

The Senate Enquiry into the Green Loan Program

Dear Sirs/Madams

The following submission starts with a copy of a letter I sent to various Government Ministers including Hon Kevin Rudd, Hon Peter Garrett, and Hon Penny Wong in early February 2010.

This letter gives my background and how the Green Loan program has impacted on me. In the interests of brevity, I have deleted some parts not relevant to this enquiry.

The second part of the submission summarises in dot point form the major issues I see in the program and some suggestions on how they could be improved.

Part 1; The Letter to the Government -

Dear

I am an assessor in the Green Loans program - I was accredited back in July 2009 after training with ABSA. I was the 105th assessor registered and have a current contract with the Federal Government (originally through DEWHA).

When I applied for training, I was told by ABSA and the DEWHA project leader, Mr [redacted] at a meeting in Brisbane in July 2009, that there were to be around 1500 - 2000 assessors to run the program over a period of 4 years. Assessors had to have relevant and appropriate qualifications and/or experience;(I have 3 years training as an architect and I have designed and built and adapted a number of solar and energy efficient houses, and I have been working as an agricultural extension officer supporting change processes in agriculture) and we were told by Stephen Berry from DEWHA at meetings held in State capital cities that we were NOT to sell product. DEWHA had conducted a survey of Householders and the strong message was that they were sick of asking for advice and being sold product!

The objectives of the process were -

1. to educate and raise awareness in the public arena about the importance of reducing energy and water use and green house gas contributions.
2. to help householders to modify and adapt their houses to achieve these aims and increase their comfort
3. to provide access to interest free loans so householders could access capital items if required.
4. to gather data on householder energy and water use patterns.

I left my previous employment and commenced work as an assessor. My intention was to average 6-7 assessments per week, and I spend an average of 2 - 2.5 hours with each householder plus travel time; and I also elect to upload the data to DEWHA as a separate operation which takes an extra 1hour per assessment. I believe from my experience as an agricultural advisory officer that it is important to keep records of each visit, so I prefer to use the workbook rather than directly upload the data to a

computer.

Until Christmas, I had managed to average around 4/week and a large proportion of my clients were from referrals by earlier clients which indicates that they were happy with what I was doing.

Since Christmas, I have found it nearly impossible to work. I cannot access the call centre although I have spent hours in queues and have listened to engaged signals on a more or less continuous basis.

Even to access the householders line (where we were told in an email by DEWHA to go if we had corrections to existing client details) was nearly impossible, and I have had a number of my clients who have not received their reports needed to apply for loans, especially early ones, ring and tell me they can't get through to DEWHA; and despite promises when they do eventually get through, have still not received their reports.

Peter Garret's Office says the program is achieving its goal of numbers of houses assessed - but the quality of many 'assessments' and the follow up service for clients - delivery of reports and consequent loans - is abysmal.

There have been many reports, verified by comments to the ABC 'Life matters' show and other media, that many so called Assessors do such a poor job that the client is left wondering what it was all about.

My belief is that it is impossible to achieve the objectives of the program if less than 1.5 and preferably, 2 hours is spent with the householder.

I would suggest one way to reduce the number of assessors would be to audit those who do more than 4 per day and see how their clients feel about the process.

I also believe that the quality of the training process was put at risk when, as I understand it, DEWHA insisted that ABSA provide 'train the trainer' opportunities and trainers did not have to be qualified - only had to work through an RTO. This aspect needs to be audited as well.

No process was put in place to keep track of the number of assessors being trained. If it was decided that a larger number than 2000 was necessary, this was not communicated to us so we could adjust our business plans.

And many assessors are directly linked with companies who sell product. I pride myself on being independent, and have refused offers by companies to refer to their product.

Many trainers advertised 'no experience necessary, make \$5000/week (impossible if you spend reasonable time on an assessment!) and make extra money on sales commission!' Assessors affiliated with companies would also be a potential audit

target to see if they are meeting the intended objectives and ethical standards.

Quality of assessors could also be checked by an accreditation examination - conducted in such a way that it was fair and above board - perhaps exams in major centres, similar to the process used by the Irrigation Association of Australia and other similar organizations to accredit their experts. Such a process should not only examine the outcomes of the 4 day training, but also the 'relevant experience' that was supposedly a pre-requisite. This would help restore the credibility of the program in the public eye.

I believe there would be a major benefit in opening the CC from 7 am to 7 pm. Since the program looks likely to finish sometime early this year, the funds set aside for the intended 4 years should be brought forward to fix the current debacle

Finally, I was sorely tempted to abandon the whole project, but I really believe in its goals and my ability to genuinely help my clients, so I will keep on trying to make bookings.

I had planned, on the basis of the information about program targets and timelines made available to me when I registered, to work for 4 years in the program. It now seems obvious that, due to the lack of program control, work opportunities in the Green loan project will be over soon. This leaves me in the position of, having invested time and money intended to cover me for the next 4 years, having to find another income.

We were constantly told to 'make business plans', but how can you plan when the major partner with whom I am contracted does not honour its side of the process!?

To me, this is an excellent program idea being destroyed by greed and shocking mismanagement.

Yours sincerely.....

Part 2:

Summary of issues and possible solutions:

- Many of the problems that have enveloped the GreenLoans program seem to be the result of lack of control and trying to grow too quickly. If the program had stuck to its original goal of 250,000 assessments carried out by 1500 assessors over 4 years, there would have been plenty of time to develop the program, deal with and adapt to the challenges, and achieve a useful outcome. The headlong, and uncontrolled, rush which led to over 10,000 assessors being trained created too much pressure and the system was unable to cope with the problems that were created. These include the inability of the booking system to cope, and the inability to get reports out to householders, and the apparent

inability of the system to 'learn' and correct its problems and mistakes.

- Advertising to counter the negative view in community following the bad publicity – even to the point of thinking the program is finished.
 - A Government funded, or at least coordinated, advertising program could resurrect the program in the public eye. This would give the Government credit for what it is trying to achieve.
 - It might also rebuild the confidence of previous clients such that they will refer on to others. My referrals have ceased since the bad publicity and apparent 'collapse' of the program.
 - Such an advertising program would also, if properly designed, give the householders an expectation of what an assessment should cover. This would quickly highlight assessors not doing what is expected of them. It would add a measure of accountability to the program since householders would be aware of what an assessor should be able to do and how long this would usually take. The current situation is that many clients have no idea what to expect and so are 'ripe to be ripped off'.
 - It would also help assessors who are finding it hard to build up a clientele after the negative impact of the recent 'collapse' of the program. Many people now believe the program has finished and it is hard to convince them that it is still operational when there are no Government announcements - and official announcements in the formal press are not effective. There has to be an advertising/marketing program.

- Quality of assessments;
 - As mentioned above, I believe it is not possible to achieve a reasonable understanding of the householders use of water and energy, and discussion of things they can do, as well as building an understanding of climate change and our contributions, if less than 1.5 hours is spent on an assessment. Add travel time and other commitments, and any assessor who 'manages' more than 4 assessments per day should be audited for quality of assessment and impact on householders.
 - There also needs to be some means of examining the pre training experience and qualifications of assessors. With training organizations and individuals advertising for trainees saying 'no experience necessary', it is clear that the original objective of assessors needing relevant experience and qualifications has effectively been dropped. Such an examination needs to be above board and conducted in such a way that assessors cannot be supported by others. Ie, an on-line exam would not be suitable since anyone could provide the answers.
 - It is important to note that such relevant experience and knowledge should not wholly focus on technical expertise. The process of assessment requires skills in communication, adult education principles and change processes, as much as knowledge of solar systems, lighting, insulation, etc.

- Trainers should also be investigated to see if they provided the assessors with the required information and checked to see if the assessors they trained met the standards of previous experience and knowledge required. It seems to me that trainers had an open book to make money with no accountability to anyone.
 - It may be that DEWHA deliberately dropped the previous experience requirement in an attempt to increase numbers – if so, that has undermined the whole basis of the program as it was originally developed. The public will expect that any future regeneration of the program will be conducted by assessors with demonstratable skills and knowledge.
 - Professional development: There should be a requirement that assessors be required to undertake and complete a set amount of professional development each 12 months. This will discourage the opportunists and lead to a much better professional skill set for future career opportunities.
- Ethical standards;
 - Any assessor working under a company banner should be audited to see if their priority was a fair and unbiased assessment, or if the householder felt they were being ‘sold’ a product. At my training, we were told that we could ‘sell’ product as long as the assessment was sent off to Canberra first, but to avoid ‘conflict of interest’ issues I believe anyone working for a company should be required to announce this before the assessment so that the householder can make his/her own mind up as to the assessor’s independence.
 - There needs to be a clarification of what is expected of assessors. The original objectives seem to have been swamped by short term political objectives. This, plus the apparently unsupervised training programs, has led to a very loose translation of objectives and standards with some assessors apparently only filling in the data collection with no attempt to educate or support the householder. In fact I have heard directly of cases where assessors are only in the house for 15 minutes! This wouldn’t even allow the data to be accurately collected. The data generated by such assessments would be entirely fanciful!!
- Management;
 - It is not cost effective for a call centre to be required to manage bookings. It should be fairly simple to facilitate an online booking system. Spending hours in a queue waiting and hoping for an opportunity to book clients is not good business practice. It is time wasted and is very frustrating when our income depends on households assessed, not hours spent waiting on the phone. In February, my 3 hours per assessment blew out to over 6 hours per assessment when phone

time was added.

- Communication between agencies and assessors is an important element that has not been effective in the program. This has been doubly confounded by the confusion over the roles of ABSA and DEWHA. I strongly feel that DEWHA shoveled as much as possible over to ABSA which left that organization in an impossible position – it was expected to clarify problems suffered by assessors, but did not have the power or opportunity to fix the problems. Good business practice is to have open lines of communication such that accountability for problem solving goes directly to the persons or agencies responsible.
- Auditing;
 - I believe a lot of the problems of the green loans program could have been prevented if an effective auditing program had been implemented early. Such a process, along with clear guidelines on assessment expectations, would have discouraged those who focused more on their returns than on the desired outcomes of the program, both individuals and companies. It seems to me that auditing was not implemented because it might have highlighted the mismanagement of the program.
- Finally, I believe that the decision to halt the loans was based on faulty reasoning. Take up of the loans was slow because householders were told that they had 6 months in which to make a decision to arrange a green loan. Many took advantage of this time to think and plan their projects and consequently missed out because of the ‘no notice’ slashing of the loans. Many others lost the impetus and enthusiasm that the assessment process created because their promised reports either never eventuated or were so delayed that it was hard for the householder to relate back to the discussions of the assessment.

It is clear that the program has still a lot to offer and achieve in terms of educating and driving change in the community, but it will need clarification of processes and objectives, as well as an effective marketing program.

Thank you:
Richard Swinton;