

MONEY ADVICE TRUST

BUSINESS
DEBTLINE

NATIONAL
DEBTLINE

WISER
ADVISER

Consultation Response:

Ofgem Consumer outcomes: Call for input

Response by the Money Advice Trust

Date: January 2026

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Introduction

About the Money Advice Trust

The Money Advice Trust is a charity founded in 1991. Our mission is to help prevent financial difficulty and remove problem debt from people's lives.

In 2024, our National Debtline and Business Debtline advisers provided help to 156,100 people by phone and our digital advice tool, and 47,600 people by webchat, with 2.8 million visits to our advice websites. In addition to these frontline services, our Wiseradviser service provides training to free-to-client advice organisations across the UK and in 2024 we delivered this free training to 750 organisations.

We use the intelligence and insight gained from these activities to improve the UK's money and debt environment by contributing to policy developments and public debate around these issues.

Find out more at www.moneyadvicetrust.org.

Public disclosure

Please note that we consent to public disclosure of this response.

Introductory comment

We welcome the opportunity to feed into the Ofgem call for input on consumer outcomes.

We note that the government has not yet responded to the Review of Ofgem call for evidence. In our response¹ we said that we would like to see Ofgem being required to prioritise its duty to protect consumers as its primary objective. We also wanted to see Ofgem's regulatory remit expanded beyond a narrow economic focus. The regulatory framework and powers should be strengthened to ensure that Ofgem can take action where appropriate, including enhanced regulatory enforcement powers and power to impose penalties.

We are concerned that any decisions on consumer outcomes by Ofgem should not pre-empt the outcome of the call for input. It is going to be crucial to know if we should be considering the regulatory framework in the context of stronger powers for Ofgem to protect consumers, or if the current regulatory landscape will remain. We hope to see the call for input outcome before Ofgem takes any further decisions on its outcomes work.

We would suggest that Ofgem does not appear to have the capacity currently to enforce the important rules that have been put in place to protect vulnerable consumers. These include the back billing rules, rules on accurate and estimated bills, rules on the installation of pre-payment meters, and requirements for suppliers to accept affordable repayments on energy arrears.

We would very much like to see effective rules in place that mean energy supplier executives are held accountable for good consumer outcomes and for failures in practice. It is vital that Ofgem dedicates sufficient resource to its enforcement and supervision function before it considers a move towards outcomes-based regulation. Ofgem acknowledges in the paper that outcomes-based regulation requires greater resources in supervision and enforcement, not less.

We are very much of the view that there should be prescriptive rules for those most at risk of harm, e.g. people in vulnerable circumstances and people at risk of debt. We note that the initiative to create voluntary debt standards has not so far been successful. It appears that for all suppliers to follow these standards, there is a requirement for clear, consistent and detailed rules and standards. These should complement the debt outcome in the way that the FCA rules on Arrears default and recovery² complement the Consumer Duty and the FCA principles.

¹ Money Advice Trust (2025) [Response to the Dept for Energy Security & Net Zero Review of Ofgem](#)

² The FCA Arrears, default and recovery rules CONC 7 [FCA Handbook - CONC 7 Arrears, default and recovery \(including repossession\)](#)

Whilst we have welcomed the FCA Consumer Duty, this overlays a detailed rule book that sets out requirements on regulated firms and has not replaced the rules. In addition, this has been embedded into the FCA high level principles as a new overriding Consumer Principle.³ We wonder if Ofgem is able to adopt an equivalent.

It is still too early to evaluate the effectiveness of the Consumer Duty, and we will be interested in the FCA conclusions from their review. We would suggest that this will prove difficult as there needs to be interpretation of whether what firms are doing in practice meets the cross-cutting rules and achieves the four outcomes set out in the Duty. This could be open to subjectivity because each firm may interpret the requirements differently rather than meet an objective standard.

It would appear to us that Ofgem should land somewhere similar to the FCA, including a consumer protection principle, an overall set of outcomes built into the binding standards, with underlying binding licence conditions, standards and guidance for specific areas that affect consumers adversely.

³ The FCA Handbook Principle 12 Consumer Duty [FCA Handbook - PRIN 2.1 The Principles](#)
“A firm must act to deliver good outcomes for retail customers.”

Responses to individual questions

Question 1: In your view, what are the key factors we should consider if we are updating our regulatory framework for retail energy suppliers, keeping in mind the balance between our growth and net zero goals, and consumer interest duties?

It is vital that Ofgem protects the interests of vulnerable consumers when considering changes to the regulatory framework. We believe that consumer interests should be given greater priority than the growth objective, although we of course appreciate that Ofgem must balance these goals overall.

Any changes should be undertaken cautiously, to ensure key consumer protections are maintained. We have not seen evidence that suggests the energy market is in a sufficiently mature enough position with regards to consumer protections to move to an outcomes-based regulatory framework.

We are also concerned that there is already insufficient supervision and enforcement measures employed by Ofgem under the current rules based regulatory framework. As an example, the investigation into forcible PPM installations by British Gas has been ongoing since February 2023.⁴

The government needs to ensure there is a robust supervision and enforcement regime with greater powers for Ofgem before any changes are put in place. As we said when the FCA introduced the Consumer Duty, any switch towards outcomes-based regulation requires more supervision and enforcement measures in place to ensure good consumer outcomes.

Question 2: Why do you think there is such a divergence of satisfaction rates across different consumer cohorts?

In our view, there will be a number of factors that should be taken into account when considering why there is a divergence of satisfaction rates across different types of consumers.

As a debt advice charity, our clients at National Debtline and Business Debtline will be struggling with their financial situation overall and experience a variety of vulnerable circumstances.

⁴ Ofgem (2023) [Investigation into British Gas](#)

Energy debt is one of the most common debts that our clients have.

- As of October 2025, **34% of National Debtline clients had energy debt**, owing on average £2,470.⁵
- **43% of National Debtline clients have deficit budgets**, where their incomes do not cover essential household expenses including energy.

In our experience, people in debt struggle to get through to their suppliers, have problems with receiving accurate and easy to understand energy bills, and find it very difficult to reach an agreement on an affordable repayment towards their arrears. In general, our clients are on low incomes and find it very difficult to pay their ongoing energy bills, particularly since the cost-of-living crisis. This means that for this cohort of consumers, they are unlikely to be satisfied with the service that they receive from their supplier.

The Ofgem Energy Consumer Satisfaction Survey shows that the groups who are most likely to be dissatisfied include those renting, carers, and those living with a disability. This would make sense because renters are more likely to have rents that are unaffordable and, therefore, less money available to deal with energy arrears and other debts. Carers will be likely to be on a low income, as will people with a disability. Those who are ill or have a disability are also more likely to have high energy costs.

The statistics below show the household profile of our National Debtline clients with energy debt, compared to all clients. Our clients with energy arrears are:

- **More likely to be renters** (80% in energy debt vs 67% of all clients);
- **More likely to be women** (71% v 62%);
- **Less likely to be in employment** (36% v 44%), with a **higher rate of people not working due to long-term illness or disability** (27% v 20%);
- **More likely to have an additional vulnerability** on top of their financial difficulty (59% v 49%);
- **More likely for their debt problems to have been caused by not having enough money for basic needs** (23% v 18%).

⁵ All statistics, unless otherwise stated, are based on people supported by National Debtline between 1 October 2024 – 1 October 2025. Key categories only are shown for each demographic type.

Question 3: The Consumer Outcomes have been developed based on what industry, charities, consumer groups and consumers have told us they need to cover. Do you agree that these outcomes cover the most important expectations consumers have of energy suppliers?

If we take it that the Ofgem research shows that people want to be able to get through to their suppliers, receive accurate bills that are easy to understand, and resolve their queries easily and swiftly, then we think the outcomes need to be more direct in addressing these concerns.

In some cases, the explanation in the appendix is needed to be clear on the intention behind the specific outcomes.

Question 4: Do you think we should streamline or consolidate the Consumer Outcomes further and, if so, which should we prioritise?

We are not clear how suppliers would be able to monitor, supervise or enforce the outcomes as set out in the paper. It is difficult to see how these could be achieved or demonstrate that they have been met. In some cases, the outcomes appear more like principles than achievable outcomes. Perhaps they would be better used as general principles embedded within the standards of conduct.

The section **“Enhanced protections for consumers in vulnerable situations”** (outcome 23 and 24) is directly relevant to our clients. We wonder if this section would work better in conjunction with the outcome on debt, (outcome 1) fair prices (outcome 2 to 5) and quality and standards (outcome 6 to 12).

Outcome 1: Customers in, or at risk of debt or arrears receive proactive, tailored, and consistent customer service that meets their needs and helps them sustainably pay towards their debt or arrears.

In our experience, suppliers can struggle to define or achieve good outcomes. We think that the debt outcome should be looked at again to ensure that its elements constitute a robust actionable and measurable outcome. There should be clarity on what “proactive, tailored and consistent” means in terms of customer service. We are concerned that these could substantially differ depending upon the culture within each supplier and their attitudes to customer support.

As we have said, many people in debt are on low incomes and are struggling to pay their ongoing energy bills. Many of our clients have incomes that do not cover their essential outgoings, and certainly not to pay their arrears. They are not necessarily in a position to make payments towards their arrears. It would be better to have more nuanced wording here instead of “helps them sustainably pay”. There needs to be a stronger statement on what constitutes sustainable solutions, as this will not always be to pay back arrears. In some cases, a good outcome will be support from the supplier to write off debt, obtain help from a trust fund, or a referral to debt or welfare benefits advice. A good outcome might be to start making partial payments on ongoing bills, rather than pay towards arrears.

Question 5: Do you agree with the explanations provided of the Consumer Outcomes in the appendices of this call for input? Do they help you understand the intent of the outcomes?

The explanations in the appendices do help us understand the intent of the outcomes. It may be beneficial to look at the wording of the outcomes again, and in some places try to make the wording more directly consumer facing. We have given some examples in our response to question 7 below.

Question 6: Why do you think these outcomes are not materialising consistently for all consumer groups given that they are in line with our existing rules?

This question as to why good outcomes are not happening for all consumer groups really illustrates the point that energy suppliers are not yet consistently following the detailed rules and guidance that have been set by Ofgem. It would seem counterproductive at this stage to remove or water down rules when suppliers are not able to follow these consistently, and to rely on suppliers to achieve good outcomes for consumers using the consumer outcomes alone. While we have started to see a positive shift in culture within suppliers and the industry more generally towards better identifying and supporting people in vulnerable situations and in financial difficulty, there is still significant work to do here to deliver consistently good outcomes for customers.

We both support the strengthening of rules, in order to achieve good outcomes, but also think it is vital that existing rules are being rigorously supervised and enforced, as this can also deliver positive improvements and outcomes for suppliers.

There remains poor and inconsistent practice in certain areas, particular where people are in debt or vulnerable circumstances. We have raised our concerns many times, in particular in our response to the Ofgem debt standards paper in 2025.⁶

These include issues identified such as an inconsistent approach amongst suppliers to:

- their policies to help people in debt or in vulnerable circumstances;
- use of collections, enforcement, and installation of PPMs;
- assessment of ability to pay and acceptance of the standard financial statement;
- accepting offers of repayment from debt advice agencies;
- accepting third party authorisation;
- referrals between suppliers and debt advice agencies;
- offering dedicated support teams who are specially trained to help people in debt or who are vulnerable;
- offering dedicated access and phone lines to both consumer groups and charities to relevant teams.

⁶ Money Advice Trust (2025) [Response to Ofgem Improving debt standards in the domestic retail market](#)

We think there should be better training in place for both general customer service staff as well as training for specialist teams in debt and for people in vulnerable circumstances more broadly.

We essentially see a role for Ofgem in setting more targeted rules, rather than removing licence conditions to tackle these areas. In addition, in the debt standards paper, Ofgem was considering a review of data sharing, a universal PSR, making monthly billing the default option, moving customers in debt on to the cheapest tariff, and reviewing the time limit for the back-billing rules. We think there is a strong case for the introduction of stronger rules and protections for vulnerable people in debt who are faced with the installation of a PPM.

Question 7: Do you think some outcomes are more important for consumers than others?

We would suggest that some outcomes are more centred upon consumers and address consumer concerns more directly. A number of the outcomes as set out are not directly consumer facing and deal with matters where consumers might not see immediate relevance or effect.

If we take it that the Ofgem research shows that people want to be able to get through to their suppliers, receive accurate bills that are easy to understand, and resolve their queries easily and swiftly, then some of the outcomes are more important in addressing these.

Outcome 7: When consumers raise concerns, issues or complaints, suppliers investigate and address them fairly, effectively and promptly, via a channel and at a time that meets consumers' needs.

There is no outcome that simply states that people should be able to get through to their suppliers to have their query resolved. Outcome 7 could state this more clearly. Outcome 8 deals with easy to understand bills, but could be clearer that bills should be accurate. *"Consumers are charged for energy in a manner that accurately reflects their usage"* could be phrased more directly such as "Consumers should receive accurate bills".

Some of the outcomes do not appear to be consumer-facing in the same way. They may not be outcomes that should be included in the same set as they are more supplier focussed and related to investment and competition issues. They are potentially more like principles than measurable outcomes.

Outcome 2: Consumers are not charged excessive prices for their energy, irrespective of their engagement.

Is Outcome 2 within either Ofgem or suppliers' gift to ensure consumers are not charged excessive prices? We would have thought that any definition of "excessive" would be open to debate at this point. If this means "everyone is charged the same price, even if they do not engage" then this is somewhat different in meaning.

The low-cost transition sections (outcome 13 to 17) are again not directly consumer facing. We are not sure how these would be measured such as “*consumers understand how to engage with*” and “*can make informed choices*”.

The sections on resilience, (outcome 18 to 22) seem to relate more specifically to what Ofgem should ensure suppliers have in place to protect consumers such as from market failure and maintaining security of supply. Consumers may benefit in the long run from these outcomes, but they do not affect how they interact with suppliers on a practical basis, and neither can consumers influence these outcomes.

Question 8: Do you see an opportunity for outcomes, though not necessarily the Consumer Outcomes set out in this call for input, to be applied to wider market participants? Who should they apply to and why?

We cannot comment on this question.

Question 9: Do you have a preferred approach among those outlined below or should we retain the current framework? Do you have an alternative suggestion? Please explain your reasoning.

We do not support introducing the consumer outcomes as rules that replace all existing customer focussed licence conditions, as we think this approach carries a high risk of increased consumer harm.

We are not convinced that a hybrid approach will meet the aspiration of maintaining consumer protections. Whilst there is nothing inherently problematic in reviewing the current rules to see if they remain valid and useful, it would depend upon the conclusions such a review reached as to whether we would be able to support removing prescription in particular areas.

As we are particularly concerned with consumer protections, we are unlikely to support a hybrid approach that stripped away such protections. As we have said, we want to see strengthened rules in the debt and vulnerability area, not a weakening of the existing protections.

We welcome the review of the Supplier Guaranteed Standards of Performance (GSOP) and support the proposal to increase the amount offered in automatic compensation for breaches of the rules. The GSOP tend to cover more general consumer concerns such as keeping appointments, faulty credit meters and PPMs, erroneous transfers and provision of final bills after switching where it is easier to establish a clear service failure or error. We can see that these are useful for ensuring minimum levels of service for consumers, but extending GSOP compensation to areas such as the more subjective areas identified in our response to question 6 above, is more difficult.

Perhaps using the consumer outcomes as a reputational incentive tool rather than integrating the outcomes into the licence conditions would be a good place to start.

We like the idea of increasing visibility amongst consumers as to how well suppliers are delivering the outcomes for the reasons set out in the paper. We would like to see suppliers competing to deliver better quality of service and good outcomes for consumers. This would be dependent upon how robust the plan is to publicise the performance of each supplier, and how transparent suppliers would be required to be.

A requirement on suppliers to feed data and insights into an annual consumer outcomes report produced by Ofgem would be welcome. This would need to be made public to ensure transparency. This contrasts with the FCA consumer duty where individual firms will have to produce an annual report on outcomes, but this is not collated and published by the FCA.

We do not have a settled view as to whether incorporating the consumer outcomes into the Standards of Conduct Guidance would be sufficient to ensure and enhance consumer protection. The answer might depend upon the extent to which the standards are binding on suppliers and breaches are enforceable by Ofgem. As the paper points out at point 4.37, Ofgem would need to develop a monitoring framework for compliance and enforcement.

a) What level of action/intervention do you feel would be proportionate to drive up customer service in the non-domestic sector? Does it differ from domestic?

We would like to see protections for the small business sector to match those for domestic customers as far as possible. Our clients at Business Debtline are small and micro-businesses, and are not in an advantageous financial position as compared to our clients with personal debts. There is a high incidence of personal vulnerability amongst small business owners. Microbusinesses need well-designed, simple product and regulatory protections that ensure small businesses are adequately protected in the same way as domestic customers do.

We recognise that the government and Ofgem has put in place stronger protections for small businesses in the energy market in the last few years.⁷ We do not want to see these diminished.

We also identified as key problems for our clients that suppliers often take an inflexible approach to dealing with arrears. It is common for suppliers to insist on up to 50% of the outstanding debt as an upfront payment before agreeing to an instalment plan. This represents a very significant hurdle for a business with cashflow problems, restricted access to credit or other debts. Where suppliers insist on upfront payments, they appear not to take account of individual circumstances – whether that is an issue of vulnerability or of affordability. Such an approach can result in negative outcomes for customer and a supplier alike. Disconnection typically means a microbusiness will have to pause or cease trading.

⁷ Ofgem press release (2-24) [Ofgem confirms greater protection for businesses | Ofgem](#)
DESNZ press release (2025) [Greater protection for families and businesses in energy market - GOV.UK](#)

Question 10: Do you think a voluntary approach – where suppliers make a public commitment to deliver the Consumer Outcomes without formal regulatory change could be effective? What conditions would need to be in place for this to work?

We do not think a voluntary approach would be effective. In our experience, voluntary commitments are not generally binding, and neither supervised nor enforceable by the regulator. A voluntary approach can also lead to some suppliers either not signing up to the initiative, or taking the commitment less seriously because it is “voluntary”.

We do not believe that this approach would be an adequate substitute in any way for enforceable licence conditions, or binding regulatory standards of conduct guidance.

We see no conditions that would be adequate to enable a public commitment to be effective. Such an approach would weaken consumer protections and could well have the effect of diminishing good outcomes for vulnerable consumers.

Question 11: Could a more outcomes-based regulatory framework benefit the supply market? Do you think this kind of approach could unlock innovation and growth? Please provide examples.

The argument that regulation stifles innovation and growth is all too often used by firms who wish to see a deregulated market. All good firms or suppliers should be able to comply with the rules and treat their customers fairly without being allowed to override these protections. We would of course like to see innovation that benefits consumers, but this should be from a baseline that already benefits consumers across the industry. It should not be an excuse to cut corners.

As the FCA authorised firms are discovering, and Ofgem acknowledges in the paper, outcome-based rules are less perceived, vague and can lead to regulatory uncertainty. It is much harder to interpret what a good outcome is for both firms and for regulators. Supervision in an outcomes-based environment could become more complex and time consuming as the regulator is trying to decide what a good outcome is in practice from firm to firm.

From an advice sector perspective, we find it most useful to be able to identify what rules have been followed or broken, and set these out for clients. It is very hard to complain when a decision might be down to interpretation of a concept and an evaluation of what a good outcome should have been in that particular case. It can also create uncertainty if the outcome for a consumer will totally depend upon the way in which their particular supplier has interpreted the requirements. Advisers are then in position where they must know what to expect from each individual firm or supplier, which could be arbitrary rather than an objective assessment of compliance against rules.

Question 12: Are there specific licence conditions where less prescription could benefit the retail market without compromising consumer protection?

We want to increase protections for vulnerable consumers facing affordability and arrears challenges. We want to see good outcomes in these areas but want these to be based on greater prescription rather than less for the reasons we have set out in our response.

- a) For suppliers: are there any areas where you find guidance helpful or unhelpful?

As our focus is on debt, arrears, affordability and vulnerability, there are potentially specific licence conditions in other areas where less prescription could benefit consumers and the market, but we would not be aware of them.

Question 13: Are there areas where prescriptive rules should remain in place? If so, why?

As we have said, we are very concerned with debt, arrears, affordability and vulnerability. We believe that prescriptive rules under the standard licence conditions should remain in place in these areas, including the rules for communications, billing, back-billing rules, debt and disconnection, payment difficulty, ability to pay, PPM rules, and specifically the involuntary PPM rules and code of practice, and switching when there is a debt.

In addition, the vulnerability definition and guidance as set out in the Ofgem Vulnerability Strategy⁸ and the enforceable Standards of Conduct⁹ and rules relating to the Priority Services Register need to be maintained.

We would argue for improvements to, and a tightening of these rules in places, and do not support replacing prescriptive rules or the standards at this time.

Question 14: What factors should we consider to determine whether specific rules are best delivered through prescription, principles or outcomes?

As we have said, we believe that prescription is required on subjects relating to consumer protections, debt, and vulnerability.

Question 15: Which of the monitoring approaches we outline below would be the most effective for monitoring supplier performance against the Consumer Outcomes? Are there alternative approaches? Please provide evidence.

We have covered this in our response to question 9 above.

⁸ Ofgem (2025) [Consumer Vulnerability Strategy | Ofgem](#)

⁹ Ofgem (2024) [Standards of Conduct Guidance](#)

Question 16: How do we best measure our success as to whether we have: a) Improved consumer outcomes and achieved our ambitions for customer service and b) Reduced regulatory burden and encouraged growth and innovation

We agree that it is much harder to assess success when monitoring consumer outcomes. As acknowledged in the paper, it is more complex and takes longer to determine whether breaches have occurred. It is also more difficult to decide whether supplier actions were reasonable in their approaches to adhering to particular outcomes. Ofgem would need to substantially expand its supervision and enforcement activities accordingly.

Minimum thresholds for each consumer outcome would be helpful in setting a market benchmark, and this would potentially be easy to publicise and communicate to consumers.

Question 17: Is there anything Ofgem can do to improve how we work and engage with you as a stakeholder on retail energy supply policy and regulation?

We very much appreciate the engagement Ofgem undertakes with the debt advice and consumer sector. We attend regular stakeholder group meetings, and value the interaction with Ofgem over the design and development of energy policy as it relates to consumers in debt.

However, we have also seen that Ofgem can take a long time to carry out investigations, during which no progress can be reported to consumer groups, and no comment can be made relating to that particular case. A system that provides interim reports and updates would help us to deal with ongoing client cases and give advice in the interim.

We would also suggest Ofgem looks closely at the current policy debate concerning the role of the FCA and the Financial Ombudsman Service when considering how an outcomes approach would affect the interaction between Ofgem and the Energy Ombudsman.

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