



**Gregory Barker MP**  
Minister of State  
Department of Energy & Climate Change  
3 Whitehall Place  
London  
SW1A 2AW  
[www.decc.gov.uk](http://www.decc.gov.uk)

Our ref: MC2011/13517/RB

Jesse Norman Esq MP  
House of Commons  
London  
SW1A 0AA

1 AUG 2011

27 July 2011

Dear Jesse,

Thank you for your letter dated 8 July, enclosing correspondence from your constituent, Mr Andrew Simmonds of Simmonds Mills Architects, [redacted] Hereford [redacted], about the Green Deal and SMEs.

Smaller companies play a vital role in the current supply chain and we have designed the Green Deal to be accessible to them. This is an opportunity for SMEs as much as large installers and each will need to find their unique selling point. Provided SMEs meet the required standards and can access finance, they have the ability to continue serving the market while evolving with it.

The Green Deal and an Energy Companies Obligation (ECO) combined will mean the market is larger – which is good for everyone. Officials at this Department have met with key stakeholders, such as the Electrical Contractors' Association, the Federation of Master Builders, and the National Insulation Association, to ensure that we are as inclusive as possible in our approach. However, standards will be key to protect customers, to ensure that the mistakes made in Australia are not repeated here. Creating a Publicly Available Specification (PAS) through the British Standards Institute (BSI) will create a level playing field so companies cannot compete by lowering standards. All Green Deal installers will have to be members of accredited certification bodies, which will themselves have been accredited by the United Kingdom Accreditation Service (UKAS) to the PAS.

Officials have also been working closely with the finance community to work towards ensuring that the financial community is well placed to provide efficient finance for the Green Deal provider market. This work is ongoing, however there is significant interest in the Green Deal and we are confident that finance will be in place to support the market. I am keen to ensure that the market is diverse and that finance does not act as a barrier to entry.