

Submission for the Senate Enquiry into the Green Loans Program

I fully believe this could have been a brilliant program and rewarding career for many, hence my submission of this document. I hope to have highlighted areas for review, and provided constructive criticism where appropriate. I am happy to be contacted by the Committee for further information on any matter, or provide evidence of my statements where possible.

This document contains:

- Summary
- Addresses to the Terms of Reference
- Conclusion
- Information on my background, to help qualify my statements, as both an experienced assessor and trainer
- Attachment A: letter from ABSA emailed to trainers 6-11-09

Summary:

- The program was implemented too quickly; without full testing of software and systems, without a workable booking system, without adequate monitoring of the assessor training process, and without auditing and quality control measures being in place.
- The 'training of the trainers' and subsequent ease with which an entity could become a training organisation with ABSA, has been very poorly managed. I believe this has been a significant contributing factor to the 'over supply' of assessors.
- In a letter from ABSA to Trainers on 6-11-09 (see attachment) it was stated that students completing training prior to 24th December could apply to be certified with ABSA and "and if accepted, that DEWHA would contract them". This promise does not appear to be being honoured!
- The assessment itself focuses too strongly on data collection, and not enough towards 'educating' and motivating the householder. External water usage (which can be up to half a home's usage in WA) is not even addressed or recorded, and the reports generated from the on-line assessment tool are still frequently unrepresentative of the household's actual usage and behaviour patterns.
- I believe it was the delay in receiving the assessment reports (up to 4 months for some households) that resulted in a slow uptake of the loans, not disinterest! In cancelling the loans component, the government has made an uninformed and unsubstantiated knee jerk reaction.
- The program needs to be fixed and re-named, and priority be given to the implementation of a Cert IV qualification. Existing assessors, employers of assessors and training providers need to be audited and ongoing quality control measures put in place immediately.

Address to the Terms of Reference (a) (i):

(A) Basis for the loan amount: I cannot comment on the basis for the Government's decisions, however when the program was first mooted, there was talk of 200,000 loans. By the time it was implemented, this figure had reduced to 75,000. My

understanding was that the money 'saved' was re-directed into other programs such as the solar-hot-water and insulation subsidies. I actually approved of this change as it meant that low income households and renters were able to gain access to these hugely beneficial items, whereas if they had to purchase them via a 'Green Loan' they would likely not meet the eligibility requirements of the financial institutions, and thus not gain access to these essential items. However, I believe the promotion of the program focussed too strongly on the loan component, and not the benefits of a free HSA educational, so panic set in and businesses tried to make sure their clients got one of the 'limited' loans, thus partly contributing to the deluge of assessments.

- (B) HSA practices and promotion: Regulation of HSA practices appears to have been extremely poor, if not lacking entirely. I believe this began right from the start, beginning with the establishment of training providers and the resulting training of assessors.

The "Train the Trainer" training run by ABSA was incredibly lax – potential trainers did not have to have any formal training qualification or training experience, they did not have to have already completed the HSAS training themselves, nor were they required to even have had any prior "assessor" experience!

The sessions themselves (or certainly the one conducted in WA) did not address training methodology or brainstorm practical activities to present the learning material (as the promotion of the sessions advertised!) or address adult learning styles or anything else relevant to actually 'teaching' a course. It simply rehashed the 4 day training itself – which as far as I'm concerned, all participants should have already done!! (I wouldn't study to become a tyre mechanic instructor without ever having changed a tyre myself?!?) Even the training materials provided by ABSA to 'trainers' were incomplete; the whole OH&S session was missing!

I do not know how much DEWHA was overseeing this trainer process, however I believe it has possibly played a huge part in the oversupply of assessors. Businesses with no prior experience were able to have a staff member attend a free Train the Trainer session, and then train hundreds of assessors in-house, with no accountability or quality assurance of the training provided. I am aware of at least 2 organisations that trimmed the four day course down to just 4 evenings!

I support the basic intentions of the training moratorium, however I believe it backfired badly, again due to greedy, large organisations trying to make a quick buck from the program. Within days of the announcement, I received numerous pleading emails and phone calls from organisations across the country, asking us to train anything up to 250 staff before the December cut off.

The course itself I believe was/is totally insufficient for the level of expertise required for this type of work. Four days of classroom theory, with no practical experience or guided assessment practice in a 'real' home, is not sufficient to train Home Sustainability Assessors to the standard promoted by the program. The "exam" is a joke, and doesn't even warrant my time in making further comment!

Also, for the first 6 months of the program, no 'procedures for a HSA for the assessors' or 'components of a walkthrough for a HSA' (taken directly from the issued exam paper) were provided to trainers, and thus wouldn't have been communicated to students either. When there have been changes or new protocols issued, communication of the same has been extremely poor and totally inconsistent. Many of my ex-students, although contracted by DEWHA are still not receiving the various communiqué distributed by email.

Promotion of the program is another area where the big players have just barged ahead unchecked, with little regard to protocol or procedure. The small 'independent'

assessor has been severely disadvantaged in this area, as they do not have the same resources, budget or economies of scale as the large players. Initially DEWHA provided free promotional material to assessors, such as Q&A flyers and promo postcards (although they contained grammatical errors and typos – another indication of a rushed program – they were an invaluable resource), however this was subsequently stopped. The Department's justification was that individual production of such materials would support 'local' economies, however in reality it just put the whole cost of promoting a Government program onto the individual assessor.

There has also been no service provided, by ABSA or DEWHA, for a householder to 'search' themselves for a local assessor (such as the "find an assessor" function on ABSA's Home Energy Rating website www.absa.net.au). Services like this are now starting to be offered by private organisations. This then takes it out of the control of the Government, and again costs the individual assessor if they wish to participate on an equal footing to other assessors.

- (C) Accreditation: Accreditation of assessors was conducted by ABSA, not DEWHA and I believe this is a subject of a different inquiry. My comments here relate to the contracting of assessors by DEWHA, after they have been accredited.

As a trainer, when the moratorium was announced, we were sent an email from ABSA on 6/11/09 – a copy is attached at the end of this submission. Paragraph six states, quote: "you can inform people who are currently booked on your courses for the remainder of 2009 that they can still apply for certification upon graduation **and if accepted, that DEWHA will contract them.**"

Now the majority of my students trained in December, and November, despite having been certified by ABSA, have not been contracted by DEWHA!?!?! In fact, I believe all of these, bar one, have not even been contacted or acknowledged by DEWHA, or had any communication whatsoever as to the status of their contract! From comments in other submissions, this is not a unique problem.

My second focus here is that the Department's "Customer Service Charter" states that communications will be responded to within 20 working days. How can they be accountable therefore, for not responding in any way to hundreds of assessors for over three months?

- (D) Taxpayer's Money: I believe too much emphasis was placed on trying to encourage the purchase of big ticket items, and not enough focus given to low/no cost items and/or behaviour change. Because there was such a focus on a potential loan, many lower income households who could not afford to purchase large items (with or without a loan) possibly declined to participate, when they are the very households who could benefit most from a proper free Home Sustainability Assessment.

The other problem I have with the GL program is that too much time is taken up doing an "audit" and recording data that is totally superfluous to the task at hand, and not enough time actually engaging with the householder. A trained monkey could 'count light-bulbs' and complete the HSAS assessment checklist as it currently stands, however it requires a highly trained and experienced person to actually educate a household on resource efficiencies and initiate successful behaviour change. It was acknowledged very early on by members of the department that the significant focus on data collection was intentional, as this information would/could then be used as a base for future programs, such as Mandatory Disclosure.

In the early planning stages of the program, assessors were going to be installing CFLs, changing showerheads, checking insulation levels and providing information packs and other useful products to the householder. Although there was an unrealistic estimation of the time required to complete these tasks, I liked the

'interactive' focus that was developing. By the time the program was implemented though, it had been trimmed down and down (largely I believe for concerns over OH&S and duty of care) to a mere data collection activity. Officially, assessors are not even supposed to be making any verbal recommendations to a householder, this is supposed to be reserved for the report. However the value, validity and accuracy of the report is questionable (see my comments under part (b)) and provides no motivation to a householder when received four months after the event!

(E) Waste, Inefficiency and Mismanagement: Oh boy... where does one start! Again there has been significant coverage of these types of issues in other submissions, so I will just highlight a few of my major gripes:

- Because of the failings of the software to be ready on time, a 58 page Assessment workbook used up for every assessment in the early days of the program, and I believe is still being used by some assessors. I revised the whole booklet down to a 2 page spreadsheet sufficient to collect all the data required to later input into the on-line tool.
- Why were reports printed and mailed (especially in this technological age), when they could have been emailed? This would also have been quicker, more reliable and easier to trace if something did go astray. An electronic copy could also have been emailed to the householder's nominated bank to confirm eligibility and avoid fraud.
- One day in February, I spent 45 minutes of my time simply re-dialling the 1800, then another 1hr 50mins on hold, waiting to get through to book just one assessment! Add another 2 hrs for the HSA itself and another 1hr at least for the paperwork/submission, and I spent 5½ hours, plus petrol, insurance and other overheads, to earn a mere \$200. This is why I have chosen not to conduct further assessments until the system is working!!

(F) Achieving Aims: I cannot comment on this.

(G) Financial Institutions: I cannot comment on communications between DEWHA and the financial institutions, however I do have comment on DEWHA's communication within the program in regard to matters that related to the 'loans' component of the program.

I basically found there was a significant lack of 'policy' type instruction being issued in this area. For example, I and other assessors made a number of requests for clarification as to whether it mattered if assessments were booked in one or joint names for couples. We never got clear clarification, and in fact at one stage call centre staff were only accepting one name for a booking.

However... a colleague had a household who was knocked back on a loan because the bank would only accept an application from the wife, as the assessment was booked in her name only. Unfortunately she was pregnant and thus not working, so could not provide sufficient personal security to gain the loan, even though her husband was working and had ample income for security. I also had a household who was very nearly knocked back on his loan (after 4 months of badgering to get his report!) because the assessment was booked in the name of "Greg" yet his full name for the bank papers was "Gregory". This lack of policy guidelines is typical of a program that has been implemented too quickly.

Address to the Terms of Reference (a) (ii):

(A) Employment: I believe this has been adequately addressed in other submissions.

(B) Booking System: Unfortunately the Booking System has been ineffective from day one. Phoning appointments in was slow and cumbersome (and a waste of program dollars). There were frequently spelling or other errors in the bookings, and I found households rarely received their email confirmation from DEWHA. GL then had the audacity to advise assessors to provide the correct details to call centre staff, as phoning through changes was blocking up the system!

Despite numerous promises of an on-line booking system for assessors, ten months into the program it is still not working!!! The portal as it currently stands slow and takes an excessively long time to update/refresh pages, functions are not working despite help manuals stating that they do, and there are errors and duplications in the household data transferred over from the old BK booking system which will no doubt distort program statistics and evaluation outcomes.

Other submissions have provided ample details of booking system failures which I will not repeat here (including favouritism given to certain large organisations – I cannot prove it, however I do believe there were more than one involved), however suffice to say this part of the program is an absolutely abysmal and diabolic disgrace!!!

DEWHA has unfortunately developed a bad reputation of “changing the ‘goal posts’ with no warning!” An early example of this was on the 24/12/09 when GL notified assessors by email, the following information:

UPDATE ON HOLIDAY CLOSEDOWN FOR GREEN LOANS CALL CENTRE

The Green Loans Information Line will employ a limited number of operators over the holiday season. As such, the Call Centre will not be operational to accept new bookings for home sustainability assessments between 25 December 2009 and 8 January 2010 inclusive. Only cancellations or rescheduling of **existing bookings** will be accepted during this period.

Update? It wasn't an update, it was a first notification! Too bad if an assessor had appointments lined up with households while they were home on holidays, or just hadn't been able to get through on the booking line in time! Incidentally, the booking system was not operational again until mid January, which resulted in almost 4 weeks of no potential income, and assessors were given less than 24hrs notice.

(C) The program was launched in July 09 without proper testing of the software. For the first few months without a computerised assessment tool, assessors had to record their assessments on paper (in a 58 page assessment booklet actually – which would have been a huge cost to print, and certainly not environmentally friendly or sustainable). When the system finally came on-line, the back-log of assessments waiting to be inputted by assessors would have been massive. This would have put the program way behind in sending out household reports right from the start. I believe they never caught up, and I doubt one report ever went out within the program's stated timeframe of 10 working days.

Households that I assessed in October were still awaiting reports in January, and two households from December only just got their reports in time for the financial institution close off in March. One thing I found particularly frustrating was that the assessor could not follow-up with DEWHA as to the status of a report, they always insisted the householder phoned. So much for being able to offer my customers some quality service! When people could get through on the 1800 number, they were always given feeble excuses about the mail being outsourced so GL had no control over it, or they'd log the report as 'lost in the mail' and a new one would be sent out (which never arrived either), or some other clap trap. Also, the explanations were always different depending on who you spoke to at the call centre. Again, evidence of a lack of policy direction and communication within the program?

Once the assessor submits an assessment, the report is displayed in the system. To ease the excessive pressure in Feb and March, I did enquire whether assessors could send these reports to their households directly, but was told they had to be accompanied by a covering letter on Federal Government letterhead. Ok, I accepted this. However, most of my households ended up receiving their reports by email as we were pushing close to the deadlines – so, why couldn't all the reports have been sent out by email? Surely this would have been quicker, more reliable and saved thousands of dollars on printing and postage??

The covering letters enclosed with the reports stated that a \$50 voucher would be mailed to the household, as a thank-you for participating in the GL program. I checked with a number of my households - not one of them ever received the voucher!?! Another change of goal posts by DEWHA?

I sincerely believe that it was the delays in providing reports to households that made the 'loans' component of the program appear to be underutilised, not any lack of interest from home owners. Also, smothering the market with inappropriate assessments from large organisations has probably also skewed the statistics. Over 1/3 of all my assessed households went on to apply for the loan. I would like to see if the 'big companies' can match that type of outcome!

- (D) Withdrawal of the Loan component: This has probably been the biggest knee jerk reaction and "change of goal posts" initiated by the program so far!!! Sufficient comments have again been made in other submissions, however I would like to know what accountability the Federal Government has in regard to such program changes and dishonoured statements without notice or consultation (ABSA confirmed that not even they were consulted on this announcement)? It has been done time and time again throughout the program, many instances of which I have referred to in other sections of this submission.
- (E) Green Loans items: Through my own experience and discussions with fellow assessors (and I have a large network) I know of many households who couldn't care less about taking shorter showers or turning off stand-by power, but just had the assessment to get the loan to buy PVs. In fact, the majority of assessments I did were referred from PV sales companies, and for most this was all the householder was (initially) interested in. Although I did win many over and at least opened their eyes to other energy saving options, I believe the tax payer's dollars could be better spent in many circumstances by just providing a rebate. If a thorough review of household outcomes is undertaken, I'm confident that it will show the majority of loans have been spent on the purchase of PV systems. Bring back a PV rebate for those people, and let's just get on with the job of providing educational HSAs for everyone else – please!
- (F) Homeowner Action: Again I can't comment on DEWHA's evaluation of homeowner's actions (as far as I'm aware there has been absolutely none so far) however I have certainly followed up with many of my households. I've had some fantastic feedback on changes they've implemented and resulting lowered bills, and have only had positive comments on the level of service and knowledge I have provided. Unfortunately I can't say the same about comments received regarding the quality of DEWHA's service...

When the cessation of the loan component was announced, I emailed every client to advise them. I estimate I have had additional follow-up communication by phone and/or email with at least half of my households (most to help them push DEWHA to get their reports in time) however I would like to know if any of the big companies involved in the program could say the same about their households assessed and the outcomes achieved?

(G) Program Feasibility Advice: I cannot make extensive comments on this topic, other than some of the initial work done in examining what 'training and/or qualification' would be accepted for assessors. It is well known that when planning the program the Federal Government refused to accept or adapt any one of a number of appropriate courses already in use, but rather develop their own from scratch. Surely this is an incredibly costly and time consuming activity (time being the one thing they didn't have enough of before implementation!). For example, they paid an outside consulting company to 'map' the GL developed course over the existing Sustainability Victoria course.

The people then involved in writing and initially presenting the 'Green Loans' training course, although experts in their own fields, were not experienced Home Sustainability Assessors themselves (when a WA state government program with extensive experience tried to offer assistance, they were told it was "not required"!).

Address to the Terms of Reference (a) (iii):

I cannot see how this program is expected to be effective in reducing household energy and water usage when outdoor/garden water usage is not even considered in the whole assessment process. In WA, outdoor usage can easily account for up to half a household's water consumption, especially in summer with garden reticulation, topping up pools, hosing down boats, and other practices. Reticulation and underground water leaks are generally the biggest causes of water wastage in a home, yet these issues are not even mentioned to the householder.

The graphs and percentage water usage estimations made in the computer generated report are thus missing significant data, and hence bear no real relationship to actual usage patterns. In a recent assessment I did, the householder topped up a large ornamental pond weekly, hosed out their boat motor for 45 minutes every weekend and ran their bore three times a week, yet were told in their report that they were very efficient water users because they had short showers and a front loading washing machine!

The goal of the program is to reduce greenhouse gas emissions, however this inquiry appear to only be focussing on water and energy outcomes. Transport is the biggest household generator of greenhouse gas emissions, with waste being close behind, yet again neither of these subjects are addressed in the GL HSA (other than one small question asking whether composting is carried out – however I've never seen a reference made to composting in any report).

Address to the Terms of Reference (b):

I am pleased to see the extension of the assessments for a further 600,000 households, however only if:

- The program is re-named!
- The existing booking, contracting and communication issues are rectified
- The Federal Government implements a moderate sized advertising campaign to promote the benefits of HSAs to householders, and generally restore consumer confidence in the program
- Assessors who have not yet been contracted and voluntarily choose to leave the program, are reimbursed by the Federal Government for their training, insurance and ABSA registration fees
- All certified assessors are audited, and those deemed to not be trained or performing to a sufficient standard are suspended, until sufficient re-training is undertaken (this

could be formal training, or a style of mentoring or 'tag-a-long' practical based experience)

- All organisations employing assessors are audited, and any found to be in serious breach of contract (eg. by promoting products or paying commissions to assessors) are banned permanently from participating in the program
- All training providers are audited, and quality assurance measures put in place (including all trainers to be qualified and auspiced with a RTO)
- Priority is given to developing the proposed Cert IV course in Home Sustainability Assessment, and offered free or at a subsidised rate to existing assessors, with say a 2 year phase in period before becoming a compulsory requirement for any assessor wishing to continue working within the industry
- Consideration be given to providing subsidised training to existing assessors wishing to move into other related industry programs, such and 'Mandatory Disclosure' and the 'Green Start' program.

Address to the Terms of Reference (c):

I do not believe sufficient focus has been given in these Terms of Reference to the actual on-line assessment tool, and the information presented to households in the reports generated. This tool, similar to the on-line booking system, has had failings from the start also. Again it has been developed from scratch, in-house and without sufficient time for testing and perfecting. As stated above, a household's external water usage is not recorded, for one thing! The report still generates inconsistent statements, such as "you have an effective washing machine" and then on the very next line something like "you have an inefficient or high water usage washing machine"?!?. Also, there are recommendations made, such as to block or close off all wall and ceiling vents, which are in direct conflict with safety legislation in regard to homes with unflued gas heaters!

Also, this tool was not operational for the first few months of the program, thus assessors trained in the early days of the program received no instruction whatsoever on this, and other protocol related matters. The assessment tool needs a thorough and detailed supporting 'protocol' document, to ensure consistency and accuracy of data reporting (as is provided by ABSA for HER assessors using energy rating software programs). Issuing regular updates or additions to this document is then an effective and systematic way to maintain assessor knowledge and best practice.

Conclusion:

This program could have been so beneficial and made a huge impact on thousands of homes around Australia. Imagine interacting with 360,000 households and showing them personally how to make their lives more sustainable! Showing homeowners how to appropriately read and use their bills to monitor progress, giving renters practical and doable suggestions on how to save on heating and cooling costs, getting people to understand the impact of their water usage patterns and habits, motivating a whole family to change specific behaviours, and so much more... Basically, providing households with a "user manual" to run their homes and their lives more efficiently, saving money and saving ghg emissions!

Unfortunately though the program has failed, I believe, largely due to 'get-rich-quick cowboys' and greedy businesses who skimmed on training, stripped assessments down to 30 minutes, overworked and underpaid their assessors, and then found sneaky ways to dominate the market, 'assess' hundreds of homes who probably weren't all that interested in the first place and finally push their own commercial products – all in

complete contradiction to the aims of the program, and the terms of their contracts (and no, I'm not just referring to one big company beginning with "F", there were lots who did it!).

If DEWHA had not been swamped with literally thousands of unanticipated assessors and thus assessments also, then many of the problems experienced would not have arisen; the excessive delays in sending reports to householders, swamping of the booking system, lack of response to assessor's enquiries, the recent refusal to contract assessors certified by ABSA in January, and ultimately their entire communication shut-down! If the program had advanced at a steady and controlled pace, then I would like to believe that many of these problems would not have occurred, or would have been resolved quickly and efficiently. This rapid expansion has also caused certain aspects of the program to not be implemented, such as the householder's pre-assessment checklist, a "working" on-line booking portal for assessors, and more importantly... quality control of training provided, auditing and professional development of assessors, quality review of conducted assessments, customer satisfaction surveys, and general contractual compliance and fraud control!

Considering the millions of dollars that have been spent building the infrastructure and administration of this program, it is such a waste not to be truly educating our community, empowering households, and providing the motivation necessary for significant and long lasting behaviour change, which will ultimately lead to a more economical use of our precious energy and water resources.

Background:

I have been working as a qualified Home Sustainability Assessor (21854VIC, GreenSmart Professional & ABSA HER Assessor) for over 3 years, and have conducted over 200 home assessments (prior to the implementation of the Green Loans program). I have done this work both privately and as a contractor for other businesses, and through state government programs. Although one of the first 200 assessors contracted Australia wide to the GL program in June 2009, I have done less than 30 Green Loans HSAS assessments, largely because the inefficiencies of the program's administration support have made this work unviable and non-cost effective for an 'independent' assessor.

I have also been working as a qualified trainer (B.Ed and Cert IV TAA) for the last 18 months, mainly for another assessor training organisation, and also running sustainability courses for a state government program. When the offer was made to become a trainer for the HSAS course, I naturally jumped at the opportunity! My business ran 5 courses in WA, and trained a total of 48 assessors before the implementation of the training moratorium.

I am well aware and ready to accept that any new program will have certain 'teething problems', but what I have experienced through the Green Loans program is totally unprofessional and unacceptable. It has hindered, not helped, our newly emerging 'sustainability industry' in becoming a recognised and respected profession, and it has damaged the government's credibility, creating a great deal of consumer dissatisfaction and a total lack of faith in future programs.

Submission prepared by: Natalie Scott 14th April 2010



6/11/09

Dear Trainer

The uptake of the Green Loans Program has been very positive, resulting in a large number of assessors coming into the marketplace and wanting to participate in the program.

This has been a good result and very encouraging for the success of the program. However this large response has given rise to some research into the future needs for assessors. The research reveals that in some areas there are large numbers of assessors whereas other geographic areas remain un-serviced.

ABSA needs to represent the interests of its current members – which extends to ensuring there is sufficient work in the marketplace for the existing pool of certified assessors. In determining a course of action ABSA considered the advice from DEWHA and decided to apply a temporary moratorium on the certification of new assessors.

Noting there are geographic areas not yet being serviced by assessors there will be an exception to the moratorium – being for assessors intending to work in geographic areas that are not currently serviced to be determined and communicated by DEWHA.

ABSA advises all HSA trainers that as of 24 December 2009, it will cease processing applications for certification for Home Sustainability Assessors for the Green Loan Program until further notice – with the exception of assessors intending to work in currently un-serviced areas.

Accordingly, you are requested to not plan for any courses beyond this point as we will be unable to guarantee certification of your graduates. However, you can inform people who are currently booked on your courses for the remainder of 2009 that they can still apply for certification upon graduation and if accepted, that DEWHA will contract them.

ABSA stresses that this decision has not been taken lightly but on the basis of satisfying the needs of the community for assessments and the needs of the existing assessment industry. ABSA will also take this opportunity to review the course content based on the current workplace assessor requirements. ABSA (with DEWHA) will review the future needs of the assessor training program – initially seeking to determine the most appropriate training locations to ensure coverage of non-serviced areas – and will provide further advice in the New Year.

Best regards

Stephen Gallagher

Manager, Home Sustainability Assessment Scheme (HSAS)