



## Call for input response

### **National Energy Action response to Ofgem's Tackling Energy Debt in the Supplier Home-Move Process**

#### **About National Energy Action**

National Energy Action<sup>1</sup> works across England, Wales and Northern Ireland to ensure that everyone in the UK<sup>2</sup> can afford to live in a warm and safe home. To achieve this, we aim to improve access to energy and debt advice, provide training, support energy efficiency policies, local projects and co-ordinate other related services which can help change lives.

#### **Background to the response**

National Energy Action welcomes Ofgem's continued focus on addressing energy debt and its intention to prevent harm at the point of moving home. We support prevention in this area where interventions are proportionate, practical to deliver and protected by clear, consistently applied prescriptive standards. Our position is that any such approach must be built on a codified protection baseline, with defined exemptions and timely, frictionless reversion to the appropriate payment method once contact is made. This reflects both the goals set out in Ofgem's call for input and the practical realities observed through our work with households during and after home moves.

#### **Summary of our response**

National Energy Action supports targeted reform of the home-move process that reduces unmanaged account debt and prompts earlier contact.

The potential for detriment from using prepayment at change of occupancy is high and should not be taken lightly. For example, new occupants can face loss of supply on arrival, heightened self-disconnection risk, barriers to topping up and unintended debt from standing charges or previous account issues. Any such approach should only be operated by suppliers that can demonstrate readiness and should be governed by prescriptive minimum standards, set through licence linked guidance and aligned industry rules.

The existing involuntary prepayment meter rules must apply in this context, including the prohibition on installation where it is unsafe or not reasonably practicable, and the requirement for a thorough assessment with a site welfare visit and a precautionary approach for other at-risk households.

In addition, before any switch to prepayment at change of occupancy, suppliers must be required to complete checks to understand whether the incoming occupants have characteristics or circumstances that would make prepayment unsuitable. This includes screening for known or

likely vulnerabilities, digital or access barriers, and any other factors that increase the risk of self-disconnection or self-rationing.

Mitigations are required to prevent unintended harm. At a minimum these should include a clear information exercise at first contact, seasonally set preloaded credit, more generous emergency and friendly credit, and rapid and seamless reversion to the appropriate payment method once contact is made.

If prepayment is to be used at change of occupancy, it must come with a quid pro quo of stronger safeguards and a better prepayment experience, particularly for people unfamiliar with the payment type. This should be supported by prescriptive minimum standards for supplier readiness and customer support, together with the mitigation measures set out above.

The answers to the Call for Input questions that follow set out our reasoning and recommendations.

## **Answers to the call for input questions**

**Question 1. Please provide evidence or data with respect to levels of debt or arrears in the sector relating to change of tenancy. Where relevant please include information associated with unnamed accounts such as the number of unnamed accounts, average length of unnamed accounts, average debt and the overall debt associated with these accounts.**

National Energy Action does not hold market-wide operational datasets on change of tenancy or unnamed accounts. Publicly available data specific to unnamed accounts at home moves are limited, which makes it hard to quantify scale and trends with confidence. We appreciate that Ofgem's call for input indicates that debt arising during home moves is material within the overall domestic debt picture and merits prevention-focused intervention.

Given the absence of a clear, shared dataset on this specific topic, we support Ofgem publishing regular, light touch summary information. As a starting point, it would be helpful to see simple, consistently defined metrics on the volume and typical duration of unnamed accounts, the broad scale of charges that accrue while accounts are unnamed, and headline engagement outcomes once suppliers make contact. This would improve transparency and enable proportionate targeting of any new protections without creating unnecessary reporting burdens.

**Question 2. Please provide evidence or data you may have about a customer's experience when moving into a new property and setting up their energy account. This may include any common issues such as billing issues or queries that may be experienced in this time, the average duration for a new householder to set up an account, and whether enhanced processes exist for the identification of vulnerable consumers.**

At and after move in, households commonly face difficulty identifying or engaging the incumbent supplier, confusion about meter status and configuration, inherited or misallocated debts on prepayment meters, standing charges accruing where service is capped or accounts are not set up, and inconsistent complaints handling. Where vulnerability is present, these issues quickly translate into self-rationing of heat, hot water, and sometimes food, with clear detriment to health and wellbeing.

Drawing on National Energy Action's casework, we see that at and after move-in households commonly face difficulty identifying or engaging the incumbent supplier, confusion about meter status and configuration, inherited or misallocated debts on prepayment meters, standing charges accruing where service is capped or accounts are not set up, and inconsistent complaints handling. Where vulnerability is present, these issues quickly translate into self-rationing of heat,

hot water, and sometimes food, with clear detriment to health and wellbeing. The case evidence below illustrates the types of detriment we have observed.

#### **Case evidence:**

- **Case A. Single parent, private rent, prepayment hardship at move in**  
New tenancy while repaying arrears from a previous address. On first contact both gas and electricity meters were at last emergency credit. The parent reported food rationing to keep meters alive, including the line that only half a bag of crisps could be provided for supper. Immediate support included emergency fuel and supermarket vouchers, an air fryer to reduce cooking costs, and Priority Services Register registration.
- **Case B. Social tenant with serious health conditions, inherited gas debt and capped supply**  
Inherited gas meter debt at move in led to the gas being capped. The tenant lived for more than three years without heating or hot water, relying on electric heaters and boiling water, while standing charges on the capped gas meter continued to accrue. Resolution required moving the debt to the back of the meter, uncapping supply, internal relief funding, fuel vouchers, and Priority Services Register addition.
- **Case C. Pensioner in social housing, large inherited prepayment debt**  
More than four thousand pounds of someone else's debt remained on the prepayment meter. £5 was deducted weekly from top ups for about two years despite repeated contacts. Energy was rationed to a single lit room and a phone torch used at night. After sustained challenge, the supplier cleared the debt, refunded deductions, replaced the meter, and added the customer to the Priority Services Register.
- **Case D. Survivor of domestic abuse in temporary accommodation, meter registration errors**  
Incorrect meter registration and a missing top-up card left the household without heating or hot water for several days shortly after move in. Conflicting information from supplier staff prolonged the issue until multiple three-way calls, a formal complaint, and a meter change were completed. Compensation increased from the initial offer following challenge.
- **Case E. Social tenant, accessibility barriers with smart prepayment**  
No in-home display and a meter mounted out of safe reach meant balance checks required a step ladder. Repeated missed appointments and poor follow up resulted in intermittent loss of gas or electricity. The issue was resolved when an engineer relocated the meter to an accessible position, allowing reliable monitoring and top up.
- **Case F. Couple with medical dependency on electricity, account not established after move**  
Landlord and supplier communication failures meant no functioning account for more than two years. In fear of unknown arrears, the couple avoided using heating through two winters despite serious health needs. Ombudsman involvement secured a goodwill payment, back billing limits, and an apology, with adviser support required to ensure remedies were implemented.

#### **What this implies for the home-move process**

- **Simple supplier identification and first contact:** Provide a clear address-based lookup and send prompt welcome communications to shorten the period in which detriment can arise.
- **Information exercise for new occupiers and unfamiliar prepayment users:** Send a premises-addressed welcome pack within a reasonable window of a moveout notification, mirrored by SMS or email once a move in is detected. Explain who supplies the property, how the meter is configured, how to top up, how friendly and emergency credit work, how to check balances, how to request Priority Services Register support, and how to move to a more suitable payment method. Provide accessible formats and additional languages on request, and fast track fixes where an in-home display is missing or meter placement prevents safe balance checks.
- **Meter and debt hygiene at change of occupancy:** Use standard checks to prevent carry over of previous occupiers' debts and to stop standing charges accruing where supply is capped or an account is not yet established.
- **Early Priority Services Register prompts and accessible metering:** Surface vulnerability quickly and fix access barriers such as missing in-home displays or unsafe meter placement.
- **Affordability and repayment at first contact:** Set any initial repayment only after a light touch affordability check with access to human review. Correct inherited or misallocated debts before attempting recovery.

**Question 3. Do you have views or preferences regarding the approach we take to enabling the proposed changes to the supplier home moves process? For example, should the approach be set out in SLCs and or associated guidance or could it be covered through industry rules or elsewhere?**

We prefer a combined approach. Licence-linked guidance should set explicit minimum standards for protections, timelines, exemptions, reporting, and rapid reconfiguration service levels. The Retail Energy Code should lock in operational steps and data flows for change of occupancy events.

If prepayment (PPM) is used at change of occupancy, licence linked guidance should import Ofgem's existing involuntary prepayment protections in full, specifically the Do not Install and Further assessment needed categories, with the precautionary principle applied, plus a site welfare visit and assessment completed before any progression. Suppliers should not proceed unless they are certain PPM is safe and reasonably practicable and should evidence the assessment.

We would couple this with a permissioned implementation so only suppliers that demonstrate readiness against the baseline operate the process at the outset.

**Question 4. Do you prefer an outcomes based approach or something more prescriptive for consumer protections in Change of Tenancy?**

A prescriptive approach is most appropriate for change of tenancy. The potential for immediate harm is high if PPM is applied incorrectly at change of occupancy, creating a high-risk window in which suppliers may not yet know about vulnerabilities. In that context, clear prescriptive rules outperform general outcomes because they prevent foreseeable harm, are easier to audit, and support consistent market practice. Ofgem has already codified detailed involuntary prepayment

protections in licence and guidance, together with the precautionary principle, site welfare visits, and ability to pay assessments. These instruments provide an established template and regulatory approach that should be imported for change of occupancy use.

**Question 5. Do you have any views on the above suggestions for consumer protections or have any alternatives that should be considered?**

National Energy Action supports a prescriptive package of minimum protections set through licence-linked guidance and aligned Retail Energy Code changes, implemented through a permissioned rollout for suppliers that demonstrate readiness. This will ensure consistent protections and allow Ofgem to scale the approach safely once evidence supports it.

**Proposed protections:**

1. **Import the Involuntary PPM Code of Practice and PPM Guidance for home moves**  
Apply the same tests, records, and safe and reasonably practicable assessments used for involuntary PPM. Within that import and require consideration of the risk categories:
  1. **Do not Install:** Do not use prepayment where any Do not Install criterion applies. If such a criterion is identified later, promptly reconfigure to credit mode and provide appropriate redress.
  2. **Further assessment needed:** Where these characteristics are present, apply the precautionary principle, complete a site welfare visit and an ability to pay assessment, and proceed only where prepayment is confirmed safe and reasonably practicable. Keep a clear audit trail and reverse to credit mode with remediation if later evidence shows prepayment is unsuitable.
2. **Information exercise for new occupiers and unfamiliar prepayment users**  
A premises addressed welcome pack within 24 hours of move out notification, mirrored by SMS or email when move in is detected, explaining who supplies the property, meter configuration, top-up options, how friendly and emergency credit work, balance checking, how to request Priority Services Register support, and how to move to an alternative payment method.
3. **Preloaded, friendly, and emergency credit**  
Require seasonally set preloaded credit to cover a reasonable period of essential consumption and retain friendly and emergency credit windows so households do not go off supply while unnamed or in the first days after contact. As a minimum reference point, the Code requires £30 pre-loaded credit per meter on involuntary prepayment to avoid immediate loss of supply. Any use of prepayment at change of occupancy should meet or exceed that assurance.
4. **Zero standing charge interim tariff for unnamed accounts**  
Apply a zero standing charge while an account is unnamed, so any preloaded credit supports essential use rather than fixed charges.
5. **Rapid, seamless reversion to the appropriate payment method**  
Set service levels for reconfiguration and completion of practical steps. For example, remote SMETS2 reconfiguration within a certain window of verified contact and any required physical steps completed as soon as practicable. Where a prior prepayment application is later found to be inappropriate, require prompt reinstatement and remediation.
6. **Debt handling standards at first contact and mode change**  
Require early identification of vulnerability at first contact and before any change of payment mode. This would include proactive screening for Priority Services Register status, known or likely vulnerabilities, medical or heating dependencies, and digital or

access barriers. Require a short affordability check before any repayment is set, caps on initial recovery rates pending full assessment, and no automated direct debit uplifts until assessment is complete. Where vulnerability is present, require review within a defined timeframe and apply a precautionary approach to both repayment setting and payment mode decisions.

**7. Monitoring, redress, and evaluation**

Publish a quarterly market dashboard that includes duration in unnamed status, engagement within defined timeframes, reversals from prepayment due to risk flags, and detriment markers such as self-disconnection. Commission an independent evaluation within 12 months to test consumer impacts and iterate. Where rules are breached, require rapid remedial action and compensation in line with recent redress experience.

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## References and notes

<sup>1</sup> For more information visit: [www.nea.org.uk](http://www.nea.org.uk).

<sup>2</sup> National Energy Action also works alongside our sister charity Energy Action Scotland (EAS) to ensure we collectively have a UK-wide reach.