

## Smart Audit Trial

All Schemes have the ability to review the data inputs from their lodged EPCs and identify concerns from these data inputs. It would be much 'smarter' to audit EPCs based on these concerns rather than to audit randomly. Smart auditing applies a risk based approach to audit selection. A certificate is called for audit if it triggers a smart audit rule. The smart audit rules being applied for the trial are included as an appendix.

Smart audits are audited in exactly the same way as current audits; the current EPC methodology, conventions and evidence requirements will be applied in exactly the same way. The audit will be called, and you will need to respond to the request in the same way and within the same timescales as the current audit process set in the SORs.

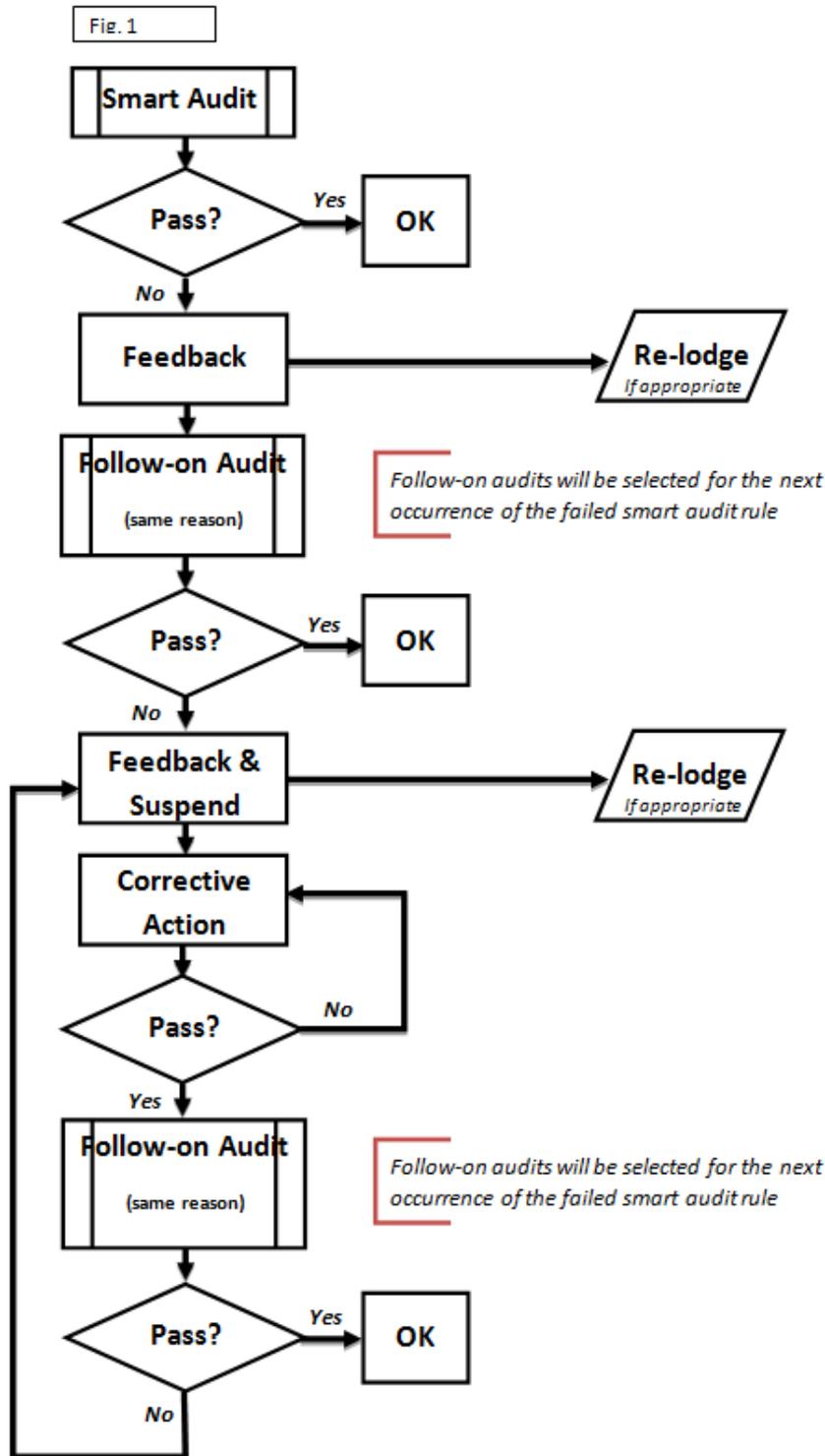
The smart auditing trial will account for 100 of a Scheme's overall audit volume each month, the remainder being as per the current auditing process laid out in the SORs. If some of your certificates fall within the smart audit rules (please see appendix), you are likely to be called more than the current one per member per quarter.

The trial will begin on the 1<sup>st</sup> of April 2016 and Schemes will use the lodged EPC data from the month of March 2016 to call the smart audits that month.

If you receive a smart audit request, you will be informed of the audit and the reason for the audit call. The following principles shall apply where an EPC is audited because a smart rule has been contravened.

1. The evidence submitted by you supports the information contained in the EPC and/or the XML, and the contravention of the smart rule was justified, then subject to the EPC containing no other error, the EPC shall be deemed to be correct and to have passed the audit. You will be informed of the outcome of the audit in the usual way, but no further action shall be taken.
2. The EPC contains an error that contravenes the smart rule, then a follow on audit will be triggered the next time you submit an EPC that contravenes the same smart rule. If the follow on audit finds that the second EPC contains an error that contravenes the same rule, and feedback on the first error had already been provided when the second EPC was submitted, you will be suspended, given feedback as to the cause of the suspension and required to take further corrective action before being reinstated.
3. The EPC contains an error but is not a contravention of the smart rule, a follow on audit will be called randomly from your lodgements the following month, and audited in the usual manner.

The Smart Audit cycle is detailed in Fig. 1, below, which demonstrates what happens at each point in the audit trial process.



For clarification, if you fail a smart audit you will receive feedback, and any corrective action seen fit. You may need to re-lodge the Certificate following current guidelines. You will not receive two targeted audits as per current SORs; however, should you trigger the same smart rule again, this EPC will be a priority follow on audit in any future month whilst the trial is running. Should you fail that audit you will be suspended and corrective action will be applied.

## Appendix 1 – Trial Smart Rules

1	No main heating system present, but mains gas supply present
2	Overridden U-values for the main building walls
3	Ground floor of main building room height is < 1.5m or > 4m
4	No heating controls present, but main heating system is a gas (incl. LPG) or oil Boiler
5	Age band A with cavity walls
6	Heating controls of Boiler Energy Manager
7	Gas boiler main heating system and hot water from electric immersion
8	Mechanical ventilation present in property built prior to 2003
9	No access to the main building loft
10	No access to cylinder