

**The Renewable Energy Consumer Code
Non-Compliance Panel Hearing**

In the matter of

Solar Power Scotland Ltd (“the Member”)

held on

9 April, 2014

at

1 Wood Street, London

Panel Members:

Mary Symes (Chair),

Amanda McIntyre,

Elizabeth Stallibrass.

Legal Assessor

Jessica Boyd

In attendance:

Andrew McIlwraith (panel secretary).

Renewable Energy Consumer Code (“the Regulator”) representation:

Maya Lester, Counsel

Victoria Brook, solicitor, Bond Dickinson

Solar Power Scotland Ltd representation:

None.

Also present:

Virginia Graham, RECC.

Sian Morrissey, RECC.

Preliminary issues

The Hearing Panel ("the Panel") has decided on balance to go ahead with the hearing.

Ms Lester on behalf of the Regulator explained the effect of any decision by the Panel for consumers, and suggested that the hearing could reasonably go ahead due to the history of the matter, the consumer interest and the interest of the Code and its members. The Panel also heard in detail the attempts that had been made to contact the liquidator of the Member.

The Panel accepted the advice of the legal assessor.

The Panel considered all the circumstances of the non-appearance of the Member. The Panel is aware that the Member has known of this case for a long time, and the date and place of today's hearing.

The Panel accepts that the liquidator has been made aware that the hearing is set for today and had the opportunity to communicate with the Regulator's solicitor and make representations to the Panel.

The Member has a history over the past year of asking for adjournments and in addition it sought an injunction to prevent the hearing from going ahead in December 2013.

The Panel is of the view that in the exceptional circumstances of this case, the public interest and the interests of consumers and the Regulator weighs in favour of the hearing proceeding.

Whether or not the hearing does go ahead today, the Panel has been told that the Member will be expelled from the Renewable Energy Consumer Code ("the Code") under Bye-Law 4.13, and therefore there is no prospect of the hearing taking place at a future date.

In all the circumstances the Panel is of the view it is fair to proceed.

Introduction

This case arose out of the decision of the Non Compliance Panel ("NCP") Meeting on 24 September 2013 that it was in the interests of both parties (the Member and the Regulator) that there should be a hearing under Bye-Law 6.4 of the Renewable Energy Consumer Code to establish whether there had been a breach of the conditions of the Member's probationary period or of the Code.

In February 2010 the Member was suspended from the Code. On 5 March 2010 the member was reinstated but put on probation with conditions. Complaints about the Member continued to be received by the Regulator following the Member's reinstatement and an NCP meeting decided that the Member should be invited to attend a hearing, which took place on 26 July 2011. At this hearing the probationary period was extended for a year.

Since July 2011 the Regulator has received further complaints, and the matter has been discussed at various meetings of the NCP. In March 2012 the probationary period was extended for a further six months, and in September 2012 the NCP decided that the Member's probationary period could not be terminated unless no further complaints were received by the Regulator in the next three months.

In March 2013 the matter was due to come before a further meeting of the NCP for review. However, the matter was adjourned at the request of the Member.

The matter finally came to a meeting of the NCP on 24 September 2013. The NCP decided that it was in the best interests of the Regulator and the Member for a hearing to take place, under Bye-Law 6.4. The NCP ordered the Regulator to provide a summary of its allegations by 21 October 2013, and the Member to provide a written response, if any, by 18 November 2013.

Since that time the Regulator has continued to receive complaints about the Member. In December, immediately prior to the date of the hearing, the Member sought an injunction from the High Court to prevent the hearing, set for 17 December 2013, going ahead. This was refused. Because of the injunction application, the hearing was adjourned.

The hearing was reset for 25 February 2014, but that hearing was adjourned by the Chairman of the Panel when, late the day before, it was apparent that the member's representative would not be able to attend due to family circumstances.

Submissions from the Regulator dated 21 October 2013 have been received. These comprised allegations of breaches of the Code and breaches of conditions of the Member's probation including 22 representative case studies of consumer complaints.

The Member's representative at that time, Prospect Law, submitted documents on 20 September 2013 for consideration at the meeting on 24 September 2013. The Member's only response to the Regulator's document dated 21 October 2013 was a letter to the Panel with enclosures dated 24 February 2014.

Determination of facts and breaches

Ms Lester appeared on behalf of the Regulator. The Member did not appear. The Panel was informed that the Member is in compulsory liquidation and, whilst the liquidator had been contacted, he did not appear at the hearing or make any submissions.

The Panel took into consideration all the paperwork presented to it in the form of a bundle comprising three volumes from the Regulator, in particular the 22 representative case studies and underlying documentation. The Panel also took into account all the submissions from the Member and its representative.

Ms Lester referred the Panel to the document dated 21 October 2013 and specifically to various breaches that had been alleged and the supporting evidence. In particular Ms Lester told the Panel that the number of complaints against the Member had risen to 107, which was the highest number of complaints the Regulator had received about any member of the Code. She reminded the Panel that complaints only reach the Regulator after they had failed to be dealt with satisfactorily by a member of the Code. She also emphasised that the 22 case studies in the bundle were representative examples of 107 complaints made by consumers from which breaches are alleged to have arisen.

The Panel accepted the advice of the legal assessor and reminded itself that the facts should be decided on the balance of probabilities, that is what is more likely than not.

Determination of breaches

The appendix at the end of the determination gives outlines of the cases and the references referred to in the text below.

Section of 2.5 of the Code (Using marks and symbols) The Regulator presented evidence from three example complaints: 7/GE, 21/SW and 22/RWL. The Panel accepts that these were not domestic consumers, but finds that the Member did use the Regulator's logo to persuade these non-domestic consumers to use their services. The Member argued in its 20 September 2013 submission that the Code does not apply to these consumers because they were non-domestic consumers. The Panel accepted that these were non-domestic consumers but the use of the logo to persuade these non-domestic consumers to purchase services is a breach of the Code. The Panel finds the facts proved and a breach of Section 2.5 of the Code.

Section 4 of the Code (General Business Standards) The Regulator alleged that the Member failed to resolve complaints speedily and effectively, failed to deal with consumers politely and quickly, and in general brought the Code into disrepute. The panel finds the facts proved. Of the example complaints, complaints 1/AB, 4/MC, 6/JC, 9/BF, 11/KG, 12/DJ, 15/NM, 16/LS, 17/SS, 18/WW, 19/PW and 20/PW2 showed that the Member had failed to either deal with a complaint at all or deal with a complaint promptly and effectively. The complaints related to a variety of matters, from delaying repaying deposits to delaying dealing with serious technical matters and not responding to consumer complaints at all. The Member submitted that a number of these complaints had been dealt with and had been closed, but did not provide any evidence of this. In relation to complaints 4/MC and 9/BF the Member made no comment at all. The Panel finds the facts proved and a breach of Section 4 of the Code.

In addition, Section 4 of the Code deals with bringing the Code into disrepute. The Panel finds that the wide-scale failure to deal with serious consumer complaints does bring the Code into disrepute and finds the facts proved in relation to this breach.

Section 5.2 (Behaviour of sales representatives) The Regulator alleges that sales representatives gave false or misleading information to some consumers. The Regulator relied on example complaints 19/PW and 3/C as evidence of this. In relation to complaint 19/PW, the Member submitted on 24 February 2014 that the customer had withdrawn his complaint, but provided no evidence of this. This particular complaint related to the technical certification of the company installing the system, which is very important. The Member made no comment in relation to complaint 3/C. The Panel is persuaded on balance that the facts are proved, that during the course of the sale, misleading or false information was given to these customers and therefore that there was a breach of Section 5.2 of the Code.

Sections 5.3, 5.4, 6.2, 6.2.2, 6.2.4 and 7.2 These provisions of the Code all relate to the consumer's right to cancel a contract, either outside or inside the cooling-off period, and the right to receive the repayment of deposits promptly. In relation to these inter-related issues, the Regulator referred to example complaints 2/SB, 3/C, 4/MC, 9/BF, 14/CL, 15/NM, 16/LS, 17/SS and 19/PW. The Panel does not intend to go into each of these complaints individually, but finds the facts proved in relation to each. In her representation on behalf of the Regulator, Ms Lester said that customer 2/SB had cancelled the contract after a variation. The Member's submissions in relation to 2/SB, 14/CL, 16/LS, 17/SS and 19/PW are irrelevant and unsupported, and the Member provided no response in relation to the other four complaints. The Panel finds breaches of all these Sections of the Code. The Panel is particularly concerned that the Member failed to abide by an arbitration award (as evidenced in complaint 16/LS).

Section 5.5 (Permissions) There was one complaint in relation to the failure of the Member to give advice in relation to planning permission (complaint 12/DJ). The Panel finds the facts proved and that there was a breach of Section 5.5 of the Code.

Section 6.3 (Deposits and further advance payments) Under the Code no deposits or advance payment can exceed 60 per cent of the estimated overall cost. The Regulator alleged that complaint 14/CL showed a breach of this Section. The submissions of the Member did not go to the basis of the charge. The Panel finds the facts proved and a breach of Section 6.3 of the Code.

Section 6.4 (Timetable) The Regulator alleged that complaint 14/CL showed that there had been a breach of this Section. No contract was agreed and confirmed in writing in that the Member failed to provide a precise date of installation, or even a period within which the work would be carried out, and there was a three-month wait for installation. The Member did not deal with this matter in their submission, suggesting instead that the customer had changed their mind. The Panel finds the facts proved and a breach of Section 6.4 of the Code.

Section 7.1 and Section 7.2 (Installation) The Regulator alleged that complaints 11/KG, 12/DJ and 14/CL demonstrated breaches of both these Sections. The Member made comments in relation to all three complaints, but in respect of 12/DJ, in the Panel's view, the Member failed to understand the purpose of the Code. The Panel finds the facts proved and a breach of Sections 7.1 and 7.2 of the Code.

Section 8.1 and Section 8.3 (After-sales activities) The Regulator referred the Panel to complaints 10/NG and 17/SS. In their comments on these complaints, the Member partially admitted the facts of complaint 17/SS. In relation to complaint

10/NG the Member suggested without any evidence that the issue had been remedied to the customer's satisfaction. On the balance of probabilities, the Panel finds the facts proved and a breach of Sections 8.1 and 8.3 of the Code.

Determination of level of seriousness and sanction

The Panel accepted the submission of Ms Lester on behalf of the Regulator that it should consider whether the breaches themselves reached the threshold that would entitle it to terminate the Member's membership under Section 5.22 of the Code. The Panel considers that there has been a comprehensive and consistent failure by the Member to abide by the provisions of the Code over a prolonged period. The behaviour of the Member was grossly prejudicial to the interests of the Code. The number and range of breaches amount to irremediable conduct, and has resulted in considerable consumer harm.

Further, the Panel reminded itself of a previous Panels' decision of 26 July 2011 , that the Member must not commit material breaches of the Code during its probationary period. The Panel finds that there had been fundamental and material breaches of the Code.

The Panel has the power to terminate membership of a member under Section 6.8 of the Bye Laws. The Panel has decided that Solar Power Scotland Limited's Code membership shall be terminated forthwith..

Annex

Anonymised summaries of the Regulator's 22 representative consumer complaints

Appeal Period

Under Bye-Law 8.1 the Member may appeal this determination within 14 days of the date of the determination.

9 April 2014

Annex: Anonymised summaries of the Regulator's 22 representative consumer complaints

Case 1/AB

Regulator's submission:

AB entered a contract with SPS for a Solar Thermal system. After installation, AB was provided with a document, "Maintenance and Repairs", which recommended an annual check of the system. SPS gave a two-year guarantee period.

The recommended annual maintenance checks were not carried out by SPS as advised in writing. AB approached the company about this in 2012 and was advised that the checks had not been done due to an "administrative error". No further contact was made by SPS and AB contacted the company again to be told that the company was "horrified that the work was still outstanding" and promising to arrange the work.

AB contacted the company on many occasions and was informed that the company would carry out the checks but that a date could not be provided. AB has always been assured that the matter would be dealt with. The company has repeatedly failed to respond to AB's complaint and has broken numerous promises to attend to the system.

AB complained to RECC on 12 June 2013 that SPS had not carried out a maintenance inspection of his installation. AB was particularly concerned that proof of maintenance is likely to be a requirement of eligibility for the Renewable Heat Incentive. Following contact from RECC, on 16 September 2013, SPS confirmed that they had "this programmed in for Robert [from SPS] to attend. As previously advised to the customer a check is not a priority and will be seen to in due course".

Case 2/SB

Regulator's submission:

On 2 May 2013 SB signed a contract with SPS for a solar PV system with ten panels and paid a deposit of £1160. On 17 May 2013, she was advised after an EPC inspection that an eight-panel system would be more suitable for her roof size. The contract was varied accordingly and with an installation date of 24 May 2013. On 23 May 2013, SB called SPS to confirm the installation but was instead informed that SPS were waiting for an inverter and could not install until next week. On 24 May 2013, she cancelled the contract on the telephone and in writing and asked for return of her deposit. This cancellation was within 6 working days of the variation. SPS have to date failed to return the deposit.

Case 3/C

Regulator's submission:

SPS attended the consumer's property on 1 September 2011 to discuss a Solar PV system. The consumer informed the salesman that other quotes had been obtained. The consumer informed the company that the best quote received was £2,450. The company said their best price was £15,000.

The consumer refused the offer, and says on their online complaint form that the company claimed the "solar panels they supplied were REC and made in Norway and were far superior made panels, made in Norway with REC technology and made to withstand the harsh weather in Norway and would easy withstand any weather Scotland could throw at the panels not like the Chinese panels".

Based on this information, the consumer was tempted but told the salesman that the price was too high. The salesman said that if the consumer signed on the day, the price would be £13,000. This was then dropped to £12,600.

On 1 September 2011, the consumer accepted the contract and paid a deposit of £3,150. On 29 September 2011 following a survey, the consumer paid an advance payment of £3,150.

The consumer was told by phone and letter that the installation would be on the 13 October 2011.

The consumer was informed on 12 October 2011 that the company could not get the REC Norwegian panels but could supply "far superior" German panels.

The consumer was not happy with the situation and after numerous phone calls with the company, he cancelled the contract. The consumer does not give a precise date of cancellation. In a letter from SPS to RECC dated 14 November 2011, the company says the consumer cancelled verbally on 14 October 2011 and 18 October 2011. SPS say the consumer did not cancel in writing as requested until 28 October 2011.

The consumer complained to RECC that the deposit and advance payment had not been returned. The consumer said: "I feel help-less I phone them to sort things out and I am told they are busy".

Case 4/MC

Regulator's submission:

A contract was signed by the consumer and SPS on 12 November 2010 for a solar thermal system. MC had planned an extension to his house which required building warrant and bought the solar panels as part of the extension. The intention was that the solar panel installation would be incorporated into the building warrant application. The contract price was £8,000 and a deposit of £2,000 was paid by credit card. The contract was cancelled in July 2011 because MC had decided to move house and his new house did not have any south facing rooves. It was cancelled outside the cooling off period and SPS had not carried out any work on the contract. Despite several efforts, SPS did not indicate how much of the deposit would be returned. MC pointed out the company is only entitled to retain funds in respect of specific reasonable costs incurred. MC made an offer to the company on 28 February 2012 but the company did not respond. MC tried to get his deposit back from SPS through his credit card company Capital One. Between January and July 2012 Capital One communicated with SPS regarding the refund of the deposit. Capital One informed MC in a letter on 19 July 2012 that their last contact with SPS was on 27 June 2012. They assured Capital One that his case would be reviewed urgently, but had not responded since then.

Status: Closed. MC received cheque of £1,604 as refund on 18 December 2012.

Case 5/CC

Regulator's submission:

CC had a Kloben solar thermal system installed by SPS in 2010 at a price of £9,300. She was informed that the initial high cost would be recovered by a grant from the Energy Saving Trust (EST) and subsequent annual payments (RHI) for 25 years based on the amount of energy, which would not be taken from the National Grid.

The salesman informed CC that this was calculated based on the size and capabilities of the system installed. CC carried out research online as to how to make a claim and it appeared that the annual payments mentioned only apply to solar PV systems. CC contacted the EST who informed her that she was mis-sold the system.

Status: Consumer accepted compensation of £1021 from SPS.

Case 6/JC

Regulator's submission

In May 2012, JC entered a contract with the company for the supply of a Solar PV System at the cost of £8,450 including VAT. There is no reference as to what VAT rate applied on the contract. JC paid a deposit of £2,112.50, being 25% of the total.

Due to installation delays, and problems with the workmanship applied, the final cost of the system was reduced by £316.80 representing the cost of the repairs to the concrete base. This was further discounted by £163.50 following an offer made by the company. The consumer paid the outstanding balance.

Following the completion of the system and the acknowledgement of the discounts offered, the company provided the consumer with a final invoice dated 26 November 2012. The consumer did not receive the invoice until late January due to a period of absence from the country. This invoice makes reference to VAT on the purchase at a rate of 20%. All domestic solar installations should have a 5% VAT rate applied to their total.

The consumer wrote to the company raising the VAT complaint on 29 March 2013 and did not receive a response. RECC notified full details of the complaint to SPS on 4 July 2013. The complaint was resolved by SPS confirming that the 20% rate was simply a typographical error and 5% had in fact been charged. However, the failure to communicate this to the consumer clearly had led to an escalation of the complaint to RECC and further dissatisfaction from the consumer.

The consumer also noted that "we have spent so much time telephoning you to find out what the current situation was at any one time, waiting in house, with your promised dates being re-scheduled to the next day or later in the week".

Case 7/GE

Regulator's submission

On 24 September 2012 the consumer signed a contract for the installation of a solar photovoltaic system with ninety six modules and an inverter. The contract price was £60,000 and a deposit of £4,000 paid by cheque to SPS. The salesman informed GE that SPS is accredited by RECC (M/471). On 15 October 2012, SPS sent a letter to GE stating that following a visit to carry out a survey, the order had been confirmed and the deposit had been received.

GE tried to contact the salesman involved for several weeks unsuccessfully. This was because four months after signing the contract, SPS had not carried out the installation or returned his deposit. Eventually, the salesman contacted GE to inform him that SPS are not accredited by RECC and his deposit would be returned from the Energy Saving Trust within two weeks after signing (M/471).

By 30 January 2013, the company had failed to carry out the installation and had not returned the consumer's deposit either.

Status: GE has taken steps to recover his deposit through court action.

Case 8/SE

Regulator's submission

On 17 October 2012, SE (a non-domestic consumer) ordered three air-to-air heat pumps from SPS and paid a deposit of £1250. A further payment of £1,750 was made to the company. In December 2012, the company installed the unit. SE soon realised that one of the heat pumps was not working and was placed in an

obstructive way. The unit was placed in SE's driveway, which meant that it she was unable to get in and out of her car.

SE contacted the company on many occasions and the company brought a new unit and installed it in a different place. The second unit also stopped working and the third one did not work as it should. At the beginning of August 2013, the company sent two men to check the system and they said there was a fault with the installation. It took ten months for the system to start working again and as result she is seeking compensation for lost fuel saving.

Status: SE was informed RECC is unable to deal with her complaint as she is not a domestic consumer. Micro business arbitration is available to her.

Case 9/BF

Regulator's submission

BF already had a Solar PV system installed by SPS when they approached him on 27 April 2012 to see if he would be interested in an Air to Air Heat Pump. SPS has never been MCS Certified to install heat pumps. The salesman was very persistent and did not indicate that there would be any problems installing the system at BF's property.

BF agreed to have the system installed subject to a technical survey, and paid a deposit of £1,125 on 27 April 2012.

SPS carried out a technical survey on 22 May 2012 during which it came to light that the installation would cause irreparable structural damage to BF's property. BF contacted SPS to cancel the contract in writing. RECC does not have evidence as to the date of cancellation. The letter of cancellation is undated.

Following the cancellation of the contract, the consumer made numerous telephone calls to the company chasing the deposit and a promised referral fee of £200.

BF complained to RECC that he had not received a refund of his deposit.

Case 10/NG

Regulator's submission

NG signed a contract with SPS for the installation of a solar thermal system. Since March 2011, the consumer faced a number of technical issues with the system. There was constant noise coming from the pipework and from the solar panels in windy weather conditions. The company failed to carry out their annual maintenance check as detailed in the company's guideline and provided no information on the 5-year guarantee available to the consumer. The consumer also discovered that the fluid in the boiler was discoloured.

Upon notifying SPS of these issues, the company responded that the noise from the pipework would be fixed by running hot water and that a sales person would check the solar panels whenever they were next in the consumer's area. They also told the consumer that the maintenance checks will now only be carried out every two years instead of one year.

Dissatisfied with the response, the consumer requested an assessment check for her system, which was ignored for the next two months. Finally she spoke to Mr of SPS who agreed to carry out an assessment and NG e-mailed him outlining her concerns with the system. Again she did not hear from the company for two weeks.

Finally, the inspection was carried out on 16 August 2012 by the same engineer who did the initial installation. He resolved some of the technical issues and informed her that other SPS consumers had the same problem and it was due to SPS installing pumps of inferior quality.

Therefore, NG requested Mr Hi to assess her system and assure her that it is working optimally. However, she did not receive any response from him.

Case 11/KG

Regulator's submission

On 25 January 2012, KG signed a contract with SPS for installation of solar PV panels. The consumer's main concern was that it took SPS 4 installations (between February and October 2012) to properly fit the system and this left the roof in a poor condition. This also led to a piece of the system falling from the roof and damaging the consumer's car.

KG also states in her complaint form that she had to telephone SPS over 100 times in 8 months, for issues including obtaining the electrical certificate (received in August 2012), resolving the problems with the roof (broken tiles, tile positioning), missed appointments, chasing telephone calls which had not been received as agreed

Case 12/DJ

Regulator's submission

DJ paid a 25% deposit (£925) in October 2012 on signing the contract and then a further £925 when the electrician visited in November. They tried to give a cheque for the outstanding balance to the subcontractor following installation but he refused to take it. SPS documentation states that "all our installation teams are authorised to collect final payment" which does not seem to have been the case. Within days of the installation, DJ concluded that they had been mis-sold the system and contacted SPS to inform them of this.

DJ has indicated that they felt pressured into signing the Purchase Order on the day of SPS's energy consultant's visit. They were offered a £300 discount if they signed on that day and when they suggested they wanted time to consider the proposal, were informed that the consultant was unlikely to be able to visit again for some considerable time, possibly not until after their holiday or even Christmas.

DJ feels that the system was mis-sold to them and was not suitable in that it did not adequately heat the rooms as they had been told it would by the energy consultant. Alternatively, the system is not performing correctly.

The system was installed by a non-MCS certified company. SPS threatened legal action for non- payment without investigating the outstanding issues.

Case 13/MJ

Regulator's submission

MJ accepted an appointment with a sales representative of SPS after receiving a cold- call from them. The consumer agreed to the installation of a 200kW biomass installation and paid a deposit of £21,801 on 20 June 2013. However, no contract was signed and they verbally cancelled the contract within 7 days. It appears that the consumer rushed into agreement after being told by the company that the RHI payment will be changing soon.

Case 14/CL

Regulator's submission

On 21 September 2012, CL signed a contract with SPS for installation of a solar thermal system. CL paid £2,050 on 21 September 2012 by cheque as a deposit, followed by interim payment of £2,050 on the 17 October 2012 after the survey. The total price of the solar thermal system was £6,380.95. Since that time, SPS have not carried out any work at CL's property pursuant to the contract. They also realised that the system which was sold to them would not meet the needs they were led to believe.

As SPS had failed to carry out any work, CL decided to cancel their contract on 17th December 2012 by writing a letter to the SPS. On 9th January 2013, CL received a letter from SPS acknowledging receipt of their cancellation letter. The company said they would be in touch shortly to advise on cancelling the contract outside the cooling off period. Since that date, CL have not heard from SPS regarding a refund of the £4,100 paid.

Case 15/NM

Regulator's submission

NM was visited by a SPS representative on 25 September 2012 to advise on the installation of a Solar Thermodynamic system. The representative advised that NM should purchase a system with a 300 litre tank. NM signed the purchase order and paid a deposit of £1,750.

SPS carried out a technical survey and it was determined that the loft space was too small to fit the system tank and the contract was cancelled.

NM complained to RECC on 5 February 2013 that SPS had not returned the deposit paid.

NM states on her complaint form that she contacted the company by letter sent recorded delivery and repeatedly phoned the company only to be told she will be called back. This never happened.

Case 16/LS

Regulator's submission

LS signed a contract with SPS on 6 February 2012. She missed out on the 43.3p tariff as the company did not send all relevant paperwork to her in time for her to register for the higher tariff. She is now on the lower tariff. When LS signed the contract, SPS promised that she would get the higher tariff.

Case 17/SS

Regulator's submission

In May/June 2010 SS signed a contract with SPS for a solar PV system and solar thermal system. There were a number of issues with this installation due to which the consumer contacted RECC in February 2012. On RECC's advice, the consumer contacted SPS for compensation for providing misleading information on RHI payments, poor installation of the system, failure to service system and deliver goods/services (as agreed for compensation).

The salesman assured the consumer that he would receive an annual payment of £255 for the period of 20 years. The consumer's system was set on the wrong setting for 18 months, which led to excessive use of oil/ fuel. SPS failed to attend maintenance checks to service the system and confirm it was working correctly and therefore failed to identify the fault. SPS has continually offered resolutions, which have been accepted by the consumer, but SPS failed to act on them. This included an offer of a free 10-year service contract and installing a solar PV system on the consumer's hot tub, which they have failed provide. The consumer is still concerned

that the system needs remedial work, but is unwilling to let the company be involved in the process.

Finally, the consumer notes on the complaints registration form and in correspondence with SPS the poor customer communications he has received including failure to return telephone calls and failure to attend the premises as agreed.

Case 18/WW

Regulator's submission

WW signed a contract with SPS in December 2011. Remedial works were carried out by SPS at the property but by February 2013 WW had no hot water. The consumer also complained about mis-selling as the system installed was not what they had agreed to (air source system rather than solar thermal), and there was insufficient investigation carried out in advance of the installation to ensure that the property would receive sufficient hot and cold water following the installation. The reports they commissioned from M J Design questioned the suitability of this system for the cold northern Scottish climate. They also indicated that there were technical problems with the installation, it had the potential to create hazardous ice outside the property, it was unsightly, and noisy, and the consumer was not forewarned of this.

Case 19/PW

Regulator's submission

PW signed a contract for the installation of a biomass system with SPS and paid a deposit of £1,500 in October 2012. The consumer chose SPS to carry out the installation as they had REAL accreditation and SPS assured PW they were MCS certified for biomass as well.

While completing a pre-installation claim contract with the Energy Savings Trust, PW learnt that SPS was not MCS certified for biomass, and at the time of the contact with EST, he was informed that SPS had not even applied for certification. PW corresponded via email with SPS over this matter for several months. On 20 November 2012 SPS supplied the consumer with their MCS number for solar power, which did not apply to biomass, and which the consumer tried to use to progress his EST application. On 19 December 2012 they were told SPS's installer was MCS accredited and they would have the MCS number the following day. On 10 January 2013 SPS finally informed the consumer that their MCS audit was scheduled for 10 February 2013 and the MCS number would be received within 1 week of this. The consumer requested a refund of his £1,500 deposit. Despite numerous chasing emails, by 13 April 2013, when PW complained to RECC, his deposit had still not been returned. As at 17 April 2013, MCS confirmed that SPS were still not currently certified for biomass. A check performed on the MCS website on 17 October 2013 revealed that at that date SPS was only registered by MCS for solar PV.

Case 20/PW2

Regulator's submission

PW2 signed a purchase order from SPS for a Solar PV installation on 20 June 2012 and paid a deposit of £2,218.12. He made further payments on 25 and 27 June 2012.

Due to the pressure of the 21p FIT deadline, the consumer made two further payments, paying for the install in full without being provided with invoices or receipts.

Following the installation and commissioning of the system on 9 July 2012, the company did not provide the consumer with a paid in full invoice, the handover documents and the MCS Certificate as the consumer had not paid a sum of £425 for

an Aurora Desktop Device. The device was only offered on the day of installation and did not form part of the original contract price. The consumer was withholding payment for this device as there were purported technical issues with the device.

SPS told the consumer in an email dated 12 July 2012 that the company was legally obliged not to send documents until final payment received.

The consumer complained to RECC on 12 July 2012, ultimately concerned that the delays would lead to him missing the 31 July 2012 FIT deadline.

Following RECC's involvement, the company did provide the invoice and certificate but the consumer remained concerned about the accuracy of the invoices. The handover documents were further delayed.

Later issues came to light in February 2013 regarding the safety of the panel fixings and the brackets used, the size of his inverter compared to the systems peak capacity and the concern that the installation was not carried out correctly since there was no scaffolding; the installers had to borrow the consumer's scaffolding and "did not seem to be able to tolerate heights". These issues do not fall within the remit of the Code.

Case 21/SW

Regulator's submission

SW states that he was cold-called by SPS. During a visit from [redacted] of SPS on 12 September 2012 SW states he was informed by SPS that it was a member of the Code, but he was not informed that the Code did not apply to him as a non-domestic consumer. SW states he was reassured having subsequently viewed the SPS website and seen the REAL logo. The purchase order signed by SW states "Subject to EST funding or deposit is returned". SW states that he was provided with no precise pricing information or specifications for the biomass boiler at the time he signed the purchase order and was informed that EST funding was running out and to get the full current level of RHI the installation would have to be completed by Christmas 2012. Part of the planned installation was intended to heat a workshop, which SW says he informed SPS was yet to be built and would not be completed for at least another 6 months. Following a visit from EST, SW sought to cancel his contract as he was informed that the workshop needed to be constructed before funding could be offered. The deposit was not returned and SW contacted the Executive on 3 December 2012.

Case 22/RWL

Regulator's submission

RWL is a non-domestic consumer. She says she was cold-called by SPS. During a visit by [redacted] of SPS on 19 June 2012, she was told that SPS was a member of the Code and shown the SPS's Code membership certificate (which bears the RECC logo). She says that because of it she gave SPS a deposit, without being informed that the Code would not apply to her installation because she was a non-domestic consumer. She also says she was not informed what savings and what FIT she could expect with her installation. RWL's Purchase Order stated that it was "subject to EST funding. If not accepted deposit will be returned". Following the EST visit, she says she was informed that the proposed solar PV installation was not suitable for her property and that EST loan funding would not be available. Accordingly, she asked SPS to refund her deposit on 9 August 2012. RWL made her complaint to REAL on 9 November 2012. RWL received a refund via her debit card provider on 15 January 2013.