

Hello,

Please consider this email in response to the heat networks regulation: authorisation conditions consultation, published on 3 November 2025. I can confirm that this response is non-confidential.

**Question: Do you have any views on the drafting consistency of the heat networks regulation authorisation conditions?**

The consultation states that the individual authorisation conditions and policy intent have already been consulted on, with updated authorisation conditions having been published alongside stakeholder feedback. Consumer Scotland has actively participated throughout this process and welcomes instances where our input has been reflected. This consultation is the first time that Ofgem has published the authorisation conditions as a set and offers an opportunity to provide views on the drafting consistency, not to revisit matters that have already been settled in the previous consultations. This short response should therefore be understood within that context.

Consumer Scotland's response focuses on two elements of the authorisation conditions: 1. The intersection of heat networks regulation with Scottish housing legislation; and 2. References to the Relevant Consumer Advice Bodies.

**1. The intersection of heat networks regulation and Scottish housing legislation**

In response to the heat networks regulation: fair pricing protections guidance consultation, we welcomed engagement that Ofgem is undertaking with UK Government to progress the policy of unbundling heat from rent/service charges, but stressed that it was vital that Ofgem does not overlook the relevant Scottish legislation here. Ofgem had previously committed to work with Consumer Scotland to progress discussions with stakeholders, and we asked that this be taken forward at the earliest opportunity.

Since submitting this response, Ofgem has provided assurances to Consumer Scotland that a Relevant Lease is wider than just those leases captured under UK Government legislation, and we welcome that this is indeed reflected in the definition of a Relevant Lease (2.13) as:

“a lease or tenancy agreement to which section 11 or sections 18 to 24 of the Landlord and Tenant Act 1985 applies (**or any other agreement governed by legislative provisions with similar effect in any jurisdiction within Great Britain**) and pursuant to which the charges paid or payable for the supply of heating, cooling or hot water form (or will form) part of a Service Charge”.

This definition is an important first step towards ensuring that the relevant Scottish legislation is included when considering the interactions with key aspects of heat networks regulation such as unbundling. Consumer Scotland will welcome further engagement in the next stages of policy development in these areas.

## 2. References to the role of Relevant Consumer Advice Bodies

Consumer Scotland welcomes the references to the Relevant Consumer Advice Bodies – most notably at 3.33 to 3.43 – in outlining what is required of authorised persons in terms of signposting to the advice services and the provision of ‘assistance and advice’ information to consumers. The drafting here is flexible enough to allow the sector’s approach to evolve as regulation develops, and it will be important that associated guidance contains more specific details on the advice service processes, including the arrangements in Scotland.

As the statutory advocate for heat network consumers in Scotland, Consumer Scotland will welcome ongoing engagement with Ofgem on this point to ensure that heat network parties are providing consumers with up-to-date and accurate information.

If you wish to have a follow-up discussion on any of the above, please get in touch.