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By email only to: FutureConsumers@ofgem.gov.uk

Dear Steve

Re: Guaranteed Standards of Performance (GSOP) Call for Input (CFI)

Thank you for the opportunity to respond to this CFI. We welcome this early engagement as Ofgem considers how the GSOP framework should operate within a future regulatory model that places greater emphasis on monitoring and delivering consumer outcomes.

We believe regulation can be simplified to support an investible market - one that enables innovation and empowers consumers to choose the aspects of service that matter most to them in a competitive environment.

Executive Summary

When assessing the appropriate level for GSOP payments, it is important to consider the context in which the standards were originally introduced compared with current market conditions. GSOPs were set at £30 in 2015, at a time when suppliers operated in a non-price-controlled market and the standards focused primarily on metering appointments and meter faults.

Today, by contrast, the payment level is set at £40, which is nearly the equivalent of the annual profit suppliers can expect to make from a price-capped customer. This level of risk encourages suppliers to prioritise immediate GSOP issues to avoid issuing automated compensation, rather than innovating and focusing on improvements to the customer journey. The number of GSOP standards that suppliers are required to meet has also more than doubled with the introduction of the Switching GSOPs and the incoming smart specific GSOPs.

It is important to set out this context to demonstrate that suppliers are already heavily incentivised to meet GSOP standards, given the current payment levels and the number of minimum standards in place. Increasing the payment amount or the number of standards would significantly increase pressure on price-capped suppliers at a time when substantial investment is required to innovate, support customers, and successfully transition to net zero.

The review of the GSOP framework must therefore consider both the number and the effectiveness of existing standards. Any changes must be supported by a clear cost-benefit assessment to ensure that GSOPs are used only where necessary to establish minimum standards that cannot be managed through other regulatory tools available to Ofgem. Excessive or unnecessary GSOPs introduce substantial cost pressures - ultimately impacting consumers - counteracting Ofgem's objectives for the Consumer Outcomes Framework and undermining efforts to attract future investors into a competitive market.

The timing of changes is also important to ensure that reforms complement one another rather than conflict or undermine wider objectives. It is essential that the Consumer Outcomes programme and the approach to future regulation are fully understood. This future outcomes-focused framework could be strengthened by a GSOP framework targeted at key areas of harm, such as metering issues and connectivity. Conversely, an over-burdensome GSOP framework would undermine a future Consumer Outcomes model. Without clear planning for how consumer outcomes will be implemented, it is difficult to redesign an appropriate GSOP framework that does not contradict or weaken the Consumer Outcomes Framework.

GSOPs should be used to manage areas where an outcomes-based framework cannot drive the necessary minimum level of performance. Delivering consumer outcomes effectively will require a cultural shift within Ofgem, with greater reliance on suppliers' ability to define and evidence appropriate outcomes for their customers. This is incompatible with maintaining a long list of prescriptive minimum standards underpinned by automatic compensation. A GSOP framework that supports - rather than restricts - an outcomes-based approach should therefore focus on a very small number of core payments, such as faulty metering requirements and meter appointments. Other service failings should be addressed through Ofgem's existing monitoring, compliance, and engagement mechanisms, alongside consumers' rights to raise complaints. It is essential that the GSOP framework is used only in circumstances where other regulatory tools cannot deliver the required performance.

For example, GSOPs remain appropriate in areas such as metering issues where a customer's supply is at risk of disruption. However, we do not believe a GSOP framework is appropriate for aspects such as the timeliness of bills or retrieving meter readings, where a consumer outcomes approach can ensure appropriate billing arrangements are in place, with consumers further protected by back-billing requirements.

We also emphasise that the non-domestic market is fundamentally different from the domestic market. Payment levels that may be meaningful for domestic consumers often have limited impact on business customers due to the difference size, and different operational model (i.e., a payment to an office administrator has limited impact). GSOPs should not, therefore, be part of the regulatory framework for non-domestic customers.

Instead, we believe, due to the diverse nature of the non-domestic market, it would be more effective and efficient for Ofgem to use regulatory tools already available to monitor and understand performance and to engage suppliers where they have concerns. Non-domestic customer service concerns are better managed on a case-by-case basis between the supplier and end-user to ensure the issue can be resolved, which an initial GSOP payment will not resolve.

Additional costs of meeting a wider set of GSOPs in the non-domestic market would impact on suppliers, which would result in these costs being passed on to end users in future pricing. Therefore, we believe oversight and engagement by Ofgem and existing communication channels between suppliers and consumers can deliver improvements in service, without additional cost to consumers. For this reason, we do not believe further expanding the GSOP framework to non-domestic suppliers will lead to effective improvements. It is more appropriate for Ofgem to use the tools already available to monitor and understand performance, with customer service concerns managed through complaint processes and business-to-business engagement on a case-by-case basis.

We hope these views support the development of a GSOP framework and consumer outcomes model that ensures consumer outcomes remain at the centre of future regulatory design. If you would like to discuss any part of this response, please contact Gregory.mackenzie@centrica.com.

Yours sincerely

A handwritten signature in black ink, appearing to read "N. Howard".

Nigel Howard
Head of Consumer Regulation
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Annex 1: Question Responses

Role

Q1. Do you have any views on how the GSOP should be used to deliver good consumer outcomes as part of our wider regulatory toolbox?

The GSOP framework should be designed to complement the consumer outcomes project, not undermine it. Introducing a consumer outcomes framework based on principles alongside an extensive list of minimum standards through a GSOP framework would undermine and contradict the consumer outcomes approach to outcomes-based regulation.

We consider it essential that the consumer outcomes framework focuses on a smaller number of high-level, outcome-based principles rather than the twenty-four lower-level outcomes set out in the CFI. A more streamlined approach will give suppliers the flexibility needed to deliver positive consumer outcomes and drive innovation, without being restricted by overly detailed requirements.

From this perspective, it is important that the GSOP framework is proportionate and avoids unnecessary prescription. An extensive or overly detailed set of GSOP standards risks undermining the benefits of an outcomes-based model and may limit suppliers' ability to deliver solutions that genuinely meet consumer needs.

GSOPs should therefore be reserved for fundamental service areas where immediate action is required and where issues cannot be effectively managed through Ofgem's regulatory toolbox.

We believe a GSOP framework that focuses on fundamental areas of service would complement—not dilute—the consumer outcomes approach. Introducing both an outcomes-focused framework and a wide-ranging set of prescriptive GSOPs would create conflict between the two regulatory models.

Furthermore, we believe that an overly burdensome GSOP framework would inadvertently narrow supplier focus to achieving minimum GSOP thresholds, resulting in a flat, undifferentiated market with limited incentive for innovation. Maintaining a small, targeted set of GSOPs will enable the consumer outcomes framework to function effectively and allow suppliers to innovate and offer new, value-driven propositions for consumers.

Q2. Do you have any comments on our proposed objectives for the GSOP mechanism?

- *Help support a competitive market that delivers positive consumer outcomes, in particular by building consumer confidence, trust and engagement.*

We agree that the market should be designed to deliver positive consumer outcomes. This principle is central when considering how a future GSOP framework should operate. A consumer outcomes approach would be significantly weakened by an overly burdensome GSOP framework. Excessive prescription would shift supplier behaviour towards meeting minimum GSOP thresholds rather than pursuing innovative approaches that foster a competitive market and deliver meaningful benefits for consumers.

In an extreme scenario, transferring broad licence-based prescription into GSOPs would undermine the purpose of the consumer outcomes model altogether, rendering the framework ineffective.

- *Ensure clear and consistent minimum levels of supplier performance that protect consumers from unacceptably poor service.*

We agree that any GSOPs taken forward should be clear and applied consistently across the market to ensure consumers receive reliable protection from unacceptably poor service.

We also consider it essential that the GSOP framework is used only in circumstances where other regulatory tools—such as Ofgem's market monitoring, compliance activity, and enforcement processes—cannot deliver the required level of performance. For example, metering appointments and the resolution of metering faults are areas where GSOPs remain appropriate. However, we do not believe a GSOP framework is suitable for

aspects such as the timeliness of bills or retrieving meter readings, where a consumer-outcomes approach can ensure positive billing arrangements are in place, with consumers further protected by back-billing requirements.

As noted above, introducing too many GSOP standards risks undermining the consumer outcomes framework. Excessive prescription will constrain suppliers' ability to innovate, reduce flexibility, and ultimately limit the market's capacity to deliver improved outcomes for consumers.

- *Minimise the frequency and severity of poor service experienced by consumers by incentivising suppliers to improve performance.*

We agree that a GSOP framework should aim to minimise the frequency and severity of detriment by incentivising strong performance. It remains essential, however, that GSOPs are targeted at core service issues and are not used as a default mechanism for introducing wider prescription into the market. Prescription within the Supplier Licence Conditions, alongside effective market monitoring, continues to provide a strong incentive for suppliers to ensure compliance with requirements. GSOPs should be used only where other regulatory tools are not considered sufficiently effective.

- *Provide quick, automatic compensation directly to consumers when they do experience poor service*

We agree that providing quick, automatic compensation to customers is fair and ensures all eligible consumers receive the payment consistently for appropriate GSOP standards (i.e., a GSOP standard is required to incentivise a minimum performance standard where the increase in cost is justifiable, and the standard outcome necessary will not be achieved through consumer outcomes and other regulatory tools available).

Q3. Do you have any comments on our proposed criteria for the design of any new Guaranteed Standards, or how we intend to use the criteria?

We have provided comments on each of the criteria proposed in the Call for Input. Before applying these criteria, however, we believe it is essential to consider whether GSOPs are the appropriate mechanism to deliver the performance outcome in question. The criteria as drafted are broad and could lead to a significant number of new standards being introduced. As noted above and in our cover letter, it is important that any future GSOP framework supports—rather than undermines—the move towards a Consumer Outcomes focused regulatory model, which depends on giving suppliers sufficient flexibility to innovate in how they deliver required outcomes.

It is also important that the GSOP framework must therefore consider both the number and the effectiveness of existing standards. Any changes must be supported by a clear cost–benefit assessment to ensure that GSOPs are used only where necessary to establish minimum standards that cannot be managed through other regulatory tools available to Ofgem.

An overarching consideration should be whether a proposed standard requires a GSOP rather than a prescriptive licence condition with oversight from Ofgem. GSOPs should not become the default means of introducing prescription into the market, as this would conflict with Ofgem's objective of promoting a competitive environment in which suppliers can differentiate and innovate

- ***Clear, customer-centric rationale: There is a clear rationale for improving the outcomes experienced by consumers by setting the standard.***

Yes, we agree there must be a clear customer-centric rationale. This rationale should be considered alongside the overarching question of whether a GSOP is required to impose the requirement, or whether other regulatory tools can be used to facilitate good consumer outcomes.

Part of this customer-centric rationale should also consider the additional cost that a standard would introduce to the market, and whether this enables suppliers to operate efficiently or whether any increase in cost to consumers can be justified by a corresponding improvement in service.

- **Ease of understanding and administration: The standard should be understandable for consumers and administrable for suppliers.**

This is important to ensure the standard can be administered efficiently. If automatic compensation is owed, it should be clear from the information available and capable of being processed in an efficient and timely manner.

It should also be clear to consumers what the standard requires and what the supplier's responsibility is. This transparency is an important part of building trust between suppliers and consumers.

- **Evidence-based and achievable: The target level of performance should be achievable and based on reliable, accurate evidence.**

Yes, we agree. Target level performance must be able to be accurately measured and achievable, and for SVT customers an allowance must be made for it within the price cap to ensure suppliers have the capability to meet the target. If a standard is not embedded in the core operating costs allowance, it is important to consider whether an uplift to the cap is justifiable from a customer perspective in order to meet the proposed standard

- **Measurable and enforceable: Standards should have clear and quantifiable metrics (such as a specified length of time to take an action).**

Yes, it must be clear what the standard is to ensure an efficient application.

- **Prevents detriment: Non-compliance with the standard is likely to cause detriment to the specific consumer.**

It is important to recognise that non-compliance is likely to cause detriment to the individual consumer, and that other regulatory tools may not be sufficient to ensure supplier performance in this area, nor would an alternative approach focused solely on the desired customer outcome lead to the desired outcome. We believe the focus should be on preventing detriment, with GSOP used only where it would be the most effective and warranted framework to drive the required level of performance.

- **Identifiable customer: The supplier should be able to identify the specific energy supply customer affected by a breach of the standard.**

Yes, we agree.

- **Ability to improve: Suppliers are ultimately responsible for the service (even those contracted through third party contracts) and should have the ability to improve the service.**

Suppliers should only be held responsible for service failures within their control, or the control of third-party contracts. Suppliers should not be held responsible and financially impacted for factors outside of their control, including where the supplier is itself the user of another service such as networks and various central system providers. We also believe the ability to improve should consider any assessment or alteration to the price cap to ensure that suppliers are able to complete all necessary steps to meet the standards and avoid GSOP payments.

- **Compensation not already provided: Automatic compensation for the failure is not already provided through another standard or similar obligation.**

Yes, we believe this would lead to a more efficient market. Double compensation will not drive the outcomes desired.

Q4. How effective is the current GSOP framework and individual standards in delivering good consumer outcomes? Please provide evidence where possible.

The metering GSOPs remain an effective mechanism for ensuring that customer outcomes are achieved and that issues likely to cause immediate consumer harm are managed appropriately—issues that would not be addressed adequately through market monitoring alone.

The Switching GSOPs introduced in 2018 / 2019 set minimum service levels with the aim of improving consumer confidence in the market. However, we believe these standards introduce a high degree of prescription into the GSOP framework, which would be more effectively managed through market monitoring and collaborative engagement between Ofgem and individual suppliers. This approach would better support improvements in performance on a supplier specific basis rather than through comparative market wide standards. In addition, the Switching GSOPs replicate existing prescriptive Supplier Licence Conditions. We do not believe they incentivise suppliers to exceed minimum service levels, and they tend to result in suppliers offering similar, undifferentiated services.

A consumer outcomes approach focused on issuing timely and accurate bills—and encouraging the prompt issuance of final bills once all required information is available—would drive improvements in this area. Such an approach would incentivise suppliers to issue final bills and return any associated credit balances as quickly as possible, thereby improving the consumer experience without the need for additional prescriptive GSOP standards.

Scope

Q5. Do you have any views on what would determine if a GSOP or a licence condition is the best tool to improve supplier performance?

We believe that GSOPs should be reserved for core service failures where it is clear that the supplier has not met its obligations and where that failure results in immediate and identifiable detriment to the consumer—detriment that cannot be addressed through existing SLCs or other regulatory tools available to Ofgem, including the current Ofgem proposals to establish a consumer outcomes framework.

For example, in the Call for Input, Ofgem has highlighted billing, timeliness of bills, and meter reading as potential areas to explore for a GSOP. We disagree with these examples and believe that billing performance would be better managed through a Consumer Outcomes framework, supported where necessary by prescriptive licence conditions, to ensure suppliers issue timely and accurate bills within their control. An outcomes-focused approach will encourage suppliers to consider the most effective ways to achieve timely billing. Billing is also underpinned by the back-billing requirement, which provides further protection to consumers in cases of inaccurate billing. Introducing a GSOP in addition to these existing protections would be unnecessary and would limit the scope for market variation and consumer choice.

For this reason, we believe the existing GSOPs for metering—particularly for PPM faults—remain appropriate, as they incentivise suppliers to take the immediate action required to address issues that would not be effectively resolved through market monitoring alone and have a direct impact on consumers.

Q6. Are there any supplier service areas where it would be appropriate for us to explore new GSOPs, or move an existing licence condition into the GSOP framework?

The GSOP framework should not be used in lieu of licence conditions or to undermine an outcomes-based approach.

It is important that any supplier service areas are considered carefully to avoid a large GSOP framework that would undermine Ofgem's objectives for a GSOP framework as well as future Consumer Outcomes.

Considering the examples shared in the call for input, we believe the implementation of Energy Ombudsman (EO) remedies is too subjective with the remedy required and would not meet the criteria Ofgem has set out for GSOPs. This does not allow time for challenge or pragmatic discussion with the EO where in some cases the outcome will not lead to a positive consumer outcome and can contradict Ofgem policy, for example, removing a smart meter and installing a traditional meter. We believe Ombudsman remedies should be managed through the current regulatory toolbox, with suppliers working collaboratively with Ofgem, the EO and other third parties where necessary to improve performance.

As highlighted above, there is already a strong incentive on suppliers to bill accurately and in a timely manner with back billing in place as a protection for consumers. The back billing requirements act as a significant financial incentive on suppliers to ensure billing is accurate and bills are issued on a timely basis. Additional GSOPs on top of this protection are not required. Suppliers already make attempts to obtain meter reads from customers, with suppliers taking incremental steps to ensure that customers' billing is accurate over the year.

Q7. Should any of the current GSOPs be removed, or replaced with a licence condition to better achieve its policy aim?

We believe the current GSOP framework has become overly complex. As the Consumer Outcomes framework is refined and developed, we consider it important that the number of GSOPs is also reviewed and reduced, focusing only on core service issues that cannot be addressed through market compliance and enforcement activity, or effectively managed through prescriptive licence conditions where a consumer outcomes approach is not appropriate.

As an initial view, and as previously noted, we believe it is justifiable to retain a GSOP framework for metering issues where there is an immediate consumer impact that cannot be effectively managed through market monitoring.

We also believe the Switching GSOPs should be removed where duplicate existing Supplier Licence Conditions, such as those relating to acquisitions, exist. A more proactive approach from Ofgem to understand the drivers of supplier performance in this area could lead to improved performance and better consumer outcomes.

Q8. Should we consider expanding the GSOP mechanism to cover non-domestic customers, or a sub-section of non-domestic customers? If so, which existing or potential future standards would be most appropriate?

We do not consider GSOPs to be an effective mechanism for non-domestic consumers. Given the scale and operational structures of many businesses, the current GSOP payment—even if increased—offers little meaningful value to the end user, which is often not the business owner and will typically require further case management irrespective of compensation.

Additional costs of meeting a wider set of GSOPs in the non-domestic market would impact on suppliers, which would result in these costs being passed on to end users in future pricing.

The higher prevalence of TPIs and brokers also increases complexity around accountability and the underlying cause of any failure. Existing protections, such as back-billing safeguards, already provide strong and proportionate incentives for accurate and timely billing.

We do not believe that further expanding the GSOP framework for non-domestic suppliers will lead to effective improvements. It is more appropriate for Ofgem to use the tools already available to monitor and understand performance, with customer service concerns managed through complaint processes and business to business engagement to resolve issues on a case-by-case basis.

Design

Q9. Do you have any views on what the underlying rationale for the payment level and mechanism should be to best achieve the GSOP objectives?

It is important to consider the market context and the environment that suppliers operate in today when considering GSOP payment levels and mechanisms. In 2015, GSOP payments were set at £30, and suppliers faced a smaller number of standards than they do today. At that time, suppliers were not operating under a price cap. There was also less pressure to invest and innovate to meet net zero obligations.

Since the start of 2025, the payment level has increased to £40 in line with projected inflation to 2030. The primary aim of this change was to reflect inflation while keeping the framework simple. However, this increase did not take into account supplier profitability or the impact that a £40 payment has on supply businesses. A single failure to meet a standard can effectively remove the annual profit a supplier makes from that customer.

It is important to consider the market as it operates today and recognise how significantly it has changed since the original £30 payment was introduced. Suppliers now operate under a price cap, requiring them to implement changes and drive system improvements in an efficient and incremental manner. This, combined with the increasing number of GSOPs—particularly with the introduction of smart specific GSOPs expected

this year—makes it increasingly difficult for suppliers to invest and innovate, as substantial funding and focus must be directed toward maintaining GSOP compliance and managing associated costs.

We believe it would be more effective to retain the current payment design and focus GSOPs on processes that cannot be managed through prescriptive regulation that result in immediate detriment to consumers, such as instances of off supply. This approach would allow suppliers to innovate in their processes and performance, concentrating on areas that genuinely improve consumer satisfaction. It would also help ensure that the market remains attractive to future investment

Q10. Do you have any views on specific changes to the payment mechanism we should consider, including the examples included in this paper?

The existing level offers a strong incentive for suppliers to meet the standards. Any increase would risk diverting resources away from innovation and investment.

The uplift introduced in early 2025 was intended solely to reflect inflation through to 2030, and we do not believe further adjustment is warranted. Notably, this increase did not take into account the significant changes in the market since 2015, such as the introduction of the price cap and increase in GSOP standards.

As highlighted throughout this response, we believe a future GSOP framework should be designed to complement a future Customer Outcomes Framework and reserved for instances where regulatory tools available to Ofgem will not result in the minimum standards of performance necessary. For this reason, we believe that some existing GSOP requirements (such as switching) can be removed and better managed through market monitoring and consumer outcomes.

Q11. Are there any issues we should consider with introducing repeat payments for ongoing breaches?

Repeat payments will add complexity to the system design. The current payment level of £40 is a significant incentive to suppliers today to meet the required performance.

Introducing repeat payments for ongoing breaches would also create additional complexity as circumstances evolve over time. For example, a supplier may be responsible for an initial failure due to not contacting the customer to obtain further information. If the supplier subsequently attempts to contact the customer and the customer does not engage, we believe it would be appropriate for suppliers to treat such instances as exempt from additional payments. This is an example that will come to light if the smart specific GSOP standard for non-communicating meters is progressed as consulted upon, with a requirement to make repeat compensation payments if the Supplier has not addressed the non-communicating issue within the specified timeframe. We will apply the above rationale and treat ongoing payments as an exemption where the customer does not engage with our attempts resolve the issue.

Q12. Are there any issues we should consider with introducing variable payment levels for different consumer groups or severity?

Yes, we believe different payment levels for different consumer groups will make payment increasingly complex. Any differentiation should be limited to domestic versus nondomestic consumers. Applying varying payment levels within these groups—for example, PSR versus non PSR customers—would create an overly complex mechanism and place significant reliance on suppliers' ability to accurately capture and maintain PSR data.

We also believe that the existing £40/ £80 structure across multiple measures already has a significant impact on suppliers. Introducing further variation based on severity or type of detriment would add additional layers of complexity for suppliers and create confusion for consumers. For this reason, we believe that GSOPs should be refined and focused on incentivising minimum standards that cannot be effectively managed through a Consumer Outcomes framework.

Q13. Are there any specific changes to the current set of exemptions that we should consider?

We believe suppliers can be better supported—and customers provided with greater clarity—if an explicit exemption is introduced to recognise that customer action or inaction is outside the supplier's control.

GSOPs should be designed to ensure there is clarity on when a GSOP payment is / is not due. In practice, suppliers already manage this by not issuing payments in cases where consumers do not respond to engagement requests. Introducing a specific exemption for situations where a customer does not respond to engagement attempts from their supplier would reinforce this approach and provide clearer guidance for all market participants that suppliers are only required to pay GSOPs for instances within its control.

Q14. Are there any specific changes to the target levels of existing standards that we should consider?

We believe that any changes to target levels must be both necessary and achievable within the current price cap core operating costs allowance. Proposals such as requiring 24/7 metering fault resolution by extending existing GSOP operating hours could undermine potential consumer outcomes by reducing the scope for suppliers to innovate. In practice, suppliers may instead implement mitigation measures—such as expanding non-disconnection period windows—to prevent consumers going off supply.

We do not consider changes to the existing standards necessary. In fact, we believe some standards should be removed to simplify the GSOP framework and refocus it on core minimum requirements. Several areas could be effectively managed through existing performance monitoring and regulatory incentives outside GSOPs.

For example, acquisitions naturally carry strong competitive incentives. Suppliers already aim to complete a switch on time and provide a smooth customer journey. A GSOP in this area—especially one equivalent in weight to a faulty PPM appointment—is therefore unnecessary and disproportionate.

Operation

Q15. Are there any improvements we can make to the way we collect data from suppliers specifically on their compliance with the GSOP?

We believe the current data collection arrangements are adequate. However, the monitoring of this data—and the follow up on any performance concerns—should be timelier. There have been instances where suppliers have faced prolonged periods of review, sometimes exceeding 12 months, relating to performance and the interpretation of exemptions. Such delayed engagement can lead to costly outcomes when differences in interpretation are identified late in the process.

Q16. Are there any additional risks that we should consider when exploring our approach to monitoring and ensuring supplier compliance with the GSOP?

We believe that the risk of unintended or inconsistent interpretation is a key issue within the GSOP framework. This can lead to differing consumer outcomes across the market, depending on how individual suppliers interpret a rule or assess a particular scenario.

It is essential that any GSOP clearly defines what constitutes a failure, and that such a failure is explicitly attributable to the supplier (or a contracted third party). This clarity is necessary to ensure consistent application across the market and to provide certainty for all parties involved.

The application of GSOP should be proportionate and pragmatic, supporting behaviours that lead to good customer outcomes rather than penalising Suppliers for acting responsibly. For example, under the metering GSOPs, if a Supplier arrives late to an appointment and then discovers on site that they do not have the required equipment to complete the installation, they would incur two failures and therefore owe £80 in compensation. By contrast, if the Supplier arrives late and chooses to reschedule the appointment without attempting the install, they would only be liable for £40.

In both scenarios the customer outcome is identical, yet the Supplier who attempts to complete the job faces a higher penalty. This creates an unintended disincentive for Suppliers to try to resolve issues at the first opportunity, even when doing so is in the customer's best interests.

Ofgem could consider incorporating the GSOP framework into its Evaluation Strategy as part of its ongoing monitoring activity. We believe this framework review aligns with the indicative selection criteria and would benefit from both an Impact Evaluation and a Value-for-Money (Economic) Evaluation to assess whether the reforms are meeting their policy objectives and delivering benefits that outweigh the associated costs.

Q17. Is there a need for any supporting guidance, either aimed at suppliers or consumers, to improve the effectiveness of the GSOP?

Guidance can be helpful in supporting understanding and ensuring consistent application across the market. However, we believe that any guidance which could materially change how GSOPs are applied should be subject to consultation, so that any resulting cost implications for suppliers can be properly assessed.

As highlighted throughout our response, it is important that GSOPs operate alongside the Consumer Outcomes framework. A consumer outcomes approach becomes less effective if it is paired with an overly expansive GSOP framework and extensive prescriptive guidance on how requirements should be interpreted. This risks undermining the benefits of an outcomes focused model by reducing suppliers' confidence to innovate, due to the fear of being found noncompliant with a particular interpretation.

Q18. Is it important that consumers are aware of GSOPs? Why?

We believe it is important that consumers are aware of the standards and service levels they can expect from their supplier. It is equally important that consumers understand the role they play in helping suppliers resolve issues. For example, consumers should be aware that their supplier may need additional information to complete an acquisition or require access to the property to address a meter fault.

Q19. Are there any actions that Ofgem or suppliers should take to improve consumer awareness of the Guaranteed Standards?

We believe the current GSOP framework is confusing for consumers due to the volume of standards in place. GSOPs could be a more effective tool if compensation were targeted at core minimum standards that matter most to customers and can be communicated more clearly. The faulty prepayment metering GSOP is a good example, as it provides a short, easily understood timeframe that customers can track and manage.

By contrast, the longer a GSOP runs, the harder it becomes for consumers to understand and monitor their entitlement. We believe this issue could be addressed by reviewing and refocusing GSOPs on fundamental service failures that cannot be effectively managed through market monitoring or other enforcement tools available to Ofgem.