Making a positive difference for energy consumers

Consultation

Heat networks regulation: service standards

Publication date:	10 November 2026
Response deadline:	11 January 2027
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We are consulting on introducing new service standards authorisation conditions to encourage a better quality of service for heat network consumers. We intend for these authorisation conditions to place new obligations on heat network operators and suppliers with domestic and micro-business consumers from spring 2027. Appendix 3 includes our statutory notice of consultation to introduce the relevant authorisation conditions. The draft versions of these conditions can be found within that appendix.

This document outlines the purpose and objectives of our approach to service standards for heat networks, the requirements we are proposing to introduce, as well as who they impact within the sector. It should be read alongside our separate consultation on future standards of performance. We would like views from those with an interest in heat networks and we particularly welcome responses from heat network operators and suppliers, other interested industry parties, consumer groups and charities.

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Executive summary

We are consulting on the introduction of service standards, via new authorisation conditions, for the heat network sector. This consultation builds on proposals from previous publications and stakeholder feedback. It provides a pathway to improving the quality of service across the heat network sector in a way that reflects its diversity as well as the unique challenges facing operators, suppliers and consumers.

What are we proposing?

We propose to introduce authorisation conditions that would, from spring 2027, require authorised persons to:

- set service standards for specific activities defined by Ofgem;
- communicate those standards clearly to consumers; and
- explain what happens where a standard is not met, including any available redress, escalation route or remedial action.

The proposed conditions would establish an initial approach that is less prescriptive and provides flexibility in achieving the right outcomes for consumers. It would enable authorised persons to set standards that reflect their circumstances, while requiring that consumers receive clear information about the service they can expect.

We have simultaneously published another consultation, with a longer response period, seeking views on the future approach to standards of performance. That consultation seeks views and evidence on the pathway to more prescriptive requirements, including whether and how statutory Guaranteed Standards of Performance (GSOPs) could be introduced once there is sufficient evidence and a better understanding of the impacts.

Figure 1 provides an indicative overview of the timeline for these consultations and next steps.

What would we like views on?

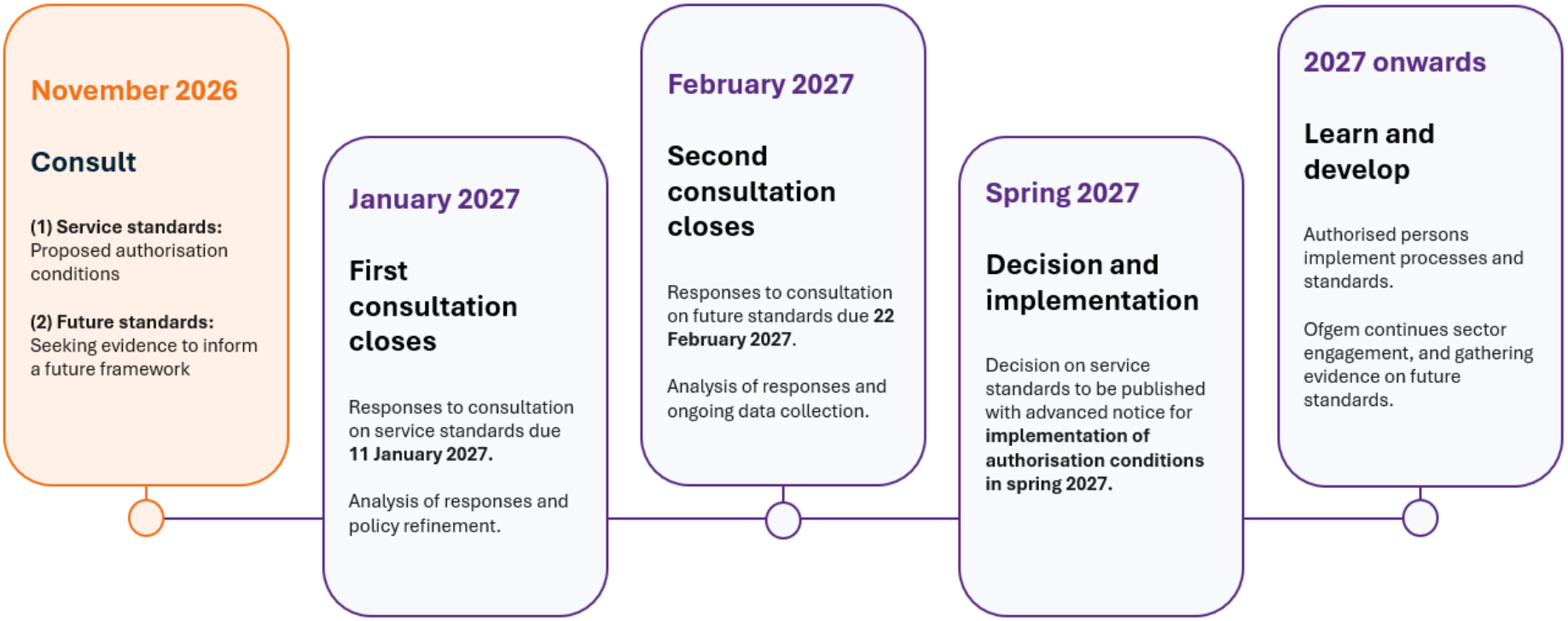
We welcome views on:

- whether the proposed authorisation conditions are an appropriate step towards improving heat network service standards;
- whether we are focusing on the right consumer-facing service areas;
- the proportionate corrective action that consumers should expect when standards are not met; and
- the proposed reporting requirements and whether the balance between accountability, proportionality, and administrative burden is appropriate.

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Figure 1: Indicative timeline of publications and implementation

Dates are indicative and remain subject to consultation responses, final policy decisions and any necessary statutory processes.



Introduction

Purpose of this consultation

Our objective is to support better standards of service across the heat network sector. We are taking a staged approach, consulting separately on initial service standards authorisation conditions and on the pathway to more prescriptive standards in future if appropriate.

In this document, we have provided background and detailed proposals relevant to the draft authorisation conditions. These conditions are pivotal to that pathway, as they are intended to improve transparency, accountability and service quality while allowing requirements to reflect the diversity of the sector. We believe they will establish clearer expectations now and help build evidence on current standards, performance, redress and consumer outcomes. That evidence would inform the design and assessment of any future prescriptive framework.

This consultation is structured as follows:

Setting a pathway: explains why we are taking a staged approach to improving service quality and building towards more prescriptive standards over time.

Detailed proposals: sets out the proposed requirements for authorised persons to establish, communicate and respond to failures against service standards.

Operation of the standards: explains our proposed approach to monitoring, record keeping, reporting and continuous improvement.

Supporting the standards: considers how guidance coul1d support consistent and proportionate implementation across the sector.

We ask specific questions in each section. A full list is available in Appendix 1.

Context and related publications

In the Heat networks regulation – consumer protection consultation ('2023 consultation'), we sought views and evidence on where it would be appropriate to introduce GSOPs in the heat network sector. In the subsequent response ('2024 response'), we confirmed further policy development to acknowledge the diversity of the sector.

In the Heat networks regulation – Implementing consumer protections consultation ('2024 consultation'), we asked for views on setting compensation amounts, expanding scope for non-domestic consumers and using performance improvement plans to mitigate the financial burden of GSOPs on not-for-profit business models. In the subsequent response ('2025 response'), we confirmed that future GSOP policy would be developed through dedicated consultation, informed by further evidence and the specific challenges of the heat network sector. The proposed service standards authorisation conditions and our separate consultation on the enduring approach together provide a pathway towards appropriate, evidence-led and more prescriptive standards in future.

Setting a pathway to a better quality of service

Service challenges facing the heat network sector

Heat network regulation aims to improve consumer outcomes and, over time, provide more reliable and effective protections. Prescriptive service standards, supported by appropriate redress, can help improve service quality and accountability. While previous GSOP proposals received broad support, respondents differed on how improvements should be delivered across a diverse sector. Stakeholders also asked us to consider how any future framework would interact with proposed technical standards, including the Government's Heat Network Technical Assurance Scheme (HNTAS), and existing housing legislation, obligations and redress arrangements.

We know that authorised persons reflect a broad range of different ownership, contractual and commercial arrangements. This includes where consumers receive heat as part of a wider housing service, and where responsibilities, complaints routes and compensation practices may already exist but vary significantly. We want any future enduring framework to sit coherently alongside these arrangements and avoid creating duplication, inconsistency or unintended gaps in consumer protection.

We have also asked for views on standards that relate to the quality of heat supplied by an authorised person. Stakeholders have correctly highlighted that these requirements depend on the technical performance of networks. Areas such as interruptions, restoration of supply and repeated failures may be affected by the age, condition and configuration of network infrastructure. Introducing prescriptive performance standards in a sector where technical requirements have so far been based on voluntary commitments, and where the HNTAS will be introduced in the future, could create requirements that some networks cannot reasonably meet.

There are also unresolved questions about compensation, including payment levels, caps, and how costs would be funded on not-for-profit or cost-recovery networks. Poorly calibrated payments could reduce resources available for service improvement or lead to costs being passed back to consumers.

Before introducing prescriptive standards, we need a stronger evidence base on service quality, consumer experience, failure rates, redress practices and the causes of poor service. We do not yet have sufficiently comparable sector-wide data to fully assess the impacts. We also do not think existing voluntary schemes provide sufficiently representative data to support the assumption that those standards could be applied to the whole heat network sector. Taken together, these factors support a staged approach: improving transparency and accountability now, while building the evidence needed for more prescriptive requirements over time.

A practical and proportionate way forward

This approach is not intended to replace GSOPs or discount any of our previous work relating to them. Instead, it is intended to support our assessment of their potential impact for heat networks.

We see this pathway as made up of three practical stages:

1. Establish clearer expectations now through authorisation conditions which require operators and suppliers to have standards for specific service activities. This would improve transparency for consumers, create a consistent structure for service commitments, and help prevent unfair changes where protections already exist.
2. Build comparable evidence and benchmarks by collecting information on the standards adopted by authorised persons, performance against those standards, the causes of service failure, complaints and escalation routes, and the remedies or redress provided.
3. Develop more prescriptive requirements over time where the evidence shows that statutory GSOPs, fixed thresholds or automatic compensation would be effective, proportionate and capable of working alongside wider heat network regulation, housing obligations and technical standards.

This staged approach reflects the trade-offs that need to be considered to ensure proposals are appropriately balanced to achieve better outcomes for consumers and consider the impacts on a diverse sector. Introducing prescriptive GSOPs immediately may appear to offer stronger protection, but without an appropriate evidence base it could create ineffective or uneven outcomes, increase costs for consumers, or affect the sector's financial resilience. Taking no action until a full statutory framework is ready would also be unsatisfactory, because it would leave consumers without clearer expectations in key service areas and would delay the development of the evidence needed for future protections.

We therefore consider that the proposed authorisation conditions are the proportionate first step. They will support better consumer outcomes now, provide a structured route for learning from the sector, and keep open the path to a more prescriptive framework as the market matures and the necessary evidence, dependencies and impact assessment are developed.

Objectives

We have assessed our approach against four objectives that reflect the characteristics of heat networks and the intended consumer outcomes:

- build consumer confidence, trust and engagement;
- establish clear and consistent minimum levels of supplier performance that protect consumers from unacceptably poor service;
- reduce the frequency and severity of poor service experienced by consumers; and
- provide clear routes to redress when consumers experience poor service.

Aligning with Ofgem's broader strategic direction

In assessing how we can achieve our objectives, we have also been considering how to better align with recommendations from the Ofgem review. This includes the need for Ofgem to be a more agile, consumer-focused regulator with clearer accountability for the outcomes it seeks to deliver.

The proposals also sit alongside Ofgem's work on consumer outcomes in gas and electricity retail. That work is considering how regulatory expectations can focus more clearly on the outcomes consumers experience, while retaining targeted prescriptive protections where they are necessary.

The proposals in this consultation are intended to apply the same principle in heat networks: setting clear expectations around service quality, communication and redress, while preserving flexibility to develop more specific requirements over time as the evidence base improves.

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Consultation stages

Stage 1 Consultation open: 10 November 2026.

Stage 2 Consultation closes (awaiting decision). Deadline for responses: 11 January 2027.

Stage 3 Responses reviewed and published: spring 2027.

Stage 4 Consultation outcome (decision or policy statement): spring 2027.

How to respond

We want to hear from anyone interested in this consultation. Please send your response to the person or team named on the front page of this document.

We have asked for your feedback in each of the questions throughout. Please respond to each one as fully as you can.

We will publish non-confidential responses on our website.

Your response, data, and confidentiality

You can ask us to keep your response, or parts of your response, confidential. We will respect this, subject to obligations to disclose information, for example under the Freedom of Information Act 2000, the Environmental Information Regulations 2004, statutory directions, court orders, government regulations, or where you give us explicit permission to disclose. If you do want us to keep your response confidential, please clearly mark this on your response and explain why.

If you wish us to keep part of your response confidential, please clearly mark those parts of your response that you do wish to be kept confidential and those that you do not wish to be kept confidential. Please put the confidential material in a separate appendix to your response. If necessary, we will contact you to discuss which parts of the information in your response should be kept confidential and which can be published. We might ask for reasons why.

If the information you give in your response contains personal data under the General Data Protection Regulation (Regulation (EU) 2016/679) as retained in domestic law following the United Kingdom's withdrawal from the European Union ("UK GDPR"), the Gas and Electricity Markets Authority will be the data controller for the purposes of GDPR. Ofgem uses the information in responses in performing its statutory functions and in accordance with section 105 of the Utilities Act 2000. Please refer to our Privacy Notice on consultations, see Appendix 2.

If you wish to respond confidentially, we will keep your response confidential, but we will publish the number, but not the names, of confidential responses we receive. We will not link responses to respondents if we publish a summary of responses, and we will evaluate each response on its own merits without undermining your right to confidentiality.

How to track the progress of a consultation

1. Find the web page for the consultation you would like to receive updates on.
2. Click ‘Get emails about this page’, enter your email address and click ‘Submit’.
3. You will receive an email to notify you when it has changed status.

A consultation has three stages: ‘Open’, ‘Closed (awaiting decision)’, and ‘Closed (with decision)’.

1. Introducing service standards authorisation conditions

1.1 We propose to introduce service standards authorisation conditions from spring 2027, we recommend the following sections are read alongside these draft conditions included in Appendix 3. These would require authorised persons to:

1) have standards for service activities specified by Ofgem, including appointments, notice of interruptions and restoration of supply;
2) communicate those standards clearly, including the service consumers can expect and who is responsible for providing it; and
3) explain how they will respond when a standard is not met, including any corrective action, escalation route or redress available.

1.2 This approach recognises that existing standards and redress arrangements vary according to network characteristics, service models and housing obligations. Allowing authorised persons to set standards appropriate to their circumstances could provide flexibility while maintaining consistency with housing requirements and existing consumer protections.

1.3 The proposed approach could also help identify effective practice across different types of heat network. We welcome views on how trade bodies and other sector organisations could support collaboration and promote greater consistency.

Evidence-based standards

1.4 The proposed authorisation conditions are intended to improve transparency and accountability while helping to build the evidence needed to assess future standards. Any subsequent proposal for more prescriptive requirements, including GSOPs, would need to be evidence-led, proportionate and assessed against the objectives set out on page 10.

1.5 Previous consultations, stakeholder engagement and research provide some evidence about consumer experience and service performance across the sector. In particular:

- consumer survey results found that half of heat network consumers surveyed had experienced some loss of heating or hot water during a 12-month period;
- DESNZ research found that most reported outages lasted less than 24 hours, while 16% lasted between one and three days;

- our qualitative research with domestic heat network consumers identified inconsistent communication about compensation, including when consumers qualified and how much they might receive.

Taken together, this evidence indicates variation in service reliability and in how redress is communicated. It supports further consideration of service standards, but does not provide a sufficient basis for setting proportionate sector-wide thresholds or compensation requirements.

1.6 We are considering using proportionate requests for information at appropriate intervals to support the conditions. This would help us understand the standards adopted by authorised persons, performance against them and the outcomes experienced by consumers. It would also help us assess whether further regulatory action or policy development is needed. Our proposed approach to recording and reporting is set out from page 23.

Scope

Authorised persons

1.7 Heat network arrangements vary, and the supplier may not always be the authorised person responsible for delivering each of the services covered by the proposed standards. We have therefore drafted broadly equivalent conditions for operators and suppliers, while allowing responsibility for particular matters to sit with the authorised person best placed to deliver them.

1.8 A supplier that also operates the relevant network would comply with the supplier service standards authorisation condition in both capacities. Where the operator is separate from the supplier, the operator service standards authorisation condition would apply and the parties would need to cooperate so that the relevant standards are in place and can be communicated clearly to consumers.

Seeking views on proportionality

1.9 We recognise that authorised persons' capability and resources vary across the sector. Our preferred approach is to apply the conditions to all authorised persons while allowing standards to reflect network circumstances, rather than prescribing uniform thresholds. However, we welcome evidence on whether this would impose disproportionate burdens on particular types of network, including small networks, and whether any exemption would be justified.

Non-domestic consumers

1.10 Using insights from previous stakeholder engagement and research with non-domestic heat network consumers, we propose that the service standards authorisation conditions should cover domestic and micro-business consumers.

1.11 At this stage, we do not propose to extend the requirements to other small business consumers, as previous stakeholder engagement indicated that those consumers should have sufficient ability to negotiate contract terms. We welcome views and evidence on whether our proposed scope is sufficient.

Q1. Do you agree with our proposed approach to introducing service standards for heat networks?

Q2. Do the draft authorisation conditions reflect the policy intent described in this consultation? If not, what changes are needed?

2. Detailed proposals

2.1 This section explains our detailed proposals and should be read alongside the draft authorisation conditions in Appendix 3.

1) Implementing service standards

2.2 Under the draft conditions, authorised persons would be required to have standards for service activities specified by Ofgem. The standards should be clear and measurable where possible, both fair and appropriate while reflecting the characteristics of the network and the needs of its consumers.

2.3 The proposed activities reflect areas considered in our previous consultations and where clearer service expectations could improve consumer outcomes:

The service	**What the standard should set out**
Making and keeping appointments	The timeframes in which an authorised person expects to respond to requests for appointments, and the likely timings of the appointment itself. Any expectations for arranging and rearranging appointments.
Notice of interruptions	When a consumer will be made aware of a planned interruption to the supply of heating or hot water, making clear that an interruption is treated as unplanned if the required notice is not given.
Restoration of supply	The timeframe in which an authorised person will attempt to resolve an interruption (both planned and unplanned) and any relevant steps they will take if it is not resolved within this timeframe.
Support during interruptions	Any arrangements for alternative provision of heating and hot water, or additional support, for consumers in a vulnerable situation during interruptions (both planned and unplanned).

Reconnection of supply following disconnection	The timeframe within which a consumer will be reconnected after the relevant charges and reasonable expenses have been paid, any requested security deposit has been provided, or a repayment plan has been agreed.
Multiple interruptions	Limits on the cumulative number, and/or length of, interruptions (both planned and unplanned) within a twelve-month period.
Faulty meters (including prepayment meters)	The timeframe within which an authorised person will assess a reported meter fault, take appropriate action and inform the consumer of the outcome.
Faulty equipment (including heat interface units (HIU))	The timeframe for assessing the fault, keeping the consumer informed, arranging repair and providing any appropriate interim support.

Q3. Do you agree that the draft authorisation conditions should cover the service activities listed? Please explain your answer.

Q4. Should any other service activities be included? Please provide evidence or a rationale for your response.

Understanding heat interruptions and outages

2.4 Reliable heating and hot water should be a priority for authorised persons. The frequency and duration of interruptions are therefore an important focus of these proposals and any future standards framework. We want to improve how interruptions are recorded, communicated and responded to, including the support and redress provided to affected consumers.

2.5 Interruptions to heating and hot water cannot always be understood in the same way as a loss of gas or electricity supply. A definition based only on complete loss of supply may not capture circumstances where a network provides inadequate temperatures, performs poorly for a sustained period or restores supply only intermittently before the underlying fault is resolved.

2.6 These differences matter for consumer protection and performance monitoring. A narrow definition may understate the duration or severity of poor service, while a

broader definition may capture consumer experience more fully but be harder to understand and apply consistently.

2.7 While the following section continues to explore these considerations, we have drafted the service standards authorisation conditions with the initial definition in mind:

an "interruption" to the supply of heating or hot water includes not only a complete loss of supply but also circumstances in which the quality of that supply (including as to its flow rate and/or temperature) is reduced below [an acceptable / its normal] level.

2.8 The government's HNTAS proposals include monitoring and reporting requirements relevant to interruptions and network performance. However, we are awaiting the outcome of the recent consultation. We therefore consider it important to understand how authorised persons currently identify and record interruptions. This would help clarify consumer experience and inform the development of future service standards.

2.9 We propose to require authorised persons to maintain a register of interruptions (page 19) and may seek further information through proportionate requests for information. In developing these arrangements, we will consider their interaction with HNTAS to minimise duplication and unnecessary administrative burdens.

2.10 We welcome evidence on how an interruption should be defined and measured for the purposes of the service standards. A definition could cover:

- complete loss of heating or hot water;
- heating or hot water supplied below an acceptable level;
- sustained poor performance;
- intermittent supply or repeated loss of service during the same incident; and
- temporary restoration followed by a further loss of service before the underlying fault is resolved.

It would also need to establish when an interruption begins and ends, distinguish planned from unplanned events, and enable related failures to be recorded consistently. Relevant information could include the services and number of consumers affected, including consumers in vulnerable situations.

Limitations of service standards in addressing technical performance

2.11 Alongside understanding the sector's views on interruptions, we also want to acknowledge the limits of service standards and compensation requirements in improving performance across the sector. Service standards and compensation may improve accountability and provide redress, but the available evidence does

not establish the extent to which gas and electricity GSOPs have independently driven sustained improvements in reliability.

2.12 This limitation is particularly relevant to heat networks, where interruptions may arise from the condition or design of infrastructure, inadequate maintenance or historic underinvestment[1]. Compensation may recognise consumer detriment and strengthen incentives to respond to failures, but it cannot repair ageing assets or provide the investment needed to improve a network.

2.13 In developing our service standards, we will consider how they can provide meaningful consumer protection without displacing action to address the underlying causes of poor performance.

Cooling supplied through heat networks

2.14 Although our proposals focus primarily on heating and hot water, some communal and district networks also supply cooling. We welcome views on whether and how the service standards should apply where cooling is supplied to consumers.

2.15 Possible requirements could cover notice of planned interruptions, restoration of supply and support for affected consumers. They would need to reflect the nature of the cooling service, consumers' reliance on it and the effect of loss or reduced performance, rather than automatically replicating the requirements for heating and hot water.

Requirement to maintain a register of interruptions

2.16 We are keen to hear views from the sector on the details of understanding interruptions. However, we recognise that this is a complex area, and it may take time to arrive at suitable definitions. We do not want that to delay accurate and appropriate recording of interruptions.

2.17 We therefore propose to require the responsible authorised person to maintain an electronic register of interruptions and outages. Where reasonably practicable, the register should record the following information for each event:

- the date and time the interruption began and ended;
- whether it was planned or unplanned;
- whether heating, hot water or both were affected;
- the cause, where known;
- the number of consumers affected;
- whether consumers in vulnerable situations were affected;

[1] Heat networks optimisation: guidance to help operators improve performance - GOV.UK

- the steps taken in response; and
- any support or redress provided.

2.18 We would expect that operators and suppliers work together to ensure these that interruptions are accurately recorded, and accessible, should we request access to them.

Out-of-hours arrangements to report interruptions

2.19 Consumers need to be able to report interruptions promptly, including outside normal working hours. Gas and electricity suppliers are subject to requirements to provide a 24-hour enquiry service for certain loss-of-supply issues. The heat network Assistance and Advice authorisation condition similarly requires authorised persons to maintain a 24-hour capability to receive enquiries.

2.20 We welcome views on whether authorised persons should use Priority Services Register information to prioritise interruptions reported by, or affecting, consumers in vulnerable situations. We also seek views on whether the requirements should extend beyond receiving reports to providing an initial out-of-hours response.

2.21 Suppliers should explain how consumers can report an interruption outside normal working hours, what information they should provide and what initial assistance or advice they can expect.

Q5. How should an interruption to heating or hot water be defined for the purposes of the service standards? We are interested in views on how a simple definition that is easy to understand should be balanced against a more detailed definition that supports more consistent comparison.

Q6. Do you agree that authorised persons should maintain an electronic interruption register?

Q7. How should we consider the provision of cooling services in our ongoing policy development?

Q8. What out-of-hours arrangements do you currently operate for reporting and responding to interruptions?

2) Making standards clear for consumers

2.22 Under the draft conditions, authorised persons would be required to communicate their service standards and response policy clearly to consumers. The information must be accurate, accessible and kept up to date.

2.23 Consumers should be able to understand:

- the service standard that applies;
- who is responsible for meeting it;
- when and how they will receive relevant information;
- what will happen if the standard is not met;
- how they can raise a concern or make a complaint;
- what escalation routes are available; and
- what corrective action, remedy or redress may be available.

2.24 Information must be written in plain language, made available through appropriate channels and formats, and provided in a way that supports consumers in vulnerable situations. It must also be consistent with existing consumer-protection obligations, including the Standards of Conduct,, Assistance and Advice, and Priority Services Register authorisation conditions.

2.25 Both operators and suppliers should ensure that consumers are kept reasonably informed of any changes to the relevant service standards and response policy.

Q9. Do you agree with the proposed requirements for authorised persons to communicate their service standards and response policy clearly to consumers? Please explain your answer.

3) Setting things right

2.26 Under the draft conditions, authorised persons would be required to establish a response policy for when a service standard is not met. The appropriate response may depend on the circumstances and could include corrective action, further communication, escalation, service improvements, goodwill payments, compensation or other redress.

2.27 We are not proposing to mandate automatic compensation for service failures at this stage because the available evidence does not provide a sufficient basis for setting proportionate sector-wide requirements. We also understand that the level or structure of compensation requirements may have affected participation in some voluntary standards schemes. However, authorised persons may determine that compensation is an appropriate response in particular circumstances.

2.28 An authorised person's response policy should explain what will happen when a service standard is not met, the circumstances in which different forms of remedy or redress may be offered, and how consumers can raise or escalate concerns.

2.29 The introduction of the conditions should not result in consumers losing existing voluntary, contractual or scheme-based protections. Where an authorised person proposes to change an existing standard, it would need to demonstrate that the change is objectively justified in accordance with the condition.

Q10. Do you agree that authorised persons should establish and publish clear processes for responding when a service standard is not met?

Q11. What remedies and redress arrangements do authorised persons currently offer when service standards are not met? Please provide evidence on their use, cost and effectiveness where available.

Q12. How should the proposed conditions treat changes to service standards, including where an authorised person considers that an existing standard is no longer achievable or appropriate?

3. Operation of the standards

Escalation to the Energy Ombudsman

3.1 The Energy Ombudsman would continue to provide an independent escalation route where a consumer considers that an authorised person has not met a service standard and the matter has not been resolved through the authorised person's complaints process.

3.2 The Energy Ombudsman may consider the circumstances of an individual case, determine whether redress is appropriate and use the remedies available to it, including awarding compensation.

3.3 Information from Ombudsman cases may also help Ofgem identify wider or systemic issues. Persistent, serious or unremedied non-compliance with the authorisation conditions may lead to compliance or enforcement action in accordance with our published approach and statutory powers.

Record keeping and reporting

3.4 Authorised persons should retain sufficient records to evidence:

- the service standards and response policies in force during the relevant period;
- when and how these were communicated to consumers;
- performance against each standard;
- instances where a standard was not met and any cause identified;
- complaints and escalation relating to service standards; and
- any corrective action, remedy or redress provided.

3.5 Records should be complete and accurate. We welcome views on an appropriate retention period, including whether five years would be proportionate.

3.6 In addition to these record-keeping requirements, we may issue a proportionate Request for Information to understand how the conditions are operating and to inform future policy development. This would be separate from existing reporting requirements. We welcome views on the information requested, timing and administrative burden.

3.7 We are likely to focus evidence-gathering efforts in 2027 on the prevalence of interruptions but a future Request for Information could seek:

- details of the service standards and response policies in force;
- the volume of relevant consumer interactions;

- performance against each standard;
- the number and nature of failures;
- repeated or prolonged failures;
- related complaints and escalations; and
- corrective action, remedies and redress provided.

Continuous improvement and review

3.8 We propose that authorised persons should keep their service standards and response policies under review, taking account of opportunities for improvement. Over time, we intend to use information about service standards, performance and consumer outcomes to assess service quality and develop appropriate benchmarks. This evidence could also inform any future prescriptive framework.

3.9 Where an authorised person materially changes a standard, or response policy, they should record the reasons for doing so, and communicate the revised standard clearly to affected consumers. This should include an explanation where a standard is reduced, including the evidence or circumstances supporting the change.

3.10 We welcome views on how the conditions or supporting guidance could encourage meaningful standards that improve over time while allowing authorised persons to revise standards that prove unrealistic or poorly calibrated.

Q13. Do you agree with the proposed approach to monitoring, continuous improvement and review under the service standards conditions?

Q14. What information should be included in a future Request for Information, at what level should it be reported, and what implementation period would authorised persons need?

4. Supporting the standards through guidance

4.1 We recognise that, given our proposed outcomes-based approach, authorised persons may benefit from guidance on how to interpret and apply the service standards authorisation conditions. We have provided an overview below of what future guidance could cover. We are keen to hear what authorised persons would find most useful to be covered in a future supporting product.

4.2 Guidance could include examples of good practice on setting clear and meaningful standards, communicating them to consumers, supporting consumers in vulnerable situations, responding when standards are not met, and maintaining appropriate records. It could also clarify the respective responsibilities of operators and suppliers, including where services are delivered by landlords, managing agents or contractors.

4.3 We intend for any future guidance to support consistent implementation while preserving sufficient flexibility for authorised persons to reflect the characteristics of their networks and consumers. It would not replace the requirements of the authorisation conditions or prescribe uniform thresholds where these have not been set.

4.4 We would expect to review and update the guidance as evidence and good practice develop. Information gathered through engagement, monitoring and proportionate requests for information could help identify where further clarification, examples or benchmarks may be useful.

Q15. Which areas should guidance prioritise to support consistent and proportionate implementation, and are there matters that should be addressed in the authorisation conditions rather than guidance?

Conclusions and next steps

This consultation sets out a staged approach to improving service standards for heat network consumers. Subject to consideration of consultation responses and the statutory process, we intend to introduce the service standards authorisation conditions in spring 2027. The conditions would require authorised persons to have clear standards for specified services, communicate them to consumers and explain how they will put things right when those standards are not met.

As part of this approach, we intend to begin developing a more consistent picture of interruptions across the sector. Our immediate priority is to ensure that authorised persons record appropriate information about interruptions and outages, including their duration, cause, consumer impact and the action taken in response. We will consider consultation responses before confirming the detailed requirements and will seek to take future HNTAS monitoring into account, with a view to minimising duplication.

Following the close of this consultation, we will review the evidence received and publish our decision on the authorisation conditions, interruption monitoring and supporting guidance. We will continue to engage with authorised persons, consumer representatives and other stakeholders on implementation and any proportionate information-gathering arrangements.

Alongside this work, our separate consultation seeks views and evidence on an enduring approach to standards of performance. Evidence gathered through both consultations, consumer research and future requests for information will inform whether more prescriptive or statutory requirements – including defined thresholds, Guaranteed Standards of Performance and compensation – should be developed over time. Any future framework would be subject to further policy development, impact assessment and consultation.

Send us your feedback

We believe that consultation is at the heart of good policy development. We are keen to receive your comments about this consultation. We would also like to get your answers to these questions:

- Do you have any comments about the quality of this document?
- Do you have any comments about its tone and content?
- Was it easy to read and understand? Or could it have been better written?
- Are its conclusions balanced?
- Did it make reasoned recommendations?
- Do you have any further comments?

Please send your feedback to stakeholders@ofgem.gov.uk.

Appendix 1. Full list of questions

Introducing service standards authorisation conditions

Q1. Do you agree with our proposed approach to introducing service standards for heat networks?

Q2. Do the draft authorisation conditions reflect the policy intent described in this consultation? If not, what changes are needed?

Detailed proposals

Q3. Do you agree that the draft authorisation conditions should cover the service activities listed? Please explain your answer.

Q4. Should any other service activities be included? Please provide evidence or a rationale for your response.

Q5. How should an interruption to heating or hot water be defined for the purposes of the service standards? We are interested in views on how a simple definition that is easy to understand should be balanced against a more detailed definition that supports more consistent comparison.

Q6. Do you agree that authorised persons should maintain an electronic interruption register?

Q7. How should we consider the provision of cooling services in our ongoing policy development?

Q8. What out-of-hours arrangements do you currently operate for reporting and responding to interruptions?

Q9. Do you agree with the proposed requirements for authorised persons to communicate their service standards and response policy clearly to consumers? Please explain your answer.

Q10. Do you agree that authorised persons should establish and publish clear processes for responding when a service standard is not met?

Q11. What remedies and redress arrangements do authorised persons currently offer when service standards are not met? Please provide evidence on their use, cost and effectiveness where available.

Q12. How should the proposed conditions treat changes to service standards, including where an authorised person considers that an existing standard is no longer achievable or appropriate?

Operation of the standards

Q13. Do you agree with the proposed approach to monitoring, continuous improvement and review under the service standards conditions?

Q14. What information should be included in a future Request for Information, at what level should it be reported, and what implementation period would authorised persons need?

Supporting the standards through guidance

Q15. Which areas should guidance prioritise to support consistent and proportionate implementation, and are there matters that should be addressed in the authorisation conditions rather than guidance?

Appendix 2. Privacy policy

Personal data

The following explains your rights and gives you the information you are entitled to under the General Data Protection Regulation (GDPR).

Note that this section only refers to your personal data (your name address and anything that could be used to identify you personally), not the content of your response to the consultation.

1. The identity of the controller and contact details of our Data Protection Officer

The Gas and Electricity Markets Authority is the controller (for ease of reference, "Ofgem"). The Data Protection Officer can be contacted at dpo@ofgem.gov.uk

2. Why we are collecting your personal data

Your personal data is being collected as an essential part of the consultation process, so that we can contact you regarding your response and for statistical purposes. We may also use it to contact you about related matters.

3. Our legal basis for processing your personal data

As a public authority, the GDPR makes provision for Ofgem to process personal data as necessary for the effective performance of a task carried out in the public interest, in this case a consultation.

4. With whom we will be sharing your personal data

We will publish non-confidential responses on our website and we may include personal data.

5. For how long we will keep your personal data, or criteria used to determine the retention period.

Your personal data will be held until 6 months after the general authorisation condition modification has come into effect.

6. Your rights

The data we are collecting is your personal data, and you have considerable say over what happens to it. You have the right to:

- know how we use your personal data
- access your personal data
- have personal data corrected if it is inaccurate or incomplete
- ask us to delete personal data when we no longer need it
- ask us to restrict how we process your data

- get your data from us and re-use it across other services
- object to certain ways we use your data
- be safeguarded against risks where decisions based on your data are taken entirely automatically
- tell us if we can share your information with 3rd parties
- tell us your preferred frequency, content and format of our communications with you
    - to lodge a complaint with the independent Information Commissioner (ICO) if you think we are not handling your data fairly or in accordance with the law. You can contact the ICO at https://ico.org.uk/ or telephone 0303 123 1113.

7. Your personal data will not be sent overseas.

8. Your personal data will not be used for any automated decision making.

9. Your personal data will be stored in a secure government IT system.

10. More information For more information on how Ofgem processes your data, view our Ofgem privacy policy.