carry out a hands-on audit and rate the member's business against the Scheme Rules. This is normally carried out on an annual basis unless the Scheme has cause for concern to accelerate the audit. Generally, this function is carried out on a minimum 10% of the entire HIES membership every year.
- **Desktop/remote audit** - involving a member completing a postal/email questionnaire and sending the appropriate evidence to the audit team. The audit team then score the questionnaire. This is carried out on an annual basis. This function is carried out on 90% of the entire HIES membership every year.

If a member fails an audit then, dependent upon the seriousness of the breach, they will either:

- have 28 days to rectify the issue/s;
- be suspended until non-conformities have been rectified e.g. insurances in place;
- be issued with a warning, or:
- be expelled with immediate effect.

Additional ad hoc auditing as required

- **Financial Health Checks** - this check can be performed on any potential new member or existing member. Its aim is to assess the financial stability of an installer and the potential of them ceasing to trade. It scores the company in three key areas: solvency, profitability and gearing. An overall score is given to the company and a grading is allocated dependent upon the overall score i.e. outstanding, good, satisfactory or unsatisfactory.
- **Compliance Advice Checks** - this check can be performed on any potential new member or existing member. Its aim is to provide an applicant advice on the gaps within their current procedures which require development in order to be considered for HIES membership and for existing members advice on how to improve their current policy and procedures to ensure continual compliance with the HIES Scheme Rules & Code of Practice.

RISK PROFILING MEMBERS

We measure and score our members against a range of performance indicators to determine the level of risk a member poses to the scheme, the insurer and consumers. This 'risk profiling' enables us to assess and monitor our members on a regular basis. The performance indicators used are:

- Credit score
- FCA direct authorisation
- Length of time trading
- Average contract value
- Average deposit value taken
- Length of HIES membership
- Overall customer satisfaction score
- Current unsatisfied consumer CCJs
- Number of corporate insolvencies of directors above £10k in value
- Number of complaints in the last 12 months
- Number of Ombudsman cases in the last 12 months
- Any unsatisfied Ombudsman Awards
- Number of weeks in compliance default with Scheme Rules

The member can score a maximum of 650 points from the above indicators and depending on the number of points scored by the member, they will be rated in the following bracket:

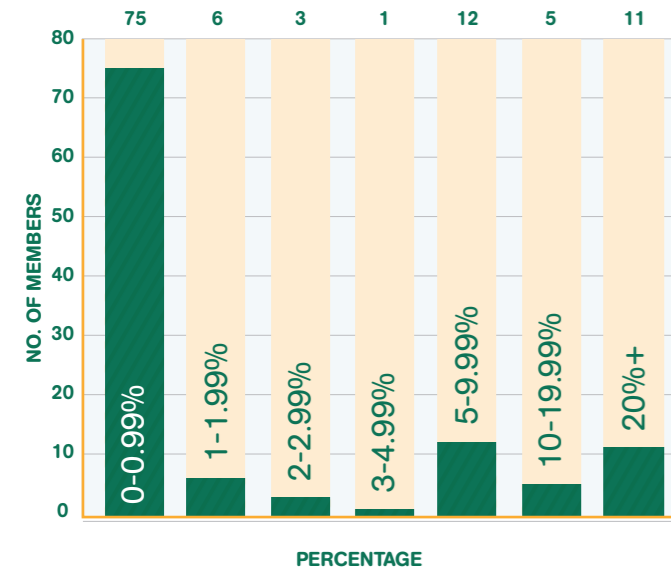
- **High Risk** - 0 to 249 pts
- **Medium Risk** - 250 to 349 pts
- **Low Risk** - 350 to 449 pts
- **Minimal Risk** - 450 to 650 pts

If any of the members are rated '**High Risk**' then they will be referred to the Membership Review Panel which could result in further Onsite Audits, Financial Health Checks or Compliance Advice Checks (see page 22).

MONITORING CONSUMER COMPLAINTS

We analyse the number of complaints our members received within a 12 month period compared to the number of installations registered with HIES. This then gives us a 'complaint ratio' for each member. Members who have a complaint ratio of less than 5% are considered within tolerance. However, all complaints are taken extremely seriously and any complaint may result in the member being referred to the Membership Review Panel for investigation. The graph below shows the results of our analysis across the membership:

COMPLAINT RATIO



Analysis of Results

- 75.2% of members had a complaint ratio less than 5%
- 46.2% was the largest complaint percentage (13 installations/6 complaints)
- 0.21% was the lowest complaint percentage (excluding members with 0 complaints)
- 28 members had a complaint ratio of more than 5%
- 11 members had a complaint ratio more than 20%
- 7 members with a complaint ratio of more than 5% only had 1 complaint
- 69 members had 0 complaints

The next step

The audit team analyse the results of the complaint ratio for each member and also look at the type of complaints the members receive. The audit team then determine the level of risk the member poses to the scheme, the insurer and the consumer. The audit team can write to the member asking for clarification, refer the member to the Membership Review Panel or request an onsite audit to further investigate matters.

MONITORING CONSUMER SATISFACTION

We continually analyse the customer satisfaction surveys we receive about our members. Measuring the results of the returned satisfaction surveys for each member enables HIES to establish the consumer's overall experience with an individual member and the membership as a whole. We calculate each member's average score for each question which gives us the 'customer satisfaction ratio' for that member. Members who have a customer satisfaction ratio of 70% or more are considered within tolerance. The table below shows the results of our analysis across the membership:

AVERAGE % SCORE & NO. OF MEMBERS

Question	No. Average	Blank Response	Less than 50%	50-59%	60-69%	70-79%	80-89%	90-100%	Total
Q1: Sales personnel	199	0	3	1	5	10	37	62	317
Q2: Product explanation	199	1	3	4	3	15	35	57	317
Q3: Installation team	199	0	2	1	4	5	36	70	317
Q4: Explanation of HIES	199	1	13	7	11	28	23	35	317
Q5: Communication skills	199	0	7	7	8	16	26	54	317
Q6: Overall experience	199	0	6	5	5	14	29	59	317
Q7: Use member again	199	0	8	6	6	12	27	59	317

Please note: If a member has not been included in the results table, the following reasons apply: 1) we have not received any satisfaction surveys from consumers before the end of December 2018, 2) they have not registered any jobs with HIES.

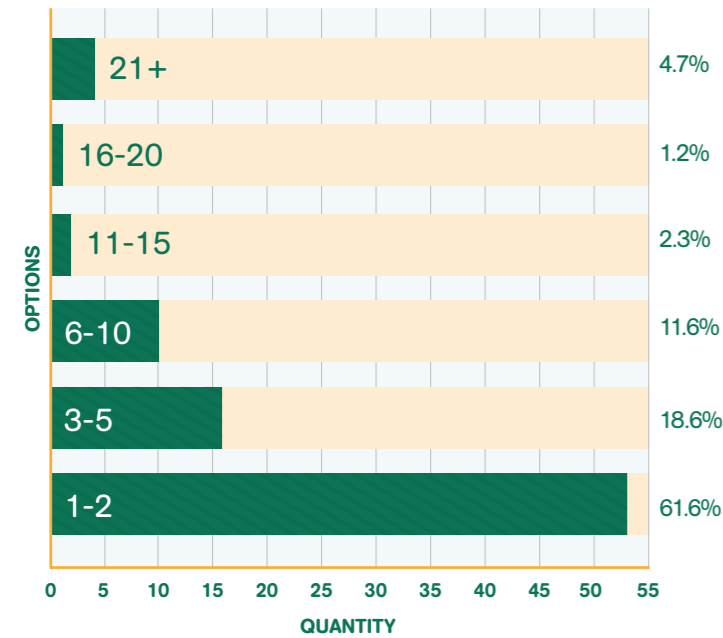
The next step

The audit team analyse the results of the customer satisfaction ratio. A member could be classed as high risk if we find that a member is scoring less than 50% on average for any of the questions within the survey. The first step is for the audit team to look into these members. As seen above, twelve members received a score less than 50% for Q1, Q4, Q5, Q6 and Q7. Therefore, the audit team would investigate this and following the investigation would either write to the member asking for clarification, refer the member to the Membership Review Panel or request an onsite audit.

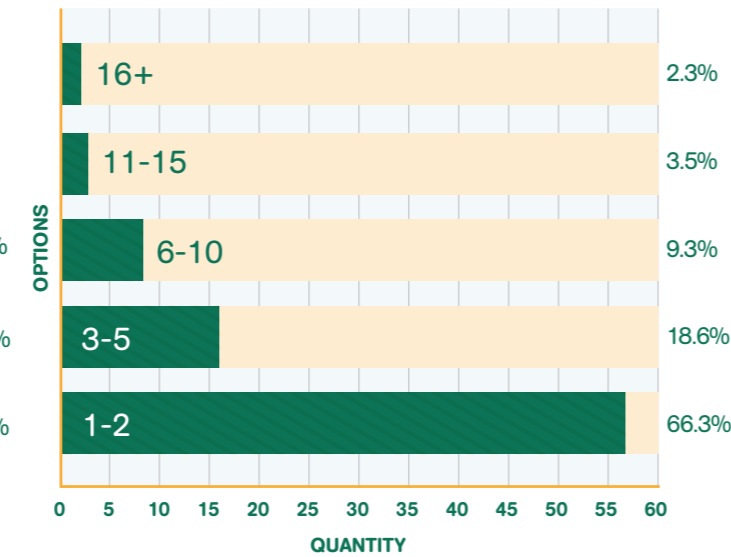
REMOTE AUDIT RESULTS

We carried out 86 remote audits on the members' businesses within the last 12 months. The aim of the remote audit was to understand the members' business and what they are currently doing. The results are as follows:

1 HOW MANY SALES PEOPLE DO YOU HAVE?

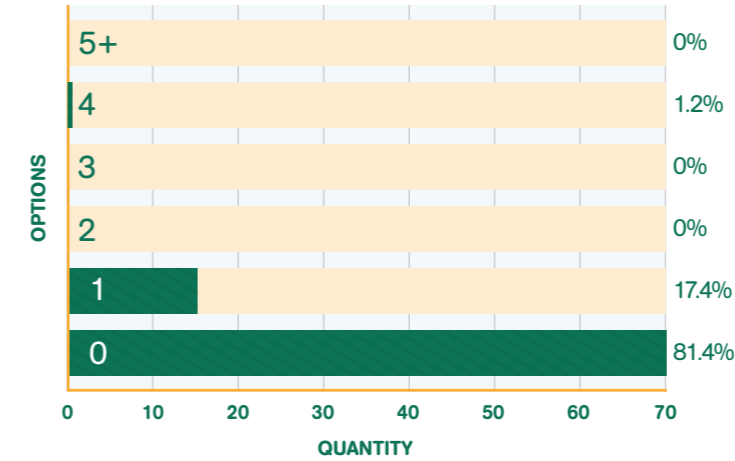


2 HOW MANY INSTALLATION/FITTING TEAMS DO YOU HAVE?

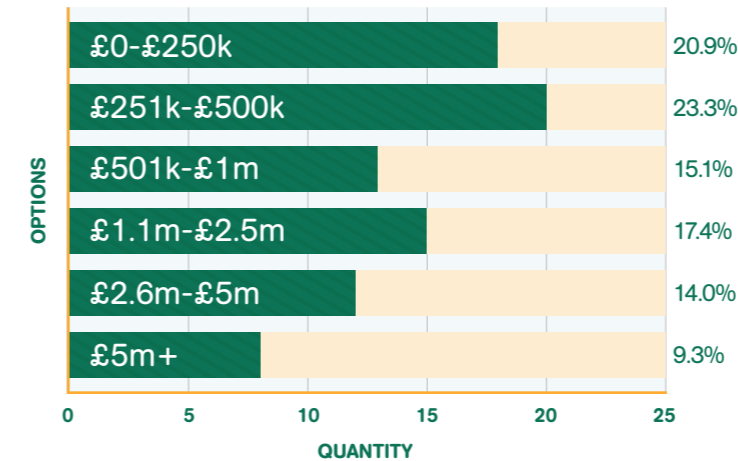


REMOTE AUDIT RESULTS

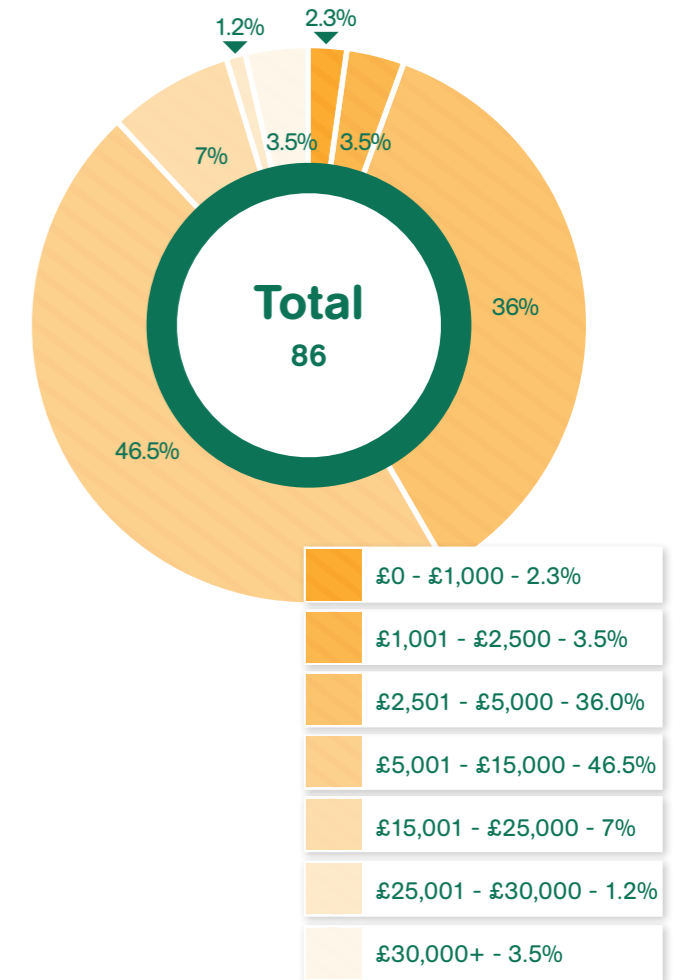
3 HOW MANY SHOWROOMS DO YOU HAVE?



4 HOW MUCH DOES YOUR BUSINESS TURNOVER ANNUALLY?

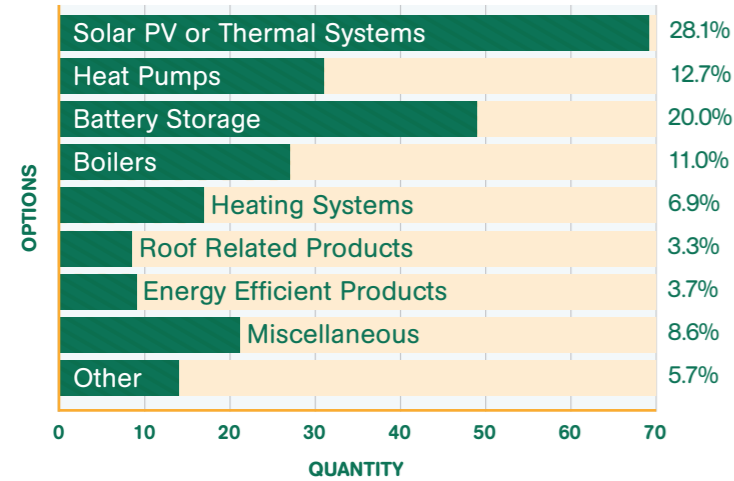


5 WHAT IS THE AVERAGE ORDER VALUE OF PRODUCTS YOU SELL/INSTALL?

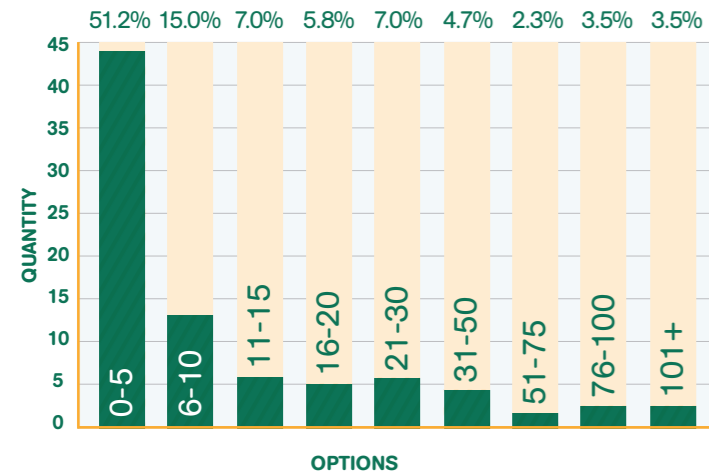


REMOTE AUDIT RESULTS

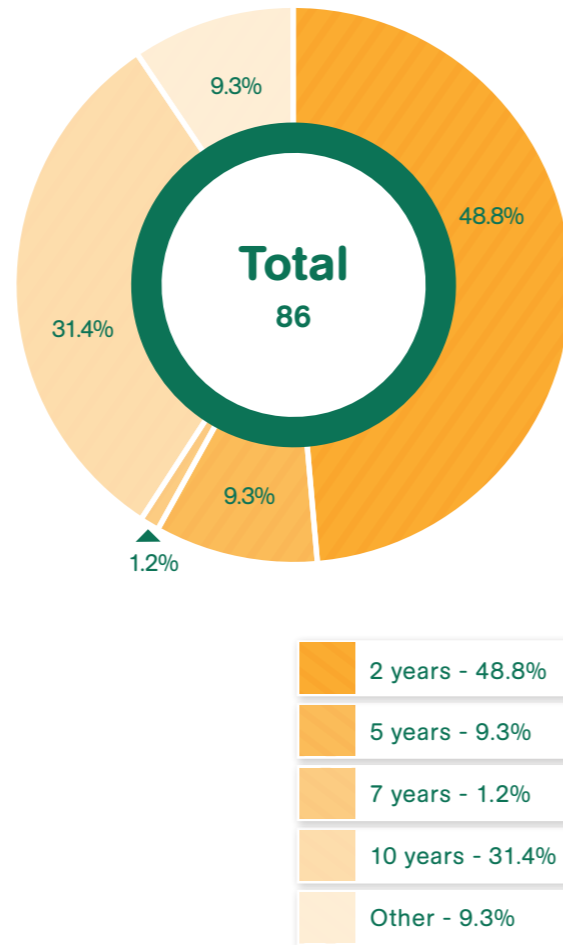
6 WHAT PRODUCTS DO YOU SELL TO CONSUMERS?



7 HOW MANY CONTRACTS ON AVERAGE DO YOU UNDERTAKE EACH MONTH?

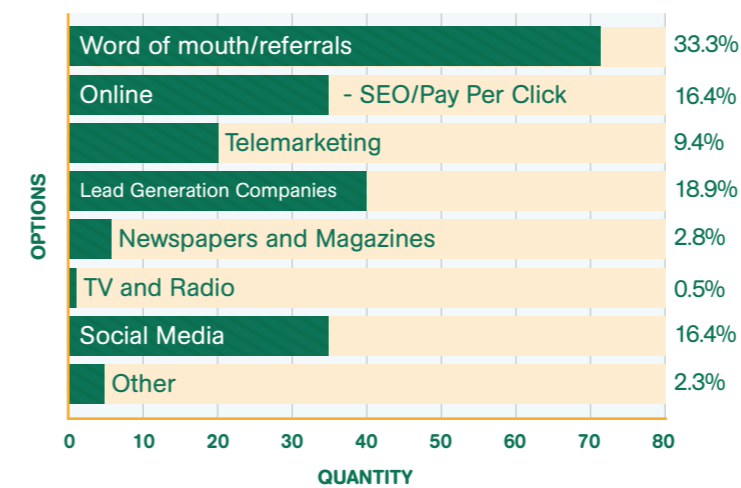


8 WHAT IS THE AVERAGE LENGTH OF YOUR WORKMANSHIP WARRANTY PROVIDED TO CONSUMERS?

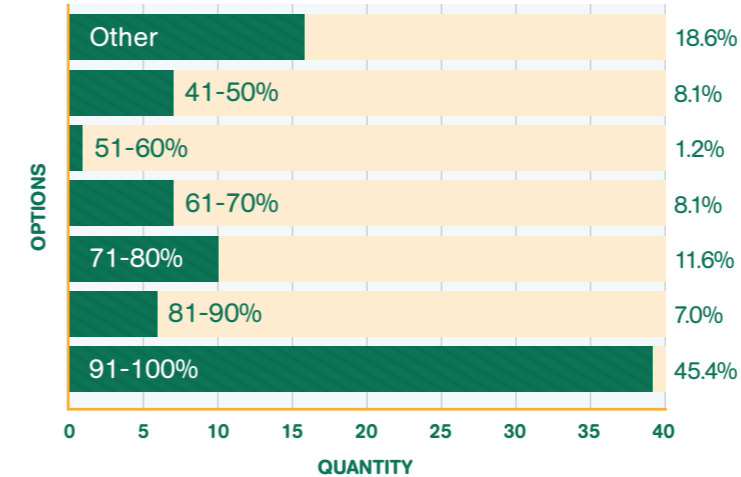


REMOTE AUDIT RESULTS

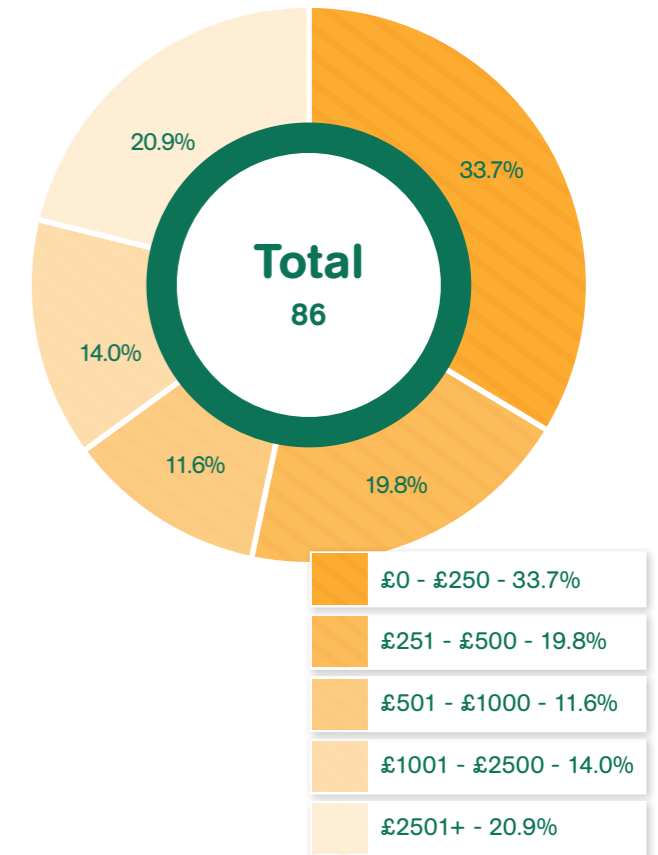
9 WHERE DO YOU OBTAIN YOUR LEADS?



10 WHAT IS THE PERCENTAGE SPLIT BETWEEN DOMESTIC/RETAIL AND COMMERCIAL REVENUE?



11 HOW MUCH DO YOU SPEND PER MONTH ON MARKETING, ADVERTISING, PR, WEBSITE, SOCIAL MEDIA, SEO, PAY PER CLICK, ETC.?



ONSITE AUDIT

The onsite audit is conducted by a trading standards professional, together with the HIES internal auditor on occasion. The audit is conducted against the HIES Scheme Rules & Code of Practice and can be broken down into four principal areas:

1. About the member: involves looking at the business structure, status, trade memberships and insurance/licences.
2. How the member generates custom: involves looking at how they attract customers. This includes looking at their advertising and canvassing techniques.
3. How the member manages installations: involves looking at how they completed their orders, from the date of customer order, through the pre-installation process, the installation (including any use of sub-contractors) and the sign off of a completed job.
4. How the member deals with consumers: involves looking at how they deal with cancellations and any complaints from consumers.

The auditor provides an overall assessment of the performance of the company in meeting the objectives of the HIES Scheme Rules & Code of Practice. This results in one of four findings:

- **Excellent** - the company meets or exceeds all of the audit requirements and has clear, effective and efficient record keeping systems in place to ensure full compliance throughout all installations. Any areas for improvement are minor and contribute to continuous business improvement.
- **Adequate** - the company meets the majority of the audit requirements and was able to identify all of the relevant evidence for the audit, but has room for improvement with their systems and procedures to ensure ongoing compliance.
- **Inadequate** - the company was unable to satisfy all of the audit requirements or was unable to provide all of the relevant evidence for the audit. The areas identified for improvement will require some remedial action to be taken to ensure ongoing compliance.
- **Weak** - the company was unable to satisfy all of the audit requirements including some that are categorised as high risk. The areas identified for improvement require immediate action to be taken to ensure ongoing compliance.

ONSITE AUDIT RESULTS

The number of onsite audits undertaken within the last 12 months was 10. The members selected for an audit were based on the potential risk to the Scheme and consumers. The table below is a breakdown of the results for each onsite audit:

Member	Assessment	Member	Assessment
A	Inadequate	F	Inadequate
B	Inadequate	G	Inadequate
C	Inadequate	H	Adequate
D	Inadequate	I	Adequate
E	Inadequate	J	Adequate

Significant Non-Compliances found

- Non-registration of contracts within 48 hours of the contract signed date
- References to other code sponsors in customer facing documents
- Detailing on consumer contract who the sub-contractor of the installation is
- Non-compliance to the Code of Practice in relation to pre-contractual information provided and contracts
- Inadequate cancellation rights provided
- Incorrect financial forecasting of potential solar storage benefit provided to consumers

Other Non-Compliances found

- Guidance on how to ensure the safety of children on-site
- Non-display of the HIES logo
- Not displaying the full company name, registered address and registered number on websites and public facing documents
- Having adequate complaint recording process in place

If a member fails an audit or has a non-conformity, dependent up the seriousness of the breach, the audit team will either:

- Give the member 28 days to rectify the issue/s
- Place the member in compliance default
- Suspend the member until any non-conformities have been rectified e.g. insurances in place
- Issue the member with a warning or non-conformity notice
- Expel the member with immediate effect

Membership Review Panel

This is a HIES internal panel.

The objective of the Membership Review Panel (MRP) is to ensure that any breach of the HIES Scheme Rules & Code of Practice is dealt with effectively, impartially and as quickly as possible. Anyone internally or externally can refer a member or an applicant to the MRP for consideration, detailing their concerns/alleged breaches. The MRP has a range of powers that include: issuing a formal warning, declining membership, requesting enhanced monitoring or expelling the member.

Non-Compliance Panel

This is an external panel.

The Non-Compliance Panel shall be empowered to consider any allegation of a breach of the HIES Scheme Rules & Code of Practice referred to it by the MRP or an appeal against a decision made by the MRP. The panel consists of at least three members to be drawn from a pool of seven and is able to make judgement/s on the behaviour of the HIES member referred. No panel members may be connected to any parties in the matter. Any decisions are on the balance of probabilities and conducted in accordance with the principles of natural justice and fairness.

Appeals Panel

This is an external panel.

A member aggrieved by any decision made by The Non-Compliance Panel (NCP) has a right of appeal directly to The Appeals Panel. The Appeals Panel is able to review any decision of the NCP and may alter, revoke, uphold or suspend that decision and is able to substitute any decision that would have been open to the NCP to make in accordance with HIES Scheme Rules & Code of Practice. The Appeals Panel's decision will be final and binding on both the member and HIES.

There were 67 installers referred to the Membership Review Panel (MRP) within the last 12 months. The tables below outline the reasons why and the outcome of the MRP.

Reasons why members are referred to the MRP
Appeal against the rejection of HIES membership
Non-registration of domestic installations
Issues regarding complaint handling
Non-compliance to HIES Standard Terms of Membership and Code of Practice
Member being non-compliant to MCS or Certification Bodies rules

Results of the MRP
Application for membership remains rejected
Application for membership accepted
Termination of HIES membership
Placed in Compliance Default
Final warning letter sent

There were no members referred to the Non-Compliance Panel or the Appeals Panel in 2018.



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The Home Insulation and Energy Systems Quality Assured Contractors Scheme (HIES) is a division of The Integrity Foundation, a Company Limited by Guarantee. Registered address: Centurion House, Leyland Business Park, Centurion Way, Farington, Leyland, England, PR25 3GR. Registered in England and Wales (Company Number 07972075).