

APHCI  
Gas Junction House  
Finglas Village  
Dublin 11  
1st August 2014

### **CER Consultation Papers Regulation of the Gas Installer Industry with respect to Safety from 2016**

We would like to welcome this Consultation Document, however it should be noted that installers and installers representatives are extremely disappointed with the limited amount of time given as quite a number of people are on holidays. A consultation period of five weeks is simply not enough for the size of the document and the work involved, particularly as Installers Representatives are self employed, running their own businesses and are operating in a voluntary capacity.

Nevertheless this is for and on behalf of the APHCI Board, its Members and the following members of the Installers Representatives Panel (IRP) Sean Giffney, John Reynolds, Patrick Jordan and James Egan. who have been elected by Registered Gas Installers to represent them. The views expressed are those which have been widely discussed with installers and represent a true and fair view.

The CER has the responsibility for the development of a comprehensive system with respect to gas safety.

RGII has been given the responsibility of the regulation of Registered Gas Installers (RGIs) and the investigation of complaints

However no one is proactively seeking out illegal operators or illegal works.

The RGII say this is not their remit and they are not policemen.

This is a fundamental flaw in the system which needs immediate attention, people lives are in danger.

## **2.0 Overview of the Existing Regulatory Regime**

2.2 Line 16 It is a gross overstatement to say that either the CER or RGII have complied with the phrase "must adhere to" Criteria Document

Examples are

CER has not used its powers to identify illegal and unregistered gas installers.

RGII have failed to actively seek return of Certs.

RGII continue to refer people to individual installers instead of a complete list.

Page i The Statement containing "or" should be changed to "and / or" This statement appears 6 times in the Document. For Example when CPD is introduced it would need to be mention in both documents

2.3.1 The Number of Registered gas installers (RGIs) 2982 at the end of 2013 is incorrect.

25th March 2013 No of RGIs 2672

24th April 2013 No of RGIs 2634

21st May 2013 No of RGIs 2622

1st July 2013 No of RGIs 2563

13th September 2013 No of RGIs 2611

26th November 2013 No of RGIs 2667

10th April 2014 No of RGIs 2671

28th July 2014 No of RGIs 2698

Example at any given time there are at least 300 suspended who for some reason have been included in the figure published.

In June 2011 LPG installers and LPG Gas works became regulated. It is was estimated that because of this approximately 350 LPG installers would join RGII. However figures were constant in the 2,700 – 2,800 bracket for the remainder of the year. This illustrated the lackadaisical approach of RGII to having them registered.

2.3.2 There is no record of the quality of the Inspections and the time taken to carry out the task. Does the current mandatory 5 year assessment course reflect the CERs evaluation of the quality of the inspections? The statistics reflect the fact that each RGI has been inspected 5 times already in advance of the Assessment course. There is therefore a direct contradiction here as to the safety benefit of either.

Until this year persons with no trade or formal qualification were allowed to attend gas courses and afterwards once they had insurance were allowed become registered with RGII What steps have RGII/CER taken to rectify this situation ?

Since 2009 thousands of people have completed gas courses provided by the four main training providers. However the numbers of Register Gas Installers does not reflect this. Why ?

With an increase in the number of inspectors from 2010 onwards, how come the quarterly inspection fell so dramatically? In the latter two quarters of 2009 inspections were at a level just below 1,800, they are now averaging 750, suggesting that there has been a dramatic falling off in performance.

The RGII now has one Inspection manager and 7 inspectors for 2,700 RGIs with one inspection a year, based on a 48 week working year this means each inspector is completing an average of 8 inspections per week or 1.6 per working day. With RGIs contributing €1.3m the average cost of each (job) inspection is €480 which takes an average of approximately 30 minutes

In their original tender document to the CER. RECI proposed one Inspection manager and 6 inspectors this was for a total number of 4,984 (this was the figure produced by CER in 2008 after they carried out research. This is nearly DOUBLE the figure of installers currently registered ) RGIs with one inspection a year, based on a 48 week working year, would mean each inspector, is completing an average of 17 inspection per week or 3.5 per working day. With a running cost of €818,000 The average cost of each (job) inspection is €163

Given that the CER has the responsibility for the economic regulation of the GSSB how has this been allowed to happen ?

The average time for an inspection is 30 minutes ?

Who is supervising and monitoring the inspectors ?

Do the inspectors make their own appointment or are they made by the office staff ?

Do the inspectors have tracking devices on their vehicles ?

In Northern Ireland there is only one inspector for over 2000 registered installers

Surely there are serious productivity issues here to be examined ?

Why can't the inspector conduct full, verifiable, competence assessment of RGI's, during their inspection and perhaps back this up with a verifiable online quiz/exam, like the ones used by Gas Safe in the UK

2.3.3 The sale of Certs highlights the illegal activity in the installation of gas boilers.

There are verifiable figures of the annual sale of 30,000 gas boilers.

Only approximately 12,000 certificates where a boiler could have been installed are returned to RGII each year, leaving roughly 18,000 boiler being illegally installed each year. Yet the concluding sentence in the document diverts attention completely away from this by adding "broadly there is a consistent number of certificates sold" , that should read – illegal boiler installations.

Only approximately 50% of the 11,365 appliance replacement cert in 2013 were returned to RGII and this has been the case since 2009 and little has been done about it by RGII. Why ?

BGN claim 650,000 natural gas customers, as less than 6,000 boiler to boiler cert were returned in 2013 this gives the ridiculous statistic of their customers boilers are being exchanged once every 108 years, What is CERs response to this ?

How many of the 7946 new meter certs are returned to RGII ?

Has anyone ever matched them up to find the RGIs who have used the certs, given a copy to BGN but not returned them to RGII?

Do BGN send RGII a copy? and if so has RGII ever checked to see if the RGIs who bought the certs is the person who completed the work for the householder ?

The Footnote (11) is grossly misleading. The CER announced over 2 years ago that they had approached the CSO for this information and subsequently admitted that it was unlikely that the CSO would have the figures in the format required. What timescale is on this now?

### 3.0 The Designated Body

#### 3.2.2

The scheme is not for profit, and also at inception you will see that there was no provision for a surplus or sinking fund. Holding this amount is in breach of the initial Working Document. We are disturbed that the RGII, arbitrarily changed the financing arrangement, creating this fund, [REDACTED]  
[REDACTED] The RGII never needed a sinking fund which reflects on the lack of expertise on RGII's part.

Why does the CER accept unsigned accounts and furthermore hide all outgoings from the contributors namely the RGIs?

The cost of Certs was to be reduced if there was a surplus, not spent on assessments or Gas Safety Offices (whose wages were to be paid by CER). Has CER given itself the authority to use funds arbitrarily. This is a dangerous precedent.

#### 3.3.1

The RGII should continue to operate on a not for profit basis

#### 3.3.2

The body should be appointed for 5 years only as it makes the new body more accountable to stakeholders

#### 3.4.1

There should be one Gas Body and a separate Electrical Body. Already expenses are shared, however we are unable to comment further on this as full accounts are kept secret.

We are convinced that in the interest of transparency details of full accounts should be immediately made available to the contributors – namely the RGIs This would facilitate a meaningful discussion on the above . This was previously agreed in October 2009 and is recorded in the minutes of the IRP meeting.

The Body was also to be open and transparent, have 3 Installers and 1 consumer representative on the RGII board who would be presented with monthly management accounts. An AGM was to be held where individual RGIs would be given the opportunity to express their views.

Why has RGII/CER failed to adhere to these agreed arrangements ?

There appears to be no Job Descriptions and no individual KPIs. Comment is difficult in the absence of full data. As access has been denied on competitive grounds how can installers identify the benefit or otherwise

of sharing resources as we do not know to what extent they are already shared or indeed in what proportion these are allocated? [REDACTED]

The new contract must contain powers to discipline the GSSB for failure to deliver on set KPIs, during the course of their tenure.

Included in these KPI's should be 1. Consumers Satisfaction 2. Installers Satisfaction. These are two KPIs used for Gas Safe in the UK

The new KPIs should be approved by all stakeholders in advance

The term should be 5 years and not dovetailed with RECI.

3.5

The accounts say Initially it cost €350,000 to set up RGII.

Originally it was agreed the set up cost was to be paid for by CER. Did this happen?

Why did it cost €350,000 to set RGII up ?

What is the breakdown of costs ?

What set up costs are envisaged if a different organisation is appointed to run the body?

Is there therefore an unfair advantage to another bidder not having access to information relevant to this issue? Reference has only been made to transferring money and no mention of hardware.

A flat Membership fee of €350 per for 3000 registered installer would yield an income of €1,050,000 more than sufficient to run the new GSSB. This would eliminate the work involved in administering the cost of Certs. In turn certificates could be incorporated into installers invoices. This proposal would save time and money. The invoice would have two copies, one for the customer, one for the installers for GSSB inspectors' annual visit. This would be in line with current practice in the UK.

We believe more installers would join RGII as they would not be required to pay for certs. RGIs would have no reason not to issue certs. The €1m currently held by RGII could be used to reduce this cost of membership. Running cost of the body could be further reduced by CER paying the wages of the GSOs and the reduction of admin staff currently processing certs.

The document shows a reserves figure of €809k for RGII, yet bank balance is €1,013m. As RGII is not a trading company (ie. it is not trading in goods) It should have little or no creditors.

Why in its accounts dated 31st December 2012 has it got a figure for Accruals & Deferred income of €238k ?

3.6

GSSB should be for registered gas installers only. Competency could be assessed by the inspectors and training by means of CPD. Also an online assessment should be developed to assist the inspector. This would be in line with current practice in the UK.

There should be independent external compliance reviews of the CERs performance every six months to avoid complicity with the GSSB.

### 3.7

In referring to 9.3 Three installer representatives and one consumer representative should be on the Board of the GSSB. This was to be part of the original governance arrangements for the GSSB, It is contained in the original RECI tender and has been discussed at many of the GICF, RGII and IRP meetings.

### 3.8.1

CER investigate an incident, until such time as they determine who caused it. We are of the opinion that the best person to investigate an incident is the Gas Safety Officer the cost of whom would be paid for solely by CER.

### 3.8.2

Incidents relating to natural gas appliances should be investigated by the natural gas appliance manufacturer. Under no circumstances should the GSSB be responsible for investigating faulty appliances.

### 3.9

A group should be set up to review the upgrading of qualifications of inspectors in order to carry out a full assessment and audit of competence (KPI should be set for their performance)

## 4.0 The Criteria Document

### 4.1.3 Satisfied with current arrangement.

### 4.1.4 We propose that as RGIs are stakeholders it is imperative that the GSSB publish

- A full set of annual accounts
- The CER Audits of the GSSB & the RGII Quarterly Reports (this was set out in the original Document but as yet has not been adhered to.
- The RGII should be required to hold an AGM to which all RGIs should invited

## 5.0 Technical Standards

5.1 The GTSC has no gas installer representative and we have no direct communication, contact or published information of any sort. The APHCI represents over 450 registered installers, is the only body of its' kind and now seeks an automatic place on the GTSC

Installer representatives should be given the necessary resources to be effective representatives

1. They should be allowed to conduct their own independent elections.

2. Be given the necessary financial resources'

3. They should be permitted indirect, uncensored access to the RGII database in order to communicate with the RGI's they represent.

4. As most members of the IRP are self employed plumbers, they do not always have the necessary time, administration skills and resources to be as effective as they should be. An independent secretary should be appointed by the IRP to assist.

5. Currently members of the IRP are elected every 3 years and have no way of communicating with the RGIs they are supposed to represent. In some cases they have not discussed things with their fellow members of the IRP even though they have been asked to do so.

S.2.2 From 2009 until recently a large number of people, with no experience and without relevant experience were allowed to become registered. This, in the interest of gas safety, needs to be addressed urgently. A minimum of 4 years apprenticeship training in heating and plumbing should be mandatory. There is a fear that the QQI will authorise persons to become qualified solely on completing a classroom course. Only qualifying relevant Trade Certs must be accepted and clearly defined.

S.4.2 It has been brought to our attention that the assessment course introduced a significant LPG content well out of proportion with the LPG share of the gas market. Therefore the only gas supplier to see an increased benefit from this course is the LPG suppliers. \_

S.4.3 The role of the inspectors could now include the inspection of the new Declaration of conformance certs being included in the installers invoice.. If proper assessments were carried out, that is 5 inspections in the intervening period during the current reassessment period, there would be no necessity for the draconian 5 year €3m scheme. The assessment course is really calling into question the effectiveness of the current inspection programme, either it is of value or it is not.

CPD The CER cannot stand over the statement that " the CER does not have sufficient information at this time to confirm that this approach would allow assessments to be carried out in a consistent and verifiable manner." The APHCI has on at least four occasions discussed this with the CER, giving a full and detailed account of the process. Indeed the CER acknowledged that the Government had this monitoring system in place with other professional bodies. The CER never once expressed the view that

1. There was any inconsistency
2. It was not verifiable

The two excuses are red herrings, suggesting that manufacturers are inconsistent in their training methods and that they would not produce relevant documentation is calling the whole industry into question. An industry the CER has been policing for 8 years.

We are pleased to see that the CER acted on the APHCI/IRP suggestion of asking suppliers to enter a voluntary scheme and reached agreement with them following successful meetings that suppliers would sell gas parts, appliances and boilers to only RGIs and not the general public.

We now ask the CER, to ask suppliers about what training they are willing to provide and how this could be consistent and verifiable. We understand courses are provided across the UK by suppliers free of charge and they issue proper certification.

## **6.0 Registered Gas Installer Membership**

### **6.4.2 APHC view;**

Level 6 Electrical advanced craft certificate should not be acceptable

## **7.0 Definition of Gas Works and Certification**

7.4.2. We note that finally the CER recognise that Certs are being sold on, however again no action has been formulated to detect cases. This needs an action plan

We propose the issuing of Certs by installers as part of the invoice. The copies of these invoices/certs issued are then validated by the inspector on his annual visit.

7.4.3 Our proposal dispenses with the potential serious cost of setting up an electronic system and is more easily administered.

## **8.0 Gas Works by Unregistered individuals**

8.2.1 Little effort went into the detections mentioned. These were all cases where individuals held their hands up in one form or another and prosecution was a formality. There is a consistent solution running through all whereby those that wished were immediately allowed to go on the Register of Gas Installers. Effectively this has encouraged illegals to operate outside the system as the cost of the fine is less than the amount they would have paid in membership and cert fees over the years. In the convicted cases there has been no evidence produced by the CER on the number of jobs these persons carried out or no attempt to inspect previous work. The result is that there are thousands of uncertified works still out there, where safety is below par and the potential for a major incident exists. That this aspect has been ignored is a dereliction of the duty imposed on CER/RGII

It is accepted that when a customer calls to with an issue, it is being handled by people , who are not trained to ascertain whether or not a safety issue exist or a complaint is being made. They do not formally ask the question, according to our research. The format is to get the customer off the phone by recommending a registered installer. Countless incidents are then overlooked.

Investigations are done from behind a desk and are judged on what has been written down by the call centre operative. Very few site visits take place as reflected by the absence of this statistic in this document.

8.2.2 All incidents should be handled within the GSS8 and investigated thoroughly. The complainant must be given the outcome of the complaint; otherwise there is no point in complaining.

The leaflet issued by Bord Gais is quite frankly a joke. There is no feedback on the number of reports these have generated and what measures are in place to deal with same. A revised version by the IRP panel has lain on the shelf gathering dust.



Surveys of estates should be carried out, to ascertain the extent to which residents hold Conformance Certs

Residents should be liable to obtain certificates these as they are under the House Alarm requirements. Why have a system in place to protect property when you do not have one to protect lives?

Introduce the Northern Ireland model where cold calling takes place by the GSO to individuals suspected of carrying out works where absolute proof is unavailable. If the GSO suspects the unregistered individual is carrying out illegal gas works he will call to his home and mark his cards so to speak. This he has found to be very effective.

8.2.4 The CER must pay for the Gas safety officers. Currently though the two are employed by the CER they are paid for by the RGII. It is unacceptable that CER dictates the salary level and RGIs have to fund same, yet denied access to the cost in the accounts. This is another breach of the original agreements.

## **9.0 Communication between the CER and Stakeholders**

9.2.1 to 9.2.5 We also propose that the largest representative body of RGIs namely the APHCI be included as a stakeholder.

9.2.6 This is totally unacceptable. There is no incentive to report complaints when in the customers view they disappear into outer space. What other industry does one make a complaint and receive no feedback. If this is the future then we recommend an Ombudsman's Bureau be set up to deal with complaints in a manner fashioned by the government.

### **Customer Complaints**

a) Delete this Section

b) Should be included

## **9.3 Proposed future Communication Arrangements**

As already stated the exclusion the APHCI, the largest representative body of RGIs is unacceptable. APHCI must be included a primary stakeholder in its' own right for reasons stated earlier.

3 Installers and 1 Consumer representative should be allocated positions on the Board in line with normal practice on all other State Boards and as specified in the original tender document submitted by RECI

The GSSB combined road show and AGM should be held on an annual basis. Accounts should be published in advance. RGII should not be allowed , as has happened so far, divert all the questions to the CER.

CER should seek to avail of the opportunity to address installers by means of the APHCI Supplier Evenings by attending same. The CER/ are unaware of the extent of the valuable training and information imparted at these meetings. APHCI have held these in more locations and more frequently than CER/RGI have held Road shows. Proof if any was required of the extent to which APHCI seeks to raise the professional standards in the industry. Guest speakers at ministerial level, SEAI and CAI as a cross section have addressed installers and this has proved to be enlightening for both sides.

Installer representatives should be given the necessary resources to be effective representatives

1. They should be allowed to conduct their own independent elections.
2. Be given the necessary financial resources'
3. They should be permitted indirect, uncensored access to the RGII database in order to communicate with the RGI's they are supposed to represent.
4. As most members of the IRP are self employed plumbers, they do not always have the necessary time, administration skills and resources to be as effective as they should be. An independent secretary should be appointed by the IRP to assist.
5. Currently members of the IRP are elected every 3 years and have no way of communicating with the RGIs they are supposed to represent. In some cases they have not discussed things with their fellow members of the IRP even though they have been asked to do so.

GSSB have not conducted elections in accordance with the prescribed standards. The last election required several attempts to finalise it.

## **10.0 Public Awareness**

10.3.1 We accept the logo is being abused. It is also of poor quality as it has faded on most vans. The contact should be put out to tender..

In future the logo should have the operative year and RGII number on it.

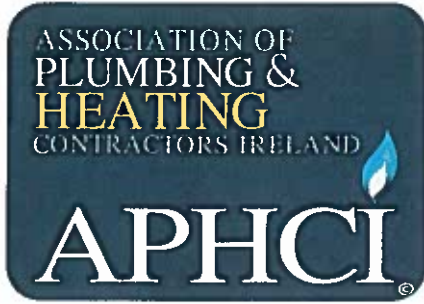
The Logo should not be mandatory on the RGIs van

Where the logo is present on the van it should be mandatory for the logo to be updated each year with the sticker provided and be subject to disciplinary proceedings where they fail to do so.

A Unique Identifier should be included as part of the logo

## **11.0 Interaction with the Electrical Scheme**

11.2 There should be no joint SSB for Gas and Electrical. The current sharing of roles by RGI staff members has brought nothing to the table, indeed it has inhibited the promise made by the CER last year to disqualify members of RECI becoming members of the RGI when the reverse does not apply.



APHCI  
Gas Junction House  
Finglas Village  
Dublin 11  
15<sup>th</sup> September 2014

Dear Sheenagh,

**CER Consultation Papers Regulation of the Gas Installer Industry with respect to Safety from 2016**

Thank you for inviting us to attend your offices on Friday week last the 5<sup>th</sup> September, to extrapolate our logic behind certain aspects of our Submission. We do however feel that, as time was limited, the summations were also rather limited. We would therefore wish to highlight the following;

**1 Profit – Not for Profit;**

If we are to gain anything from the UK Model, not for profit is more practical. This would avoid the prospect of increasing fees to achieve profit targets. We also believe that there should be severe penalties for non-performance. WE suggest that a three strikes out policy be adopted whereby, if the chosen body under the tender have three serious breaches of their licence within a period of 18 months their licence is revoked and that the entire matter either goes out to tender again or the under bidder is automatically appointed.

Serious infringements should be; any matter relating to falsifying documents or inspection reports, a failure to meet set standards for inspections, a failure to meet a certain quantum of inspections, employing unqualified staff etc.

We suggest that the Tender should include the expression that it would be desirable for the successful applicant to consider employing staff on a contract basis so that inspectors who fail to meet standards can be readily replaced.

The aspect of financial prudence can be faced by practical audits by CER. We are convinced that some contracts and purchases were not the subject of normal tendering, resulting in financial wastage.

Focusing on targets allied to safety is far more relevant.

Michael Parker also drew your attention to the unacceptable presence of Staff who hold shareholdings in Utilities, representing a conflict of interest; positively against best practice and rife in the current set up.

## **2 Certificates**

In summary, an Invoice, with a perforated strip below the Data Protection information, is the practical and simple solution. This would eliminate a real cost factor from the GSSB particularly as there is talk of expending money on a new electronic system prior to the demise of the current contract.

We see the reintroduction of the practice of fitters sticking a small label on the inside of a unit, as a fail safe system of tracing the previous fitters visit and would encourage this.

## **3 CPD**

APHCI are fully behind the philosophy of continuous training. We are somewhat dismayed at CERs' apparent reluctance to embrace this modern assessment method, in force in over 30 regulated institutes in Ireland.

The boiler manufacturers have all confirmed to us that they will provide professional courses free of charge to RGIs. Indeed we can go further than that by encouraging you to consider the offer made in the attached letter from Potterton Myson Ireland Limited- BDR Thermea and visit their state of the art facility that Minister Rabbitte when opening it, asked "have CER seen this"

You will have to appreciate that the potential €3m cost to installers, of the current arrangement, is in effect a further expense to the customer, as this will have to be passed on. This is money being taken out of our industry by organisations that contribute nothing to it.

An illustration of the result of pursuing the current path is as follows. You are promoting the actions of a fitter attending a course, being instructed on a boiler, which is not new and giving him dispensation not to undergo any further instruction (exam) for another 5 years. The result; by the time he is updated, he is 7 years out of date. Surely an authorised recipe for disaster and against all the principles of safety? CPD ensures fitters keep pace with new technology every single year.

#### **4 IRP**

APHCI are convinced that this Panel should have autonomy, particularly in relation to conducting their own affairs. Elections have been badly handled and results shrouded in secrecy. Manipulation existed in relation to the preparation of minutes also.

A Panel who are prevented from communicating with all their members is without credence

#### **6 Group to review upgrade of Inspectors.**

The efficiency and quality surrounding inspections is a real cause for concern. We suggest that the new GSSB consider employing Inspectors on contract, leading to greater control and productivity.

Kind Regards,

Sean Giffney,  
Chairman

CPI

CIRI The Construction Industry Registration Ireland

The Royal Institute of the Architects of Ireland

Chartered Accountants Ireland

Bar Association of Ireland

General Medical Practices

Royal College of Surgeons

Irish Nursing Board

Irish Institution of Surveyors

Massage Therapists

Audiologists

Archaeologists

Acupuncture

Chiropodists

Ophthalmologists

Physicians

Psychiatrists

Reflexologists Institute

Dentistry Practices

Pharmaceutical Society of Ireland

Irish Association of Social Workers

Irish Hospitality Institute

Insurance Institute Life & General

Banking Institute

Credit Union

Public Notaries

Geologists  
Veterinary Council of Ireland

Engineers

Mediators Institute of Ireland

Swim Ireland

Badminton Ireland

Tennis Ireland

Teaching Council of Ireland

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The CER would like to draw attention to the following points with regard to this submission:

- This Respondent also submitted an extract of the following paper: Approaches to Continuing Professional Development (CPD) Measures, International Federation of Accountants, Information Paper June 2008 – pages 107 - 113. Available at the following link: <http://www.ifac.org/sites/default/files/publications/files/approaches-to-continuing-pr.pdf>
- The Respondent also submitted a list (attached) of organisations which use CPD in Ireland.