

# HEAT NETWORKS REGULATION: AUTHORISATION CONDITIONS AND GUIDANCE CONSULTATION END FUEL POVERTY COALITION RESPONSE 19 September 2025

The End Fuel Poverty Coalition is a <u>broad coalition of more than 100 anti-poverty, health, housing and environmental campaigners, charities, local authorities, trade unions and consumer organisations</u>. It is also supported by academics, social enterprises and those working on the front line of fighting fuel poverty.

Statutory regulation of heat networks is long overdue. Ofgem must now ensure that the rules it introduces provide robust protections, prevent consumer detriment and maintain trust in this expanding part of the energy system.

The End Fuel Poverty Coalition broadly supports the points raised by Heat Trust and backs Ofgem strengthening its Authorisation Conditions and Guidance.

## Consumer protection and continuity of supply

Heat network customers must be afforded the same protections as households on mains gas and electricity. This includes guarantees that they will not lose supply, money or data in the event of financial failure by a supplier, operator or third-party agent. Given that many heat network customers are already vulnerable to fuel poverty, the consequences of gaps in regulation would be severe.

### Financial resilience

We agree that sinking funds held for maintenance and replacement works should fall within the scope of 'Material Assets'. Without this, there is a real risk of misappropriation of funds collected from customers, undermining trust in the sector and leaving households to shoulder additional costs. Ofgem should amend the Authorisation Conditions and Guidance to explicitly cover sinking funds as protected assets.

# Continuity arrangements and third-party risks

Many heat suppliers rely on third-party metering and billing agents who hold large sums of client money and customer data. Their failure could have widespread impacts, potentially leaving thousands of consumers without access to their balances or key account information. We therefore support the call for:

- Clear requirements for such agents to be part of a recognised Client Money Protection Scheme (or equivalent in Scotland and Wales), in line with property management rules.
- Stronger provisions to guarantee that metering and account data remains accessible and secure if an agent fails.

We would be grateful if you could continue to keep the Coalition informed about developments in this consultation.

# **About the End Fuel Poverty Coalition**

The End Fuel Poverty Coalition is a <u>broad coalition of more than 100 anti-poverty, health, housing and environmental campaigners, charities, local authorities, trade unions and consumer organisations</u>. It is also supported by academics, social enterprises and those working on the front line of fighting fuel poverty.

We believe that everybody has the right to a warm, dry home that they can afford to heat and power.

Members of the Coalition include: Action with Communities in Rural England, ACE Research, Age UK, All Birmingham's Children, Austerity Action Group, Association of Green Councillors, Association of Local Energy Officers, Association for Decentralised Energy, Asthma + Lung UK, Basingstoke & Deane Borough Council, Beat the Cold, Bruton Town Council, Camden Federation of Private Tenants, Carers Trust, Child Poverty Action Group, Church Poverty Action, Chartered Institute of Environmental Health, Chartered Institute of Housing, Community Action Northumberland, Centre for Sustainable Energy, Climate Action Network West Midlands, Debt Justice, Disability Poverty Campaign Group, Disability Rights UK, E3G, Energise Sussex Coast, Energy Advice Line, Energy Cities, Epilepsy Action, Exeter Community Energy, Fair Energy Campaign, Fair By Design, Foster Support, Fuel Poverty Action, Fuel Poverty Research Network, Generation Rent, Good Law Project, Groundwork, Hackney Foodbank, Heat Trust, the HEET Project, Home Start Oxford, Independent Age, Independent Food Aid Network, Inner City Life, Joseph Rowntree Foundation, Lambeth Pensioners Action Group, London Borough of Camden, London Borough of Lewisham, Marches Energy Action, Marie Curie, Mencap, Mayor of London, MECC Trust, Moorland Climate Action, National Pensioners Convention, National Union of Students / Students Organising for Sustainability, NCB, National Energy Action, New Economics Foundation, National Federation of Women's Institutes, Northern Health Services Alliance, Oxford City Council, Positive Money Tower Hamlets, Plymouth Community Energy, Redcar & Cleveland Council, Repowering London, Retrofit Bruton, Right To Energy Coalition, Rossendale Valley Energy, Ryecroft Community Hub, Save the Children, Sense, Severn Wve, Scope, Shaping Our Lives, Social Workers Union, South Dartmoor Community Energy, South East London Community Energy, Southwark Group of Tenants Organisations, South West London Law Centres, Stop The Squeeze, Tamar Energy Community, Thinking Works, Uplift, UNISON, Warm & Well North Yorkshire, Warm & Well in Merton, Winter Warmth Network, Young Lives vs Cancer, 361 Energy.

The Coalition is also part of the <u>End Child Poverty Coalition</u> and the <u>Renters Reform Coalition</u>. We work closely with <u>Energy Action Scotland</u>, <u>NEA Wales</u> and the <u>Fuel Poverty NI coalition</u>. The coordination for the <u>End Fuel Poverty Coalition</u> is provided by social enterprise <u>Campaign Collective</u>.

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