

Guidance

Draft deemed contracts: moving home

Publication date:	28 October 2026
Contact:	Tom Corker
Team:	Debt Strategy
Email:	debtstrategy@ofgem.gov.uk

This draft has been prepared for consultation purposes. Subject to the outcome of the consultation, the final text would be incorporated into Ofgem’s existing [Guidance on Deemed Contracts](#).

Guidance Draft deemed contracts: moving home

© Crown copyright 2026

The text of this document may be reproduced (excluding logos) under and in accordance with the terms of the Open Government Licence.

Without prejudice to the generality of the terms of the Open Government Licence, the material that is reproduced must be acknowledged as Crown copyright and the document title of this document must be specified in that acknowledgement.

This publication is available at www.ofgem.gov.uk. Any enquiries regarding the use and re-use of this information resource should be sent to psi@nationalarchives.gsi.gov.uk.

Guidance Draft deemed contracts: moving home

Contents

1. The home moves process	4
An overview of the home-moves customer journey.....	4
When to use this guidance.....	4
The customer notifies the supplier that they are leaving the property	5
Contact attempts with the new customer	7
Preventing disconnection	9
Supplier actions following customer engagement	10
Monitoring of customer outcomes	10

Guidance Draft deemed contracts: moving home

1. The home moves process

This section details how a revised home moves process may be implemented by a supplier. It sets out expectations as to when a remote switch to smart pay as you go (SPAYG) may occur to encourage new customers to contact the supplier quickly. Whilst suppliers may choose to implement this or an alternate home moves process, this section confirms a method which complies with existing regulation and protects vulnerable customers.

An overview of the home-moves customer journey

- 1.1 The guidance applies to situations where a customer informs their supplier that they are moving out of a property, and a new customer does not contact the energy supplier. This guidance is intended to help suppliers achieve good outcomes for customers through the home moves process. Suppliers should be aware of all relevant Standard Licence Conditions (SLCs) when implementing this guidance, and some SLCs are referenced throughout this document. In particular, suppliers are reminded of the need to observe Standards of Conduct contained in SLC0.3 of the Gas and Electricity Supply Licences. Critically, this guidance seeks to protect customers from disconnection and self-disconnection, and this should be central to any home moves process implemented by suppliers.
- 1.2 This guidance does not obligate all suppliers in the GB energy market to follow the described home moves process. Rather, this guidance sets out how a revised home moves process, which is compliant with existing SLCs and provides customer protections, may be delivered. Suppliers may, however, choose alternate delivery routes (or continue with their existing processes where compliant) but it is the supplier's responsibility to ensure that their processes comply with their SLCs.

When to use this guidance

- 1.3 This guidance only applies where a working smart meter is already situated at the property. For homes without a smart meter, the supplier should apply their

Guidance Draft deemed contracts: moving home

existing home moves process to contact the new customer and, if suitable, encourage the installation of a smart meter following engagement.

- 1.4 When a customer moves into a new property without contacting a supplier they enter into a deemed contract.¹ As laid out in this guidance, suppliers may switch smart meters to SPAYG following confirmation that the old customer has moved out, we refer to this process as the home-moves process.
- 1.5 This journey is distinct from the involuntary prepayment (PPM) process set out in the [Involuntary prepayment meter energy supplier Code of Practice](#), where installation and operation as PPM is provided as part of a debt and repayment trigger.

The customer notifies the supplier that they are leaving the property

- 1.6 Before making the remote switch, suppliers should seek to check the following:
- **Working smart meter set up:** the site must have a working SMETS1 or SMETS2 smart meter set up (dual fuel or single electricity only, no gas supply)
 - **Change of Tenancy (COT) Notification:** the outgoing customer has provided a move out date (or has notified the supplier that they have moved out) and no new customer has contacted the supplier to let them know they have moved in or are going to move in
 - **Site and customer suitability for smart PAYG:** using best available information to ascertain the suitability of smart PAYG

Assessing site suitability prior to a remote switch to SPAYG

- 1.7 The supplier should seek to confirm that the site is suitable for a SPAYG switch using the safe and reasonably practicable test.

¹ SLC 7 of the Gas and Electricity Supply Licences

Guidance Draft deemed contracts: moving home

- 1.8 The [PPM Guidance](#) (Safe and reasonably practicable) advises suppliers to consider what is safe and practicable from the customer's perspective before switching to PPM / SPAYG. For the home moves process suppliers should be aware of this guidance and take specific note to the following relevant factors:
- whether the PPM is situated in a position (such as high on a wall) that means the customer could not operate the PPM; and
 - whether the PPM would have to be situated outside or in a room to which the household does not have continuous access.
- 1.9 This means that the supplier should make attempts to identify that the meter is located in an area that the customer can reasonably access in a safe manner.
- 1.10 The supplier can, for instance, use the smart installation data for a view of the smart meter's location or ask the customer moving out of the property for information on the location. If the meter is not in a location that can be accessed by the customer (e.g. not in a communal space in a block of flats or in a location that would be difficult to reach) the meter should not be switched to SPAYG.
- 1.11 This step is important as, if the credit on the SPAYG runs out the meter will self-disconnect. When credit is applied to the meter it will be 're-armed', but no energy can flow until there is a local action to reestablish supply.
- 1.12 Ofgem would consider inaccessible meters in SPAYG mode to be non-compliant unless the customer consents to this. The supplier should use the safe and reasonably practicable checks and ask the outgoing customer on the location of the meter to mitigate against switching inaccessible meters to SPAYG. If a new customer contacts the supplier and advises that the meter is inaccessible, the supplier should revert the smart meter to credit mode or changing the position of the meter. This is as per SLC28.2 of the Gas and Electricity Supply Licence Conditions which requires that where a supplier becomes aware or has reason to believe that a PPM is not safe and reasonably practicable, they must offer to alter the position of the meter or replace it with one that has been adapted, to make

Guidance Draft deemed contracts: moving home

other arrangements to ensure it is safe and reasonably practicable or provide alternative means to pay other than PPM.

Assessing customer suitability prior to a remote switch to SPAYG

1.13 The supplier should attempt to identify vulnerability levels at a site, based on the data they have access to, before making the switch SPAYG.

1.14 The supplier may use the following examples to judge whether a customer may be vulnerable and therefore unsuitable to proceed with a SPAYG switch:

- Information about the premises (e.g. sheltered housing or supported living);
- Information provided by the previous customer relating to the property; and
- Publicly available or third-party data sources (bearing in mind GDPR requirements).

1.15 Please note that the above list is not exhaustive, and suppliers should use appropriate available avenues and routes to assessing vulnerability.

Contact attempts with the new customer

1.16 The supplier should send communications to the property that encourage the new customer to engage with them quickly. These communications should be sent following confirmation that a customer is moving out or has moved out of a property.

1.17 These communications should be mindful of the requirements of SLC 7.7 of the Gas and Electricity Supply Licences that states “if the licensee supplies gas to a Customer’s premises under a Deemed Contract, it must take all reasonable steps to provide that Customer with:

- a) The Principal Terms of the Deemed Contract; and
- b) Notice that Contracts, with terms that may be different from the terms of Deemed Contracts, may be available and of how information about such Contracts may be obtained.”

Guidance Draft deemed contracts: moving home

- 1.18 We recommend using postcards at this stage, as customers are less likely to open letters not addressed to them. Suppliers may also wish to partner with relevant consumer groups and charities to support customer engagement. Joint branded communications may encourage disengaged customers to read the material and contact the supplier.
- 1.19 SLC 0 of the Gas and Electricity Supply Licences requires that “each Domestic Customer, including each Domestic Customer in a Vulnerable Situation, is treated Fairly”. To achieve this, the supplier should ensure that information is accurate and not misleading, is in plain and intelligible language and is sufficient to enable the customer to make informed choices.
- 1.20 In the context of this guidance, this means that the initial contact should be clear and sufficient for customers to understand the home moves process. The supplier’s contact should:
- Inform them that they supply this property;
 - Inform them that they are being supplied by SPAYG and what this means;
 - Advise the customer that the payment method (including that supply will be provided through SPAYG arrangements) forms part of the principal terms under the deemed contract (underpinned by SLC 7);
 - Advise them to check if a SPAYG is safe and reasonable for their use and, if not, to contact the supplier as soon as possible;
 - What the customer must do next (i.e. contact and engage with the supplier);
 - What will happen if the customer does not engage with the supplier with clear timelines;
 - Multiple ways to contact the supplier, bearing in mind the different needs and accessibility requirements of customers;
 - Information on how the customer can top up the SPAYG;

Guidance Draft deemed contracts: moving home

- What to do if the customer is worried about paying for their energy bills (e.g. provide the contact details of debt advice charities);
- The benefits of remaining on SPAYG; and
- The supplier may wish to offer the customer incentives for continuing as a customer with them.

Preventing disconnection

- 1.21 The new customer should be provided with a reasonable amount of time to contact their supplier before the meter runs out of credit – we refer to this as the initial “grace period”.
- 1.22 We consider that a period of 2 weeks (the supplier may choose to extend this further) provides the customer opportunity to set up an account. Many customers will contact their supplier before or immediately after move-in, but we appreciate that some may require additional time.
- 1.23 The grace period should begin on the customer’s move out date immediately following the switch to SPAYG. This does mean that, if a property is vacant for a long period after a remote switch, the meter may not have credit when the new customer moves in. Clear communications, as laid out in paragraphs 1.16 to 1.20, will support the customer in knowing what steps they need to take and encourage them to contact a supplier before their move in date.
- 1.24 Critically, this grace period should be designed to protect the customer from disconnection.
- 1.25 Suppliers can, however, use discretion as to how this is applied. For example, some may choose to use preloaded credit on the meter (with or without a zero-standing charge tariff), such is available under Additional Support Credit. SLC27A in the Gas and Electricity Supply Licences covers self-disconnection and the various means suppliers may employ to prevent this.
- 1.26 Suppliers may also choose to extend non-disconnect hours for the initial grace period to prevent disconnection.

Guidance Draft deemed contracts: moving home

1.27 These options will, ultimately, be repayable by the new customer. The supplier may choose how to apply this repayment, for example adding it onto the customer's monthly bill in fair and reasonable amounts. Suppliers should consider a customer's ability to pay when arranging repayments, as per SLC27.8 which requires that "[t]he licensee must take all reasonable steps to ascertain the Domestic Customer's ability to pay and must take this into account when calculating instalments". This is further supported by SLC27.8A which provides further instruction on how a customer's ability to pay can be ascertained, including dealing with customers on a case-by-case basis, using every contact as an opportunity to gain more information and setting up monitoring arrangements.

Supplier actions following customer engagement

- 1.28 The supplier should employ their existing new customer process following engagement. This should include discussing suitable payment and tariff options for the customer's circumstances.
- 1.29 The supplier should be mindful of the needs of vulnerable customers, especially when they are part of a group ineligible for PPMs. For these customers, the supplier should move them off SPAYG and re-advise them of the support options available (e.g. the Priority Services Register and debt support charities).

Monitoring of customer outcomes

- 1.30 SLC 5 of the Gas and Electricity Supply Licence Conditions require that "[a]fter receiving a request from the Authority for Information that it may reasonably require or that it considers may be necessary to enable it to perform any functions given or transferred to it by or under any legislation, including any functions conferred on the Authority by or under the Regulation, the licensee must give that Information to the Authority when and in the form requested."
- 1.31 In the context of the home moves process this means that suppliers will be required to provide Ofgem with data that enables Ofgem to monitor:
- Supplier activity as part of the home moves process; and

Guidance Draft deemed contracts: moving home

- The impact of supplier activity on consumers.

Periodic activity and impact reporting requirements

- 1.32 Ofgem will expect suppliers to provide periodic reports on their performance as part of the home moves process. Rather than measuring how the supplier is complying with this guidance, these reports will seek to understand customer outcomes given the process the supplier chooses to employ. This information will be collected via ‘Data Collection Requests’ (DCRs) and may be used to understand if future SLC changes are required.
- 1.33 Suppliers will provide reporting on their activity under the home moves process in 3-month intervals for the first year.
- 1.34 Suppliers will also provide reporting on the impacts of their activity as part of the home moves process. This information will also be collected via DCRs and sufficient time will be provided to suppliers to allow them to respond in full. Ofgem may supplement our impact monitoring with customer surveys and case studies to understand outcomes in full.
- 1.35 Where we identify areas of concern through our monitoring of periodic reporting, we will work with that supplier to rectify processes as necessary. We may take further compliance and enforcement action where necessary.
- 1.36 We may publish data from our periodic reporting to provide transparency on the implementation of the home moves process. Where we do publish data, it will be in an appropriate form.
- 1.37 We will provide suppliers with a template for reporting as part of any request.

Audits

- 1.38 Ofgem may initiate an audit of customers who have gone through the home moves process, or we may request that a supplier commissions an independent audit where we identify a risk to customer outcomes.²

² See SLC 5B of the Gas Supply Licence and SLC 5B of the Electricity Supply Licence.