Jane Hutt AS/MS
Y Gweinidog Cyfiawnder Cymdeithasol
Minister for Social Justice

Llywodraeth Cymru
Welsh Government

Ein cyf/Our ref MA/JH/00831/22

Jenny Rathbone MS
Chair of the Equality and Social Justice Committee
Welsh Parliament

13 April 2022

Dear Jenny,

At the meeting of the Equality & Social Justice Committee on Monday 21 March 2022, I agreed to provide the Committee further information to help with your deliberations as part of the inquiry on fuel poverty and the Warm Homes Programme.

In my written evidence, I referred to advice from National Energy Action suggesting the increase in the domestic energy default and variable tariff price cap that came into effect on 1 April will mean more than 280,000 households in Wales could be in fuel poverty. This represented a further 100,000 households since October 2021 and an 80% increase compared to Welsh Government 2018 estimates.

I explained the Welsh Government had commissioned the Building Research Establishment to provide advice on the estimated levels of fuel poverty in Wales. The headline statistical article has today been published and will be of interest as the Committee considers the evidence as part of the inquiry into fuel poverty and the Warm Homes Programme.

This latest assessment of the situation after the 1 April price cap increases, whilst likely to be an overestimate, is cause for concern. Despite the consistent and profound efforts of this Government, it suggests the increase in the domestic energy price cap, taken together with the surge in heating oil costs, means that up to 45% (614,000) of all Welsh households *could be* in fuel poverty using our 10% measure. Of these households, up to 115,000, or 8 % of all households *could be* in severe fuel poverty, spending 20% or more of their household income on domestic energy.

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

I have shared this advice with the UK Government, urging them once again to take action to relieve households from this unmanageable burden to their household finances.

I promised to provide the Committee with further information on two additional matters, the Warm Homes Programme Nest eligibility checker and the Annual Reports on Nest and Arbed, prepared by Pennington Choices Ltd.

My officials have been working closely with British Gas and the Energy Savings Trust to ensure the energy efficiency and eligibility checker is published to the Nest website by no later than the end of May. This will allow householders to seek independent advice about the steps that can be taken to save energy, and whether householders are likely to be eligible for free home energy efficiency measures through our Warm Homes Programme Nest Scheme.

Finally, I am pleased to attach a copy of the latest Annual Reports, prepared by Pennington Choices Ltd in relation to both the Warm Homes Programme Nest and Arbed schemes.

Yours sincerely,

Jane Hutt AS/MS
Y Gweinidog Cyfiawnder Cymdeithasol
Minister for Social Justice

PENNINGTON CHOICES
SUPPORTING PROPERTY PEOPLE

Llywodraeth Cymru
Welsh Government

Warm Homes Wales
Arbed am Byth

Quality Assurance Audit Report
2021-22

Prepared By

Jade White

Version Control

Version	Date Modified	Modified by	Reason for Modification
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1.0 INTRODUCTION

1.1 Background to the project

The Warm Homes Programme is the Welsh Government's flagship all-Wales fuel poverty programme for residential properties, which includes the demand-led Nest scheme and the area based Arbed scheme.

Since 2009, the Welsh Government has invested or leveraged over £366m to improve the energy efficiency of over 61,400 homes of those on low incomes or living in the most deprived areas of Wales. A further £33m will be invested into the Warm Homes Programme over the next year (2021/22) to improve up to a further 10,000 homes.

Under the Warm Homes Programme, the Welsh Government have contracted Arbed Am Byth to manage the end-to-end customer journey in the delivery of the area based Arbed scheme. This includes assessing the household's eligibility and identifying the measures that are suitable for the dwelling. Some of these include replacement boiler and whole heating systems, external and internal wall insulation, cavity and loft insulation and electric storage heaters. As appropriate, there is then a technical assessment carried out, followed by the installation of measures, arranging a post-installation inspection and invoicing the Welsh Government and the end customer as required.

The contract is divided into six regions upon which Key Performance Indicators are based. The six regions are as follows -

- Anglesey
- Ceredigion
- Gwynedd
- Pembroke
- Powys
- Rest of Wales (remaining 17 local authorities)

1.2 Our Brief

The Welsh Government has commissioned Pennington Choices Ltd (PCL) to undertake Quality Assurance Audits on the works undertaken by Arbed Am Byth, the Scheme Manager for the Arbed scheme. The purpose of each audit is to give the Welsh Government confidence that the services provided and the installation of measures undertaken by the Scheme Manager are compliant in terms of both the contract and industry standards.

Arbed am Byth - Whole house assessment (pre-installation) inspections

- In accordance with the contract, PCL will undertake an on-site audit of 5% of pre-installation inspections (up to 100 per annum). Pre-inspections are undertaken prior to measures being installed:
    - To ensure property eligibility has been confirmed
    - To ensure the starting energy rating for the dwelling has been accurately assessed and recorded
    - To ensure the most appropriate and cost effective measures have been recommended for the dwelling

Arbed am Byth - Work in progress inspections

- In accordance with the contract PCL will carry out a minimum of one on-site inspection per month (up to 80 per annum) of the following Measures:
  - External Wall Insulation
  - Internal Wall Insulation
  - Hybrid Wall Insulation
  - District Heating connection
  - A work in progress audit is to include a further on-site audit once the installation is complete.

Arbed am Byth - Post-installation inspections

- In accordance with the contract PCL will audit 15% (up to 300 jobs per annum) of completed installations:
  - To determine whether or not the installations have been carried out in line with the requirements of the contract and industry and manufacturer's installation standards
  - To determine whether or not the in-home advice has been offered/provided in line with the requirements of the Scheme Manager Contract
  - To verify that a valid customer satisfaction form was accurately completed

Audit Selection Summary

Phase	Quantity
Pre-inspections	5% (up to 100 jobs per annum)
Work in Progress inspections	80 jobs per annum (when they occur)
Post-inspections	15% (up to 300 jobs per annum)

1.3 Report structure

The outcome of our inspections are to be reported, firstly to the Welsh Government's identified contract manager and thereafter to Arbed am Byth. The report will be shared with the whole of the Domestic Energy Efficiency & Fuel Poverty team at the Welsh Government. Where the report makes recommendations, Arbed am Byth are to provide an outline of what actions they will take to implement these and their timescales.

1.4 Project oversight

The quality assurance contract is overseen by a group of Welsh Government staff, consisting of:

Staff member	Position
Nina Ley	Head of Domestic Energy Efficiency & Fuel Poverty
Chris Perrin	Fuel Poverty Programme Lead
Lee O'Sullivan	Area Based Programme Lead
Ian Griffith	Arbed Energy Programme Manager
Rhian Tickner	Nest Project Manager

2.0 EXECUTIVE SUMMARY

2.1 Executive Summary - Contract year 2021/2022

The content of this report refers to the Welsh Government Warm Homes Wales contract from 1 April 2021 to 3 November 2021 where the Arbed am Byth contract terminated for the 2021-22 financial year.

During this period, Pennington Choices carried out quality assurance audits of the Welsh Government scheme customer's, as instructed by the Welsh Government and detailed above within 1.2 'Our Brief'.

During the contract year April 2021 to November 2021, Pennington Choices completed 503 inspections. Due to the Covid-19 Pandemic, Pennington choices carried out part desktop, part onsite audits. This blended inspection process was agreed by Welsh Government and proved an effective method of catching up on the programme due to lockdown delays and the reduction of the 2021-22 financial year targets to November 2021. The desktop vs onsite audit split was 62% onsite, 38% desktop. All inspections were consistently scored against the Pennington Choices audit criteria, which is detailed within Appendix A of this report. A data summary for Pre, WIP and Post audits is detailed within Appendix B of this report.

This 2021-2022 Pennington Choices report for the Welsh Governments energy efficiency scheme highlights the managing agent 'Arbed am Byth's' performance throughout the year.

The overall 'Pass' results for all inspections completed by Pennington Choices from April 2021 to November 2021 was 100%. This figure has improved since the last annual report, which achieved an overall pass rate of 98.60%. The details of these results are noted in Table 3.1 'Overview of contract results to date'.

Pennington Choices and Arbed hold regular meetings to provide both parties with an opportunity to discuss the inspection results and enable Arbed to provide additional supporting information in regards to the installations. This process has ensured that all lessons learned are captured and included within a continuous improvement plan, which in turn will provide assurance to the Welsh Government that the expected levels of service and quality are being achieved.

3.0 INSPECTION OVERVIEW YEAR ON YEAR

Table 3.1 - Overview of contract results to date

Contract Year	Total Pass	Total Audits	Pass Rate %
2019-20	336	346	97.11%
2020-21	494	501	98.60%
2021-22	503	503	100.00%

Overall Pass Rate %	98.74%

4.0 INSPECTION OVERVIEW - 2021 - 2022

Table 4.1 - Overall Pass Rate 2021 - 2022

Inspection Rating classified as a PASS Result	Total	%
Passed Inspection & Advisory Feedback for Arbed	499	99.20%
Passed with Evidence Provided	3	0.60%
Passed Inspection (Documents missing)	1	0.20%
Passed Inspection Warranty Call - Installers/subcontractors to return to the property	~	~
Total	503	100.00%

The overall pass rating for 2021-22 made up of the above 'pass' criteria was 100%. Out of the 503 audits conducted 3 post inspection audits were remedial, further evidence was provided by Arbed am Byth to overturn the 3 remedials to passes.

Table 4.2 - Onsite inspections completed 2021-22

Onsite Inspections	Total	%
Completed Inspection	503	~
Passed Inspection / Advisory comments	499	99.00%
Passed with Evidence Provided	3	0.60%
Passed Inspection (Documents missing)	1	0.20%
Passed Inspection Warranty Call - Installers/	0	~
Remedial Inspections Installers/subcontractors to return to the property	0	~
Failed	0	~

During 2021-22, 3 remedial measures were captured. Arbed am Byth provided evidence to Pennington Choices which brought the total down to 0 remedial measures. Pennington Choices required Arbed am Byth to return to 0 customers properties to rectify the post remedial measures.

They did return to 1 property to enhance the installs cost effectiveness for the resident; however, this was an overturned pass install – property ref 40445. Please refer to Appendix C evidence provided summary.

5.0 INSPECTION OVERVIEW YEAR ON YEAR – 2021-22

The inspections classified as 'remedial' and 'fail' have reduced from the start of the contract.

Remedial actions identified by Pennington Choices inspectors during the inspections, are reported directly to Arbed each month. These findings are discussed in detail during a monthly 'remedial' meeting between Pennington Choices and Arbed.

This meeting enables all parties to view any photographic evidence and review any installers/subcontractor notes.

Remedial actions that required the Installers/subcontractors to return are categorised, as 'Remedial' and 'Fail', there is no contractual requirement for a Pennington Choices Inspector to revisit after the remedial works have taken place by Arbed.

6.0 INSPECTION OVERVIEW – DATA RECEIVED - YEAR 2021-22

Section 6 of this report details the volume of data received from Arbed and the total number of inspections completed:

- PRE inspection 'ratings'
- Work In progress inspection 'ratings' and 'contractors inspected'
- POST inspections 'ratings' and 'measures inspected'

Table 6.1 – Pre Inspections completed

2021-22	Pre inspection Data Received	Pre Inspections Completed
Total	1095	100

Table 6.2 - Summary of Pre Inspection ratings

2021-22	Completed	Pass	Fail
Total	100	100	0
		100.00%	~

Table 6.3 – Work in progress inspections completed

2020-21	WIP inspection Data Received	WIP Inspections Completed
Total	3063	87

Table 6.4 - Summary of Work in progress inspection ratings

2021 -2022	Completed	Pass	Fail
Total	87	87	0
		100%	~

Table 6.5 - Post Inspections completed

2021-22	Post Inspection - Data Received	Post Inspections Completed
Total	1908	316

Table 6.6 - Summary Post Installation Inspection ratings

2021-22 Total Completed	Pass/Pass Advisory/Pass Evidence Provided	Pass No Docs	Pass Warranty Call	Fail	Remedial (*overturned)
316	315	1	0	0	*3
~	99.68%	0.32%	~	~	~
Overall Pass Rate % (Pass/ Pass Advisory/Pass No Docs/Pass Warranty Call, Pass Evidence Provided)					
100.00%					

3 remedial measures were captured at post inspection. Arbed am Byth provided evidence to Pennington Choices which brought the total down to 0 remedial post inspections. Please refer to Appendix C for more evidence provided information.

Table 6.7 - Summary of measures inspected

Measure Inspected	Total	%
Electric Storage Heaters	14	4%
Gas Boiler LPG	2	1%
Gas Fired Condensing Boilers	46	15%
Loft Insulation	44	14%
Oil Fired Condensing Boilers	29	9%
Solid Fuel Boiler	1	0%
Solar PV	180	57%
Total	**316**	**100.00%**

From the table above it is clear that most of the measures inspected at post installation phase are Solar PV at 57%, followed by Gas Fired Condensing Boilers at 15%.

During 2021-22 Pennington Choices noted energy saving light bulbs & water saving tap counts, which are included within the table below. Pennington choices have not inspected the installation of the light bulbs or water saving taps, a present/not present check of taps and count of LEDs have been carried out.

Count Checks	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	TOTAL
Energy Saving Light Bulbs	47		13		27	5			92
Water Savings Taps	1			5	1	2		17	26
Total	48	0	13	5	28	7	0	0	101

Table 6.8 - Summary of Post Results by Installers/subcontractors from contract Initiation

Installer	Pass	Pass (advisory/no documents/ warranty call)	Remedial	Fail	Total	Evidence Provided Remedials	Evidence Provided Fails	Pass %
A E Energy/Insulation	12		1	3	16		1	81%
A W Renewables	10		10	1	21	9	1	95%
A&M Energy Solutions Limited	5	1		2	8		2	100%
Chris Allen Plumbing and Heating Limited	200	18	15	6	239	13	6	99%
Colin Laver Heating Limited	47	5			52			100%
Everwarm	4	2			6			100%
Gibson Specialist Technical Services	19	5	7		31	6		97%
Greenlands Heating	51	9	5	5	70	7	2	99%
Heatforce (Wales) Limited	21	3	4		28	4		100%
JM Renewables	77	4	4	2	87	4	2	100%
Carbon Zero	4				4			100%
Loft Solutions NW Ltd	27				27			100%
Madola Energy	6				6			100%
Unknown	28	9	1	2	40	1	1	98%
Wall-lag Wales Limited	20	5	1		26	1		100%
Warmplan Heating Engineers Limited	152	12	19		183	13		97%
Flintshire County Council	2				2			100%
Wales and West Utilities	1				1			100%
Total	686	73	67	21	847	58	15	98.23%

A E Energy/Insulation are the lowest performing installer at 81%. A W Renewables are the next lowest performing installers with a 95% pass rate.

Appendix A

Pennington Choices Auditing Criteria

INSPECTION TYPE	AUDIT CRITERIA	NOTES AS TO WHY
PRE INSPECTIONS	PASS	Clear Pass
	FAIL	Recommended measures not correct
WORK IN PROGRESS INSPECTIONS	PASS	Clear Pass
	FAIL	H&S issues / No ID cards/ and other issues that the Inspector notes on the WIP audit form.
POST INSPECTIONS	PASS	Clear Pass
	PASS ADVISORY (ONLY TO NOTIFY SCHEME MANAGER OF ANYTHING)	Only use this criteria to notify AaB of anything they should be aware of, this is not for any technical issues, may be used to feedback customer satisfaction, for staff, changes by customer to measures fitted, changes of property owner etc.
	PASS NO DOCUMENTS	Documents that are missing at inspection only – this can be Electrical certs, technical survey documents etc.
	PASS WARRANTY CALL	Only use when there is a technical issue with a heating system that the customer advises the system was working at the time of installation and up until the PC inspection – For example system now loosing pressure.
	REMEDIAL	Technical issue - the installers/subcontractors must return and rectify- this can be a technical issue for example the measure is not installed as per technical survey document.
	FAIL	The measure is not installed to manufacturer's instructions and does not meet regulations/ needs rectified – the installers/subcontractors must return.

Appendix B

Data Summary

PRE	No. Completed	PASS	WIP	No. Completed	PASS	Pass Advisory	FAIL	POST	No. Completed	Pass	Pass - advisory	Pass - no documents	Pass - warranty call	Remedial	Fail	Evidence Provided Fail/Rem
Apr-21	7	7	Apr-21	7	7			Apr-21	17	17						
May-21	0	0	May-21	0	0			May-21	25	23	2					
Jun-21	11	11	Jun-21	0	0			Jun-21	38	37				1		1
Jul-21	3	3	Jul-21	25	25			Jul-21	38	36	2					
Aug-21	15	15	Aug-21	30	30			Aug-21	64	60	3	1				
Sep-21	46	46	Sep-21	25	25			Sep-21	38	38						
Oct-21	17	17	Oct-21	0	0			Oct-21	30	27	1			2		2
Nov-21	1	1	Nov-21	0	0			Nov-21	66	64	2					
TOTAL	100	100	TOTAL	87	87	0	0	TOTAL	316	302	10	1	0	3	0	3

Pennington Choices originally captured 3 remedial post inspections. Pennington Choices were able to overturn and reduce the number of remedials to 0, upon receiving further evidence from Arbed am Byth. Details of the evidence provided can be found in Appendix C.

Appendix C
Initial Fail / Remedial Evidence Provided Summary

The below table displays a summary for the evidence provided for 3 remedials, enabling Pennington Choices to overturn to passes.

UPRN	Month	Contractor	Measure	Score	Evidence Provided	Notes	Contractor Response
40856	Jun-21	Chris Allen Plumbing and Heating Limited	Boiler Replacement	Pass	O/T was Remedial	Unable to find Benchmark. Condensate not fully into grid.	1. Benchmark -Oil boiler - Installer confirmed left at installation and Oftec registration forms (CD10/11 and tank form viewed and photographed by AaB inspector (dated 15/02/2021). p.59(of Benchmark photographed at inspection visit (clearer pic attached below).Details on FM. 2. Image provided to P/C, detailing termination of condensate below gully
42676	Oct-21	JM Renewables	Solar	Pass	O/T was Remedial	Faulty wiring, solar unit turned off	We have reviewed the audited properties and believe that 42676 should be overturned. The installation was completed on 08/08/2021 and the inspection for this property was carried out on 20/08/2021. At the time of the inspection, no issues with the electrics of the solar PV were identified. There was no warning alarm light illuminated on the inverter and the generation meter was working. I have attached photos from the post inspection for reference. There was a flashing red light on the generation meter which indicates that the system was working and there was no issue identified with the electrics nor raised by the householder. The attached photos show that the solar PV was working correctly and had generated electricity since the installation. We are confident that the work was carried out to the expected standard and that everything was working at the time of the inspection. Given the delay in between installation and your inspection, we challenge the validity of a remedial for this reason.

40445	Oct-21	JM Renewables	Storage heaters	Pass	O/T was Remedial	3 storage heaters but only one wired properly	I believe that the installation of High Heat Retention Electric Storage Hearers (3 no.) at this property was PAS: 20230 (2019) compliant and conformed to the requirements of manufacture recommendations, electrical safety, Building Regulations compliance, and 18th Edition (IET) Wiring Regulations. Although I accept that the operation of 2 of these units on standard tariff for a short time was not in the best interest of the customer, and I have agreed that Arbed am Byth will offer compensation to the householder, to cover any extra costs of electricity used at standard tariff, between installation commissioning and the tariff matter being addressed. I hope that you will find this sufficient information to reconsider your position with regard to this record being identified as a technical failure. Arbed have returned to connect the heaters up to the economy 7 meter, which will provide the customer with more cost effective heating.

Appendix D

Remedial/Failed Remaining

No remaining remedial or fails for 2021-22.

UPRN	Month	Post - Desktop	Contractor	Measure	Score	Notes	Contractor Response	Review
~	~	~	~	~	~	~	~	~

PENNINGTON CHOICES
SUPPORTING PROPERTY PEOPLE

Llywodraeth Cymru
Welsh Government

Warm Homes Programme
NEST

Quality Assurance Audit Report
2020-21

PENNINGTON CHOICES
SUPPORTING PROPERTY PEOPLE

Prepared By

Jade White

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1.0 INTRODUCTION

1.1 Background to the project

The Warm Homes Programme is the Welsh Government's flagship all-Wales fuel poverty programme for residential properties, which includes the demand-led Nest scheme and the area based Arbed scheme.

Since 2009, the Welsh Government has invested or leveraged over £366m to improve the energy efficiency of over 61,400 homes of those on low incomes or living in the most deprived areas of Wales. A further £33m will be invested in Warm Homes over the next years (2020/21) to improve up to a further 10,000 homes.

Under the Warm Homes Programme, the Welsh Government have contracted British Gas to manage the end-to-end customer journey in the delivery of the Nest Home Energy Efficiency Improvement Service (HEEIS). This includes assessing the household's eligibility and identifying the measures that are suitable for the dwelling. Some of these include replacement boiler and whole heating systems, external and internal wall insulation, cavity and loft insulation and electric storage heaters. As appropriate, there is then a technical assessment carried out, followed by the installation of measures, arranging a post-installation inspection and invoicing the Welsh Government and the customer as required.

The contract is divided into six regions upon which Key Performance Indicators are based. The six regions are as follows -

- Anglesey
- Ceredigion
- Gwynedd
- Pembroke
- Powys
- Rest of Wales (remaining 17 local authorities)

1.2 Our Brief

The Welsh Government has commissioned Pennington Choices Ltd (PCL) to undertake Quality Assurance Audits on the works undertaken by British Gas, the Scheme Manager for HEEIS. The purpose of each audit is to give the Welsh Government confidence that the services provided and the installation of measures undertaken by the Scheme Manager are compliant in terms of both the contract and industry standards.

Nest HEEIS – Whole house assessment (pre-installation) inspections

- In accordance with the contract, PCL will undertake an on-site audit of at least 5% of pre-installation inspections (with no fewer than 20 jobs per month). Pre-inspections are undertaken prior to measures being installed:
    - To ensure customer eligibility for HEEIS has been confirmed
    - To ensure the starting energy rating for the dwelling has been accurately assessed and recorded
    - To ensure the most appropriate and cost effective measures have been recommended for the dwelling

Nest HEEIS – Work in progress inspections

- In accordance with the contract PCL will carry out a minimum of one on-site inspection per month of the following Measures:
  - External Wall Insulation
  - Internal Wall Insulation
  - Hybrid Wall Insulation
  - District Heating connection
  - A work in progress audit is to include a further on-site audit once the installation is complete.

Nest HEEIS - Post-installation inspections

- In accordance with the contract PCL will audit 15% (with no fewer than 50 jobs per month) of completed installations:
  - To determine whether or not the installations have been carried out in line with the requirements of the contract and industry and manufacturer's installation standards
  - To determine whether or not the in-home advice has been offered/provided in line with the requirements of the Scheme Manager Contract
  - To verify that a valid customer satisfaction form was accurately completed

Audit Selection Summary

Phase	Quantity
Pre-inspections	5% (no fewer than 20 jobs per month)
Work in Progress inspections	1 job per month (when they occur)
Post-inspections	15% (no fewer than 50 jobs per month)

1.3 Report structure

The outcome of our inspections are reported, firstly to the Welsh Government's identified contract manager and thereafter to British Gas. The reports are shared with the whole of the Domestic Energy Efficiency & Fuel Poverty team at the Welsh Government. Where the report makes recommendations, British Gas are to provide an outline of what actions they will take to implement these and their timescales.

1.4 Project oversight

The quality assurance contract is overseen by a group of senior Welsh Government staff, consisting of:

Staff member	Position
Nina Ley	Head of Domestic Energy Efficiency & Fuel Poverty
Chris Perrin	Fuel Poverty Programme Lead
Lee O'Sullivan	Area Based Programme Lead
Ian Griffith	Arbed Energy Programme Manager
Rhian Tickner	Nest Project Manager

The group was involved in developing and agreeing the brief and providing supporting information relating to the agreed service level agreements.

2.0 EXECUTIVE SUMMARY

2.1 Executive Summary – April 2020 to March 2021

The content of this report refers to the Welsh Government Warmer Homes Wales contract between April 2020 to March 2021. Due to lockdown restrictions and furlough at Pennington Choices from April to June 2020, no audits of the Warm Homes Programme were undertaken. Therefore references to audits below refer to the period July 2020 to March 2021 when audits were taking place.

During this period, Pennington Choices carried out quality assurance audits of the Welsh Government scheme customer's, as instructed by the Welsh Government and detailed above within 1.2 'Our Brief'.

During the contract between July 2020 to March 2021 Pennington Choices completed 1056 inspections. Due to the Covid-19 Pandemic, Pennington choices predominantly carried out desktop audits. This proved an effective method of catching up on the programme due to lockdown delays. The desktop vs onsite audit split was 18% onsite, 82% desktop. Moving forward into the new financial year and with restrictions easing, we envisage at least 50/50 split of desktop and onsite work to be carried out. All inspections were consistently scored against the Pennington Choices Audit criteria, which is detailed within Appendix A of this report. A data summary for Pre, WIP and Post audits, are also detailed within Appendix B of this report.

This 2020-2021 Pennington Choices report for the Welsh Governments energy efficiency scheme highlights the managing agent 'Nest's' performance since between July 2020 and March 2021.

The overall 'Pass' results for all inspections completed by Pennington Choices from July 2020 to March 2021 was 99.91%. The pass rate for the last annual report, recording results from October 2018 to March 2020 was 94.69% which was considerably lower. This highlights the need for ongoing quality assurance monitoring, to ensure that when trends such as these are identified, they can be reviewed and subsequently rectified. The details of these results are noted in Table 3.1 'Overview of contract results to date'

Pennington Choices and Nest to hold regular meetings and are in communication monthly. This provides both parties with an opportunity to discuss the inspection results, and enable Nest to provide additional supporting information in regards to the installations. This process ensures that all lessons learned are captured and included within a continuous improvement plan, which in turn will provide assurance to the Welsh Government that the expected levels of service and quality are being achieved.

3.0 INSPECTION OVERVIEW YEAR ON YEAR

Table 3.1 - Overview of contract results to date

Contract Year	Total Pass	Total Audits	Pass Rate %
2018-19	394	399	98.75%
2019-20	373	411	90.75%
2020-21	1055	1056	99.91%
		Overall Pass Rate %	**97.64%**

4.0 INSPECTION OVERVIEW - YEAR JULY 2020 - MARCH 2021

Table 4.1 - Overall Pass Rate 2020-21

Inspection Rating classified for a PASS Result	Total	%
Passed Inspection & Advisory comments for British Gas NEST	1014	96.02%
Passed Evidence Provided	38	3.60%
Passed Inspection (Documents missing)	3	0.28%
Passed Inspection Warranty Call - Installers/subcontractors to return to the property	0	~
Total	**1055**	**99.91%**

The overall pass rate for July 2020 to March 2021 was 99.91%. 1055 audits passed out of 1056, there were 39 remedials/fails highlighted to Nest, one remedial needed to be revisited by Nest contractors. The remaining 38 remedials had sufficient evidence provided to allow Pennington Choices to overturn these audits to passes.

Table 4.2 - Inspections completed 2020-21

Onsite Inspections	Total	% Total
Completed Inspection	1056	~
Passed Inspection / Advisory comments for British Gas NEST	1014	96.02%
Passed Evidence Provided	38	3.60%
Passed Inspection (Documents missing)	3	0.28%
Passed Inspection Warranty Call - Installers/subcontractors to return to the property	0	~
Remedial	36	3.41%
Fail	3	0.28%
Remedial/Failed Inspections - Installers/subcontractors to return to the property	1	0.09%
Total Pass	**1055**	**99.91%**

During July 2020 to March 2021 Pennington Choices required British Gas to return to 1 post inspection at a customer property to rectify a remedial measure.

5.0 INSPECTION OVERVIEW – 2020-21

The overall performance of the Warm Homes Programme Managing agent contract has increased. The inspections classed as 'remedial' and 'fail' have reduced from the last annual report, where the total pass rate was 94.69%.

Remedial actions identified by Pennington Choices inspectors during the inspections, are reported directly to British Gas each month. These findings are discussed in detail between Pennington Choices and British Gas Nest to enable all parties to view any photographic evidence and review any installers/subcontractor notes.

Remedial actions that required the Installers/subcontractors to return are categorised as 'Remedial' and 'Fail'. There is no contractual requirement for a Pennington Choices Inspector to revisit after the remedial works have taken place by British Gas.

5.0 INSPECTION OVERVIEW - DATA RECEIVED - 2020-21

Section 5 of this report details the volume of data received from British Gas and the total number of inspections completed:

- Pre Inspection 'ratings'
- Work in Progress inspection 'ratings' and 'contractors inspected'
- Post inspections 'ratings' and 'measures inspected'

Table 5.1 - Pre Inspections completed

2020-21	Pre inspection Data Received	Pre Inspections Completed
Total	832	337

Table 5.2 - Summary of Pre Inspection ratings

2020-21	Completed	Pass	Fail
Total	337	337	0
		100%	~

Table 5.3 - Work in progress inspections completed

2020-21	WIP Inspection Required	WIP Inspections Completed
Total	(Quota reached)	0

Table 5.4 - Summary of Work in progress inspection ratings

2020-21	Completed	Pass	Fail
Total	0	~	~
		~	~

Table 5.5 - Post Inspections completed

2020-21	Post Inspection Data Received	Post Inspections Completed
Total	1730	719

Table 5.6 – Summary Post Installation Inspection ratings

2020-21	Completed	Pass/Pass Advisory/Pass Evidence Provided	Pass No Docs	Pass Warranty Call	Remedial	Fail	Genuine Remedial/ Fails
Total	719	714	4	0	36	3	1
%	~	99%	1%	~	5%	0%	0%
Overall Pass Rate % (Pass/Advisory/No Docs/Warranty Call/Evidence Provided)							
99.86%							

36 remedial measures and 3 failed audits were captured at post inspection. Nest provided evidence to Pennington Choices which brought the total down to 1 remedial post inspections. Please refer to Appendix C for more evidence provided information and Appendix D for the details about the 1 remaining remedial inspection.

Table 5.7 – Summary of measures inspected

Measure Inspected	Total	%
Electric Storage Heaters	21	2.92%
Gas Boiler LPG	6	0.83%
Gas Fired Condensing Boilers	619	86.09%
Loft Insulation	26	3.62%
Oil Fired Condensing Boilers	45	6.26%
Solid Fuel Boiler/Biomass	2	0.28%
Total	**719**	**100.00%**

Table 5.8 - Installer Summary since contract initiation (Post-inspection audit criteria)

Installer	Pass	Pass (advisory/no documents/ warranty call)	Remedial	Fail	Total	Evidence Provided Remedial	Evidence Provided Fails	Pass %
A E Energy Solutions ltd	23	5	5		33	1		87.88%
A.D. GAS	76	18	12	4	110	12	4	100.00%
AE Insulation	30		4	12	46		7	80.43%
Affordable Warmth	41	3	1		45	1		100.00%
All Round Energy Solutions	19	3	1		23	1		100.00%
AMS Heating	30	2	4		36	3		97.22%
Andrew Roberts Ltd	6				6			100.00%
Anglesey Heating & Plumbing	1				1			100.00%
CA Energy Services Ltd	2				2			100.00%
Chris Allen Plumbing & Heating Services	43	14	9	6	72	6	2	90.28%
CLI HEATING LTD	6	10	1		17	1		100.00%
Cloke Heating Ltd	52	3	1		56	1		100.00%
Colin Laver Heating	12	1			13			100.00%
Complete Heating, Plumbing & Electrical Services	18	5			23			100.00%
Electrical Innovations	13				13			100.00%
Electricare	8	1			9			100.00%
Element Essentials	19	1	3		23	3		100.00%
Elite Plumbing & Heating	132	9	18	1	160	13	1	96.88%
G & S Heating Services	53	13	5		71	4		98.59%
Gary Smith	5				5			100.00%
Gas Gold Limited	8	3	1		12	1		100.00%
Gas Tech (Wales) Ltd	16		9		25	6		88.00%
Greenlands	40	5	5		50	3		96.00%
Haigh Energy Services	2	1	1		4	1		100.00%
HEATFORCE (WALES) LTD	1	4	1		6	1		100.00%
IJF Heating & Plumbing	15	2	6		23	6		100.00%
Ivor R Cook Ltd	39	5	6	1	51	6	1	100.00%
KSB Projects	11				11			100.00%
M P GAS SERVICES	6	1	1		8	1		100.00%

M&M Heating & Plumbing Service Ltd	14	1	1		16	1		100.00%
M.D.B Heating & Plumbing Ltd	27	12	12	2	53	8	1	90.57%
MVR Solutions Ltd	20	6	1		27			96.30%
NuEnergy Solutions	31	1	5		37	4		97.30%
Oil Care (Gwynedd) Ltd	3	1			4			100.00%
Oil Facilities Ltd	33			1	34		1	100.00%
Phillips Price Services Ltd	20	13	8		41	7		97.56%
PHR Plumbing Heating & Renewables Ltd	23	2	1	2	28	1	2	100.00%
Rice Plumbing	12		1		13	1		100.00%
RJW Electrical & Solar	2			2	4		2	100.00%
S E Rowberry Htg & Plg Services	18	4	3		25	2		96.00%
SFS	1				1			100.00%
Spilsbury Plumbing & Heating	18	1	1		20			95.00%
Sustainable Energy	18	8	4		30	4		100.00%
Treforys Gas Solutions	11	1	2		14	2		100.00%
Wall-Lag (Wales) Ltd	4	1	3		8	3		100.00%
Warm Front Limited	3	2			5			100.00%
Total	985	162	136	31	1314	104	21	96.80%

There are three installers performing below 90%. They are Gas Tech (Wales) Ltd 88%, AE Insulation 80.43% and A E Energy Solutions ltd 87.88%. Pennington Choices will continue to monitor their performance.

Appendix A

Pennington Choices Auditing Criteria

INSPECTION TYPE	AUDIT CRITERIA	NOTES AS TO WHY
PRE INSPECTIONS	PASS	Clear Pass
	FAIL	Recommended measures not correct
WORK IN PROGRESS INSPECTIONS	PASS	Clear Pass
	FAIL	H&S issues / No ID cards/ and other issues that the Inspector notes on the WIP audit form.
POST INSPECTIONS	PASS	Clear Pass
	PASS ADVISORY (ONLY TO NOTIFY SCHEME MANAGER OF ANYTHING)	Only use this criteria to notify WW of anything they should be aware of, this is not for any technical issues, may be used to feedback customer satisfaction, for staff, changes by customer to measures fitted, changes of property owner etc.
	PASS NO DOCUMENTS	Documents that are missing at inspection only – this can be Electrical certs, technical survey documents etc.
	PASS WARRANTY CALL	Only use when there is a technical issue with a heating system that the customer advises the system was working at the time of installation and up until the PC inspection – For example system now loosing pressure.
	REMEDIAL	Technical issue - the installers/subcontractors must return and rectify- this can be a technical issue for example the measure is not installed as per technical survey document.
	FAIL	The measure is not installed to manufacturer's instructions and does not meet regulations/ needs rectified – the installers/subcontractors must return.

Appendix B

Data Summary

PRE	No. Completed	PASS	Pass - advisory	POST	No. Completed	Pass	Pass - advisory	Pass - no documents	Pass - warranty call	Remedial	Fail	Evidence Provided Rem/Fail
Jul-20	83	83	0	Jul-20	49	48	0	0	0	0	1	1
Aug-20	27	27	0	Aug-20	68	49	17	2	0	0	0	0
Sep-20	32	31	1	Sep-20	65	60	0	0	0	3	2	4
Oct-20	60	60	0	Oct-20	51	47	3	1	0	0	0	0
Nov-20	43	43	0	Nov-20	43	41	2	0	0	0	0	0
Dec-20	16	16	0	Dec-20	77	64	9	0	0	4	0	4
Jan-21	51	51	0	Jan-21	141	121	0	0	0	20	0	20
Feb-21	25	25	0	Feb-21	124	116	0	0	0	8	0	8
Mar-21	0	0	0	Mar-21	101	100	0	0	0	1	0	1
Total	337	336	1	Total	719	646	31	3	0	36	3	38

Appendix C
Initial Fail / Remedial Evidence Provided Summary

UPRN	Month	Contractor	Measure	Evidence Provided	Auditor Notes	Contractor Response
163998	Dec	AMS Heating & Plumbing Ltd	Boiler Replacement	O/T - Was Remedial	Gas meter does not look secure	APPEAL Existing pipework .AMS contacted gas supplier to fit a wall bracket customer refused to have shelf fitted.
166253	Dec	IJF Heating & Plumbing	Boiler Replacement	O/T - Was Remedial	Gas Meter not secure to building and no earth bonding at meter	APPEAL Gas Meter fine its fitted on the floor not freestanding .Combi to Combi with safety advice note left maintenance only for MEB
167104	Dec	NuEnergy	Boiler Replacement	O/T - Was Remedial	Commissioning date missing on benchmark. Gas pressure at boiler on a Ideal logic 30 should be at least 18mbar	APPEAL Dates completed on paperwork. Manufacturers stat you are allowed 1.5mbar across the test point so this reading would be correct. Please see chart att
168009	Dec	NuEnergy	Boiler Replacement	O/T - Was Remedial	Gas pressure at boiler on a Ideal logic 30 should be at least 18mbar	APPEAL Dates completed on paperwork. Manufacturers stat you are allowed 1.5mbar across the test point so this reading would be correct. Please see chart att
171603	Feb	Elite Plumbing & Heating	Boiler Replacement	O/T - Was Remedial	No Benchmark.	Appeal Benchmark completed - see presentation
169846	Feb	Elite Plumbing & Heating	Boiler Replacement	O/T - Was Remedial	No Benchmark.	Appeal - Benchmark completed - see presentation
171477	Feb	G & S Heating & Plumbing Ltd	Boiler Replacement	O/T - Was Remedial	No Meter Bracket Fitted	Appeal - Meter has a bracket - see presentation
168783	Feb	G & S Heating & Plumbing Ltd	Boiler Replacement	O/T - Was Remedial	Meter not secured to building.	Appeal - No Bracket required , meter stable see attached note
171509	Feb	M&M Heating & Plumbing Services Ltd	Boiler Replacement	O/T - Was Remedial	No Meter Bracket Fitted	Appeal - No Bracket required , meter stable see attached note

169950	Feb	M.D.B Heating & Plumbing Ltd	Boiler Replacement	O/T - Was Remedial	No Meter Bracket Fitted	Appeal - No Bracket required , meter stable see attached note
171551	Feb	Sustainable Energy (Heating)	Boiler Replacement	O/T - Was Remedial	No Meter Bracket Fitted	Appeal - Meter has a bracket - see presentation
172049	Feb	Treforys Gas Solutions Ltd	Boiler Replacement	O/T - Was Remedial	No Benchmark	Appeal - Benchmark completed - see presentation
166942	Jan	Treforys Gas Solutions Ltd	Boiler Replacement	O/T - Was Remedial	no electrical bonding visible at gas meter from photo	APPEAL- Exisiting Bonding at high level above meter. Earth Clamp replaced see attached presentation
157474	Jan	Elite Plumbing & Heating	Boiler replacement	O/T - Was Remedial	UNABLE TO VISUALLY CHECK GAS METER, PEB AND RADIATORS AS NO PHOTOS ATTACHED	APPEAL - Like for Like Boiler Change. No need to up grade earth bond. Left card see presentation
158161	Jan	Element Essentials Limited	Boiler Replacement	O/T - Was Remedial	no electrical bonding visable at meter from photo, photo not available of radiator	APPEAL - Like for Like Boiler Change. No need to up grade earth bond. Left card see presentation
158616	Jan	M.D.B Heating & Plumbing Ltd	Boiler Replacement	O/T - Was Remedial	electrical bonding at meter positioned after first tee	APPEAL - Like for Like Boiler Change. No need to up grade earth bond. Left card see presentation
159134	Jan	A.D. GAS	Boiler replacement	O/T - Was Remedial	NO VISIBLE ELECTRICAL BONDING AT METER IN PHOTO	APPEAL - Like for Like Boiler Change. No need to up grade earth bond. Left card see presentation
159462	Jan	Element Essentials Limited	Boiler replacement	O/T - Was Remedial	UNABLE TO VISUALLY CHECK ALL RADIATORS AND MOTORISED VALVE AS NO PHOTOS ATTACHED	APPEAL - Pictures attached see presentation.
160678	Jan	Element Essentials Limited	Boiler Replacement	O/T - Was Remedial	Electrical bonding at meter looks from the photo that its positioned after first tee.	APPEAL - Like for Like Boiler Change. No need to up grade earth bond. Left card see presentation
164371	Jan	S.E. Rowberry Heating & Plumbing	Boiler Replacement	O/T - Was Remedial	No meter bracket fitted	APPEAL - Bracket not required meter is stable. Meter unions on the meter pre-date meter brackets.
164655	Jan	Greenlands Heating	Boiler Replacement	O/T - Was Remedial	no visible earth bonding at meter	APPEAL - Like for Like Boiler Change. No need to up grade earth bond. Left card see presentation

165053	Jan	G & S Heating & Plumbing Ltd	Boiler Replacement	O/T - Was Remedial	No electrical bonding visible at meter from photo, minor electrical work and commissioning/completion report certificates have the wrong property number recorded (number 99)	APPEAL - Like for Like Boiler Change. No need to up grade earth bond. Left card see presentation. Number has been amended.
166135	Jan	Elite Plumbing & Heating	Boiler Replacement	O/T - Was Remedial	electrical bonding not visible at meter from photo.	APPEAL - Like for Like Boiler Change. No need to up grade earth bond. Left card see presentation
166274	Jan	Gas Gold Ltd	Boiler Replacement	O/T - Was Remedial	no visible electrical bonding at meter from photo	APPEAL - Like for Like Boiler Change. No need to up grade earth bond. Left card see presentation
166672	Jan	Elite Plumbing & Heating	Boiler Replacement	O/T - Was Remedial	electrical bonding not visible on photo at meter	APPEAL - Like for Like Boiler Change. No need to up grade earth bond. Left card see presentation
167548	Jan	AE Energy Solutions Ltd	Boiler Replacement	O/T - Was Remedial	Gas inlet pressure not recorded on Benchmark.	* Unable to gain access. Customer not replying to phone calls. Letter sent we will keep you updated.- Appeal - Now provided evidence within time frame
168032	Jan	Elite Plumbing & Heating	Boiler Replacement	O/T - Was Remedial	No electrical bonding at meter visible from photo	APPEAL - Like for Like Boiler Change. No need to up grade earth bond. Left card see presentation
168520	Jan	Greenlands Heating	Boiler replacement	O/T - Was Remedial	ELECTRICAL BONDING NOT VISIBLE IN PHOTO AT GAS METER	APPEAL - Bonding is just outside meter cupboard within 600mm. See Presentation
168701	Jan	NuEnergy Solutions Ltd	Boiler Replacement	O/T - Was Remedial	Benchmark not in desktop folder.	* Unable to gain access. Customer not replying to phone calls. Letter sent we will keep you updated. - Appeal - Now provided evidence within timeframe
168978	Jan	NuEnergy Solutions Ltd	Boiler Replacement	O/T - Was Remedial	17.5 mbar on Benchmark , should be 18mbar at least.	APPEAL - MI's States 17.5MB is ok on 24KW Boiler. See Presentation
169272	Jan	Sustainable Energy (Heating)	Boiler replacement	O/T - Was Remedial	No Meter Bracket Fitted	APPEAL - Bracket not required meter is stable. Meter unions on the meter pre-date meter brackets.
169321	Jan	Greenlands Heating	Boiler Replacement	O/T - Was Remedial	No electrical bonding visible at meter from photo,	APPEAL - Like for Like Boiler Change. No need to up grade earth bond. Left card see presentation
164816	July			O/T - Was Fail	No clip on the flue before it goes into the loft. Required after any change of direction on the 1st meter of the flue run.	There was a clip fitted above the ceiling in the loft, picture attached. The contractor has been back and installed another clip above the boiler for safe measure. This fail should be cancelled. Photo and Explanation provided.Also installer has been back and fitted an additional clip above boiler.

157221	Sept	PHR Plumbing Heating & Renewables Ltd	Boiler replacement	O/T - Was Fail	Contractors Postcode Missing off Benchmark & Gas and Condensate pipework both under doorway. Both pipes can break if stepped on. Needs to be protected within a step. - Fail	Do not agree - Gas pipe & condensate in existing positions, condensate upgraded in same position, installers full address on MI - post code added - installers have returned to the property to add postcode to commissioning docs and cover pipework in step with concrete
159862	Sept	PHR Plumbing Heating & Renewables Ltd	Boiler replacement	O/T - Was Remedial	Electric cable from boiler looks as if its just dangling down and not clipped back. - Remedial	Do not Agree, cables secured within the controls, but we have been back to clip
160659	Sept	Elite Plumbing & Heating	Boiler replacement	O/T - Was Remedial	Condensate pipework looks like overflow through wall to elbow on outside and then into proper pipework. - Remedial	Do not agree - Condensate discharging in to bath waste next to boiler cupboard, hence non return valve.
162037	Sept	PHR Plumbing Heating & Renewables Ltd	Boiler replacement	O/T - Was Fail	Electric socket and connection just dangling in the air. – Fail – Has this been fixed? Dangerous.	Do not agree - Customer informed at survey stage to remove and refit boxing under boiler, customer has completed the reinstatement
170279	March	A.D. GAS	Boiler Replacement	O/T - Was Remedial	No electrical bonding visible at gas meter from photos & From the photos the flue looks too close to the vented eaves. Soffit kit advised to be fitted.	APPEAL - Like for Like Boiler Change. No need to up grade earth bond. Left card Flue is not to close to soffit / Vented Eaves . Flue is fitted to MI's and a board is fitted above as photo

Appendix D

Remedial/Failed Remaining

The below table displays a summary of the 1 remedial remaining from the post inspections.

UPRN	Month	Audit Type	Contractor	Measure	Score	Notes	Contractor Response
156514	Sept	Post - Desktop	Elite Plumbing & Heating	Boiler replacement	Remedial	Bonding needs to be before First "T" on pipework from meter - Remedial	Bonding existing on gas pipe, installers have returned and moved bonding to before first "T" after meter