

To the Reader,

I have recently received an email from ABSA regarding the Green Loans program; strange thing is; I am **still awaiting accreditation despite** having a proven background not just in construction (allegedly minimum criteria to become an Assessor) but **a proven background in energy efficient house design going back to 1984.**

I have attached a resume **and** have **documentation** as early as 1997 **from the Local government** (Pine Rivers Shire CEO) acknowledging my presentation to the Council **on energy efficiency, including** for developing for **land sub-division.**

Workplace – in the construction industry – wear and tear contributed to a physical disability to engage in full house building work.

Regardless of the name Green / Greener or Greenest Loans, the Government should be congratulated for taking the initiative; unfortunately, if there is a way to exploit a system, there will always be individuals / companies who will do so.

**1. The Green Loan should be a cornerstone of the program; despite comments to the contrary, there are no real no-interest or significantly reduced interest rates available; those that do purport to offer a 'discount rate' levy it in a higher rate for the remainder of the loan or in application or loan keeping fees.**

It is **important for credibility** of the revamped program **that Assessors** must **meet** the basic criteria first set out by the Government, a **background in the construction industry**; with the basic understanding of building **and** the **training of** the necessary **components of** what makes a house **energy efficiency; \*orientation, design** and the building **\*materials.**

There are more than enough ex-builders / tradespeople who are unable to continue in the industry, to be trained Assessors. Giving preference to 'accredited' assessors without the required criteria and rejecting better qualified persons who wait for accreditation weakens the process and credibility of the program and is unfair.

**2. All assessors should be reassessed and their working background verified to meet the criteria.**

There have been many instances of **\*homes being hotter after insulation was installed** [houses with a high incidence of glazed areas facing due east and west are always hotter unless windows are heavily screened] or **\*\* insulation having been installed twice.**

**3. All houses must be assessed prior to having solar power, solar hot water and insulation approved and Assessors make a minimum two visits; the first to do the assessment and the second to explain the assessment and make recommendations and answer questions; they could also present the \$50 Green Rewards Card then as well.**

At present, few Assessors have any knowledge of energy and water efficiency, types of insulation and the machinations of solar hot water and solar power; how can these people make recommendations without the knowledge ?

- The reason 300,000 plus assessments were done and so few takers of the Green Loan - by some 5,000 assessors - proves the majority of assessments were merely money collection visits.
- The fact that so few people have received their assessments points to
  - a) the process being overloaded
  - b) the assessments were lacking in sufficient detail
  - c) and the focus was more on payment than performance
- Many assessors – particularly ones working for organisations paying as little as \$120 per assessment – are focused on short term financial gains over long term beneficial outcomes for the environment, be it GHG emissions, health considerations and reduced pressure for additional energy production infrastructure.

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Better qualified Assessors would reduce scepticism about the program and truly make the population feel productive and proactive in addressing both their energy consumption and reducing their running

costs as well as make informed choices.

Local government should also receive a copy of the report, to facilitate any alterations that may be recommended and or required to improve energy efficiency; but also to ensure that expenditure doesn't outweigh any suggested savings.

[EROEI – energy return on energy invested / embodied energy of work to energy saving/s]

The suggestion by ABSA that existing contracts be replaced by a new contract is only reasonable if the criteria / validity of a would-be assessor is addressed, rather than just offering existing assessors a new contract; what would be the point of voiding the existing contract ?

Organisations should not be given preferential treatment; particularly ones with clear associations in the insulation industry and or taking more than – say – 25% of the fee.

**The \$200 fee should be broken up into two payments, the first \$50 on assessment and the remainder when the assessment is delivered to the House-holders and signed off by them.**

Making the majority of the payment at the completion of the assessment / second visit will create a definable finish date.

Accredited Assessors should be allocated as per population density and Assessors advised of less well serviced areas, so that a run can be done in these areas.

Another issue is the membership of ABSA which quotes changes would see a natural attrition rate of somewhere between 10 and 15% (900- 1350); that means that they hold a membership of 9,000 assessors, yet many are still awaiting accreditation. How can an organisation accept so many memberships if there was a ceiling of 5,000 ?

Has not ABSA obtained or asked for the background of each would-be assessor prior to membership or is the onus elsewhere ?

The Government should not be making payments to 'assessors' who don't have the necessary criteria (construction industry background) just as non-insulation installers shouldn't be able to access payments that those who were genuinely in the business, are able to access.

I believe there is anger by would-be assessors with a back-ground in construction being squeezed out by those who do not meet those criteria and by ABSA – directly or indirectly – facilitating accreditation to those very persons.

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In response to Penny Wong's Address.

It was pleasing to read the Government

- a) does recognise the inextricable link between the challenge of becoming more energy efficient and the challenge of tackling climate change [I have been promoting the concept for over 25 years and even wrote a Guide to energy efficient house design (now in its second print)]
- b) is looking for ways to help everyday Australians work towards it and
- c) and right the wrongs

The interest free Green Loan - for amounts up to \$10,000 over a maximum period of four years – should continue; just adding an additional 600,000 assessments (on top of the 360,000 assessments already available under the Program) won't really address the problems of assessments.

If there is a cap of 5000 on the number of assessors, make them meet the building industry criteria background checks. With 10 – 15 primary assessments a week, with the finishing assessment presentation and recommendations made by the original Assessor (to access the final payment) will make it a full time job.

## **Household sustainability assessment reports**

First, to the issue of household sustainability assessment reports.

As at 28 February 2010, 305,327 home sustainability assessments had been booked and, of these, 210, 864 had been completed. This is clearly a very popular element of the program.

*The reason it has been popular is the organisations exploiting the system while under-paying un-qualified / under-qualified assessors.*

However, only around 84,000 reports produced as a result of those home sustainability assessments had been sent out to households (as of 28 February 2010). There are currently around 100,000 reports that have been submitted to the Department of the Environment, Water, Heritage and the Arts but which had not yet been sent out to households at the time responsibility moved to the Department of Climate Change and Energy Efficiency. The remaining reports have not yet been submitted to the Department by assessors following completion of the home sustainability assessment.

The delay in sending reports is unacceptable. Performance, in terms of the time it takes for households to receive their report after having an assessment completed, must be significantly improved.

*Perhaps a system supported by suitably qualified assessors with an understanding of the machinations of cause and effect would streamline the operation; having access to the software and making the report – which is signed off by the House-holder/s to facilitate final payment – would streamline the system.*

## **Number of assessors**

Second, to the number of assessors. Currently, there are around 4000 assessors contracted to the Department to conduct home sustainability assessments under the Green Loans Program. For an assessor to be contracted under the Program, they must first complete a set training course and seek accreditation through the Association of Building Sustainability Assessors or ABSA. Then they can apply to the Department to be contracted to take part in the Green Loans Program.

I am advised that ABSA's figures indicate that there are approximately 7500 people, including those already contracted, who have completed assessor training and been accredited with ABSA. I understand ABSA figures estimate approximately a further 1800 people have completed training but have not been accredited.

*ABSA is holding funds for some 9,000 'assessors', many of whom do not meet the initial criteria set by DEWHA ... should an organisation responsible for maintaining the body to regulate assessors not be required to police and address the minimum requirements ?*

Clearly, this is a very difficult situation, with more accredited assessors than available contracts. It is a hard fact that there are going to be people who are accredited who won't be contracted under the program.

*A tradesperson must have worked in the construction industry to qualify for any position, this stipulation was also required of would-be assessors; surely those with backgrounds in the building / construction industry would qualify first ?*

## **Payment of assessors**

Third, the prompt payment of invoices is another area that has attracted criticism. I understand there are more than 1500 invoices currently in hand and that work is underway to process those quickly. In

line with Government requirements, my Department will be working toward having all correctly submitted invoices paid within 30 days. I understand that only a very small percentage of correct invoices received to date from assessors - less than 4 per cent - have been paid outside the 30 day period.

It is apparent that many assessors are experiencing delays in payment. It is also clear that part of the problem appears to lie in ensuring that each invoice contains the correct information so it can be processed.

Around 50 per cent of invoices received by DEWHA have been incorrect or incomplete when first submitted, creating delays in payment. This figure, while still too high, is an improvement on earlier figures indicating around 70 per cent of invoices were incorrect or incomplete when first submitted. The 30-day timeframe for payment applies from the date at which a complete and correct invoice is received.

To address the problems with invoicing, DEWHA developed a template for assessors to use, along with a step-by-step guide to filling in the template.

Departmental staff have also been contacting assessors directly if they have submitted an incorrect invoice to explain what needs to be fixed. These practices will continue under my new Department.

*Assessors and or organisations paying non-accredited assessors to lodge invoices for payment on incomplete assessments or incorrect invoicing deserve to have payment delayed; should staff be held responsible for missing data by assessors ?*

I have also asked my Department to hold discussions with ABSA about how it can assist its members to submit correct invoices.

*Does ABSA have sufficient trained staff to train 'members' to submit invoices correctly when they don't have sufficient staff to check the validity of members or process accreditation ?*

## **Green Rewards Cards**

Fourth, when the Green Loans Program was rolled-out in July 2009, households receiving a home sustainability assessment were eligible for a \$50 Green Rewards Card. However, no Green Rewards Cards have been distributed to households to date. I have asked my Department to provide further detail on how this might be addressed quickly, and will consider this matter further when I receive that advice.

*The Green Rewards Card could be issued on the Assesor's final presentation / recommendation appointment...*

## **Applications for Green Loans**

Fifth, there is the issue of the loans themselves. In the first six months of the program there was a low uptake of loans.

This was due to a number of factors, including the slowness with which assessment reports were made available to households and a potentially lower appetite to enter into debt in the latter half of last year given the Global Financial Crisis.

As at 28 February 2010, participating financial institutions advised that they had received 2864 applications for Green Loans and had approved 1705.

DEWHA has been working, and my Department will continue to work, with the financial institutions to assist in processing applications before 22 March 2010, which is the cut off date for loans to have

been approved and contracts signed, in line with the Government's announcement on the discontinuation of this component of the Program.

I am aware that a number of financial institutions have stopped taking new applications for Green Loans, instead choosing to focus on processing the loan applications they already have to hand ahead of the 22 March 2010 deadline. As at 28 February, I am advised that all correct invoices received from the financial institutions had been paid.

*Poorly trained assessors – more focused on the \$200 than making recommendations – is the reason for a poor uptake. The assessor course I attended explained little about the schematics of the Green Loan*

## **Hotlines**

Sixth, the Government understands that there are many households and assessors seeking information on the Green Loans program at the moment.

There are currently two call centres operating for the Program.

The booking hotline receives bookings for assessments from assessors and households, and provides advice to financial institutions. As at 3 March 2010, the average wait time for the booking centre was less than 10 seconds for all categories of callers, and the maximum wait time was less than two minutes.

The second hotline was established on 20 February to provide information on the changes to the program.

On 20 February and 21 February, the call centre performed outbound calls to inform assessors of the changes to the program. Since 22 February, the call centre has been receiving inbound calls. The demand for information through the information hotline has been considerable. The average wait time for callers is down to less than 3 minutes at this point in time.

The Department has also set up a centralised process for dealing with written enquiries, via the Contact Us tab on the Green Loans website.

Unfortunately, due to the volume of written enquiries received, particularly since the Program changes were announced, the time taken to respond to these enquiries has been considerable.

To give you an idea of scale, DEWHA received more than 7500 written enquiries over the period 25 February – 9 March 2010 – that's significantly more enquiries than were received over the course of several months previously.

I understand that people may be frustrated about the timeliness of responses to e-mail and online queries.

I have asked the Secretary of my Department to consider the need for additional resources in this area to ensure enquiries are responded to within reasonable timeframes.

I would ask households and assessors to bear with the Government as we work through the many outstanding enquiries.

The Government will endeavour to make information on the Program available via the internet, the information line, and via direct communications with assessors as we work through the implementation issues associated with this program.

## **Household assessments**

Seventh, it is important that this program has a stronger compliance and audit component to ensure that assessments have been properly completed. I have asked the Secretary to ensure that existing compliance and audit activity for this program is expanded and fast-tracked and that further advice be provided to me on this issue as soon as possible.

We have an obligation to ensure that public funds are being used responsibly, and for the intended purpose.

*Hear, hear ... inexperienced (non construction industry) persons coupled with poor training has gummed up the works; ABSA should be asked if it has verified the background of its members, rather than just accept membership fees and then purport to represent a professional organisation. Inexperienced members and get-rich-quick entrapenuers (usually from the insulation industry) have clogged up what should be a more efficient system.*

### **Training standards of assessors**

Eighth, there has also been some criticism of the quality of training provided to assessors by training organisations.

This is of particular concern to me because it goes to the public confidence in the quality of the assessment reports which households are receiving, and in the program itself.

The compliance regime which I have directed the Department to expand will be focusing on the quality of assessment reports provided by assessors. This will be important information to help us identify the risk of assessors not meeting their obligations under their contract.

I have also asked my Department to provide me with options to assure and improve the professional standard of assessors contracted to the program.

Work is already in train to put in place a nationally accredited training module for assessors. The timing of this is subject to Commonwealth and State and Territory processes in the training sphere and is likely to be some months away.

Because this accredited training module is still some time away, I intend to explore interim mechanisms to improve confidence in assessors' professional standards as soon as possible.

*Once again, many persons who joined ABSA do not have the necessary background initially required by DEWHA and therefore, have less of an idea of what to look for and report on; if ABSA wants to be a representative and professional body, then it must assess its members; a random audit would soon uncover shortcomings in their acceptance (pay and your in) procedure.*

# DANIEL BOON JP

## — ENVIRONMENTAL SCIENCES —

**A**credited chronological landmarks going back over 25+ years provide an insight to the dedication in the science of energy and the application of cause and effect in building practices from design to whole of life use. A proven track record of hands-on success in the specification of managing operational elements leading to exceeding existing as well as future standards covered by the BCA.

Dynamic and enthusiastic leadership capabilities with proven ability to educate, inspire and empower staff as well as contractors, to achieve shared outcomes of higher quality working and pride in minimising environmental impacts.

Skilled in one-on-one communication strategies that underpin strong cohesive interaction based on sound logical practices and project management. Successful in developing operational relationships through a hands-on management style and fostering empowered and motivated teamwork.

## — VALUES OFFERED —

- Long Term Strategic Planning
- Natural Carbon Sequestration
- Terra Petra & Permaculture
- Environmental Impact Studies
- Communal Asset Structure
- Whole Life Cycle Formulae
- Community Development
- Product Impact & Recycling
- Science of embodied energy

## PROFESSIONAL COMPETENCIES

**LEADERSHIP:** Some 25 years in the many facets of environmental considerations; the sciences of energy return on energy invested (EROEI) Energy (embodied energy); specification and application of lower impact building practices and materials; demonstrated ability to perceive problems and create strategies to counter or reduce environmental impacts. An ability to communicate - via simple language - to bring about a shared vision of the future; of setting a reduced energy consumption direction and inspiring commitment from others.

Strategic lateral thinker recognised for visionary and innovative approaches.

**WALKING THE WALK.** Long before energy efficiency was on the radar, designed and built an energy efficient house (1984) which shares signature © copyright roof profile of today. Invited to apply for an award in energy efficient house design (by Dept for Energy) in 1996; houses appeared in media (1994) Channel 7; (1998) Channel 9 and local newspapers; prepared submission for Environmentally Sustainable Development (Lake Cooroibah) Noosa (1997); submission to BCC for the Manly West Ecologically Sustainable Residential Development (1998). Wrote the *Guide to Energy Efficient House Design* (2001 - accredited by the Alternative Technologies Association as part of the Australian Greenhouse Office).

**RECOGNITION /ACKNOWLEDGMENTS:** PRS Council CEO, past & present Councillors [A] 1999, [B] and [C] Quest senior reporter [2009] said in part; [A] 'known Daniel for 14 years, he is pioneering technique/s which may well become way of lifestyle in the future; has sound knowledge on environmental issues'; [B] 'presenting innovative ideas for ecologically sound building and development'; [C] 'committed environmentalist with a rare and valuable combination of practical and theoretical understanding on environmental issues'.

**STAFF DEVELOPMENT & TRAINING:** During the last energy efficient house build (2004 – 2006) trained a mature aged apprentice, provided work place experience to troubled youth and educated staff and contractors to the mechanisations of energy efficient house design; empowering and improving skills and effectiveness in others, mentoring, coaching and inviting feedback to maximise developmental opportunities.

**FINANCE, BUDGETING & ASSET MANAGEMENT:** Experienced in effective management from a background in the Finance Industry as well as Building Industry, including budgets and business planning skills to forecast and address uncertainties, risks and opportunities for continued growth and time management planning.

**PROJECT MANAGEMENT:** Demonstrated ability to manage projects from conception through to completion and meeting key objectives; an example was the submission for the BCC Manly West 'self sustainable development' (1996), specifying lay-out of complex, design of dwellings and a footprint of community cap.

**COMMUNICATIONS:** A confident and accomplished communicator on all levels with the ability to strike a rapport with individuals of all backgrounds from the blue collar through to boardroom. Over many years has developed a focus

on relationship-building and honest business partnerships with clients and contractors whose proactive participation is paramount to producing the optimum outcome.