



Department for
Communities and
Local Government

To:
Accreditation Scheme Managers

Our Ref:
Your Ref:

29 March 2016

Dear Scheme Managers,

SMART AUDITING TRIAL

1. I am writing to set out the terms of DCLG's approval for Domestic Energy Assessor (DEA) Accreditation Schemes to conduct a trial of "smart auditing".

Interpretation

2. In this letter:
 - a. "Secretary of State" means the Secretary of State for Communities and Local Government and includes any successor to that title;
 - b. "the Department" means the Department for Communities and Local Government and its officials, and includes any successor organisation;
 - c. "the regulations" means either or both of the Energy Performance of Buildings (England and Wales) Regulations 2012 (S.I. 2012/3118) (as amended) and regulation 30 of the Building regulations 2010 (SI 2010/2214) (as amended);
 - d. "scheme" means an organisation or individual in receipt of a letter of approval from the Secretary of State to operate an Accreditation Scheme for Domestic Energy Assessors in accordance with the relevant provisions of the regulations;
 - e. "DEA" means a domestic energy assessor who is an active member of, and is approved by, a scheme to produce Energy Performance Certificates (EPCs) for existing dwellings;

Department for Communities and Local Government
Floor 3 NW
Fry Building
2 Marsham Street
London

Tel 0303 444 1837
mark.cousens@communities.gsi.gov.uk

- f. “smart audit trial” means the principles and procedures associated with conducting a trial of smart auditing as set out in the document entitled “Smart Trial Process Document” attached at Annex A;
- g. “disciplinary procedures” means the disciplinary procedures for Energy Assessor Accreditation Schemes issued by DCLG on 3 February 2012;
- h. “trial period” means a period of three consecutive calendar months commencing on 1 April 2016 and finishing on 30 June 2016.

Conditions of Approval

- 3. The Secretary of State hereby grants approval to all DEA schemes to participate in the smart audit trial. The Secretary of State’s approval will apply for the trial period and cease to apply thereafter. The trial period may be extended only if the Department issues its express approval of an extension in writing.
- 4. The smart audit trial will be limited to:
 - domestic energy assessor schemes;
 - members of schemes who are DEAs; and
 - EPCs for existing dwellings.
- 5. All DEA schemes approved by the Secretary of State without exception must participate in the smart audit trial for the duration of the trial period in order for this approval to be valid, unless the Department has expressly given its permission in writing for an individual scheme, or schemes, to withdraw from, or for a specified period of time suspend their involvement in, the smart audit trial for critical operational reasons.
- 6. Schemes that withdraw from, or suspend their involvement in, the smart audit trial must comply fully with all of the requirements of the existing Scheme Operating Requirements (SORs) for the entirety of any period of time that they are not participating in the trial.
- 7. For the duration of the trial period, in each calendar month during which the smart audit trial is being conducted, all participating schemes may select for quality assurance auditing a maximum of 100 EPCs using smart audit rules, applying the principles of operation set out in the smart audit trial proposal document at Annex A to this letter.
- 8. Approval is hereby given to all participating schemes to reduce the number of EPCs that they would otherwise be required to select for random audits under normal Scheme Operating Requirements procedures by a maximum of 100, provided that the number of EPCs selected for audit using smart audit rules is equal to or higher than the number of EPCs that would otherwise have been selected for random audit, for the duration of the trial period.

9. For the duration of the trial period, all of the rules and procedures associated with the Department's Scheme Operating Requirements will remain in force in the normal way, with the exception of a reduction in the number of random Quality Assurance audits of EPCs that schemes would normally be required to carry out commensurate with the number of EPCs selected for audit using smart auditing rules.
10. All participating schemes must adhere to the operating principles set out in the smart auditing trial proposal document at Annex A attached for the duration of the trial period.
11. Notwithstanding any of the above, the Department wishes to acknowledge that conducting the trial of smart auditing entails a degree of risk for participating schemes. As an acknowledgement of that risk, the Department reserves the right to set aside the disciplinary procedures should any breaches occur of the terms of this letter of approval, the Secretary of State's letter of approval to operate an accreditation scheme and/or the Scheme Operating Requirements as a direct consequence of conducting the trial.

Yours faithfully,



Mark Cousens