

11 February 2026

[FWP@Ofgem.gov.uk](mailto:FWP@Ofgem.gov.uk)

Dear Ofgem team

### **Response to Draft Forward Work Programme 2026/27**

*CSE is an independent national charity, working to tackle climate change and end the suffering caused by fuel poverty. We undertake practical work to support households and communities to act on energy, alongside original research and analysis to inform local and national policy.*

Firstly, as context, we are concerned that one year on, the energy industry is still awaiting the outcome from DESNZ of the review of Ofgem's mandate, powers, scope and remit. While conclusion of the review may be outside Ofgem's direct control, the lack of clarity on whether Ofgem's remit will change or its powers to protect consumers will be strengthened, inevitably impacts on what we might hope and expect to see prioritised in the Future Work Programme for the year ahead (and beyond). Our response is therefore caveated by assuming Ofgem already has – or will – be given the necessary powers, to protect consumers and drive improvements to retail customer standards.

At a headline level we continue to support Ofgem's four strategic priorities for the year ahead but would make the following comments in relation to the specific work outlined under each of them.

#### **Strategic Priority 1: Shaping a retail market that works for consumers**

We have responded separately to your recent consultation on Consumer Outcomes and agree with the overarching aim to support the retail market to develop products and services that improve customer outcomes and make it simple for customers to engage with flexibility.

With consumer energy debt at record levels, we also support an increased focus in the year ahead on your Debt Relief Scheme and working with government and the energy industry to address systemic issues associated with debt prevention and recovery.

However, we would argue strongly that consumer outcomes and work on debt relief need to be seen not simply through the lens of maintaining 'investability' in the retail market, but also through ensuring affordability and fairness and increasing consumer trust in the market, with Ofgem driving and enforcing improved consumer protections and customer service standards.

As such we are surprised to see no mention at all in your Forward Work programme of billing, or any proposals in the year ahead for further work on low or zero standing charge tariffs, or alternative tariff reforms, to support improvements in underlying affordability for fuel poor and vulnerable customers whilst also ensuring costs for our energy system infrastructure are fairly recovered.

Similarly, we would call for inclusion and more priority to be given to enforcing rules to protect vulnerable consumers (e.g. back-billing rules, requirements for accurate and estimated bills, obligations on suppliers to accept affordable repayment plans for energy arrears). In this context we have raised concerns about the potential replacement of license conditions with higher level consumer outcomes but have welcomed wider Guaranteed Standards of Performance as a credible way to embed the fundamentals of acceptable service across the market.

We would also like to see Ofgem requiring suppliers to report on what they are doing to ensure vulnerable and low-income customers have access to and are taking up the cheapest smart energy tariffs. Making it easier for customers generally to engage with flexibility is important, but CSE's Smart & Fair market monitoring and reviews<sup>1</sup> show clearly that the market for cheaper smart tariffs remains heavily skewed to households with an EV, solar panels or heat pump, with vulnerable consumers still in the minority in terms of price benefits.

Within the context of your Consumer Confidence programme, we would continue to urge you to include work in the year ahead ensure suppliers improve the system for trusted intermediaries (like CSE and other professional energy advice providers) to advocate on our clients' behalf with energy suppliers. Establishing and maintaining a list of suitably qualified and experienced energy advice organisations that are approved by Ofgem as trusted intermediaries is essential for improving the experience of fuel poor or vulnerable customers in getting the outcomes they require from the market.

## **Strategic Priority 2: Enabling infrastructure for net zero at pace**

We welcome the expanded breadth of Ofgem's work under this strategic priority, with the underlying aim of ensuring acceleration of investment and projects required to meet the Clean Power 2030 ambition.

We have responded separately in detail to your consultation on ED3<sup>2</sup> and welcome the commitment to publish Ofgem's expectations regarding the ambition and focus for DNO business plans this coming Summer. We would urge this to explore the role that DNOs could or should be playing with respect to demand reduction and energy efficiency. We also note that there is no explicit mention of the work of Distribution System Operators in planning, operating and enabling net zero infrastructure and would encourage Ofgem to include work in the year ahead on comparability of the different approaches taken by different DNOs in delivering their DSO function to inform requirements through ED3 (e.g. through more comparable Key Performance Indicators, their role in facilitating network flexibility and enabling decarbonisation of networks).

In the context of overseeing connections reform and progressing the end-to-end review of connections regulations, we urge Ofgem to work with government and NESO to ascertain how community energy and local authority led generation schemes are impacted by new arrangements. With the recent publication of the government's Local Power Plan, we would encourage you to explore what more could be done to ensure these schemes and the added local and public benefits

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<sup>1</sup> <https://www.cse.org.uk/resource/smart-and-fair-smart-energy-market-review-webinar-summary/>

<sup>2</sup> Electricity distribution price control - Planning for a clean grid, rather than muddling through - [www.cse.org.uk/news/electricity-distribution-price-control/](https://www.cse.org.uk/news/electricity-distribution-price-control/)

that they bring can be recognised more explicitly and prioritised within connection queues e.g. in the same way as strategic demand projects.

We welcome the intention to collaborate with government on the future of the gas network, including its long-term funding. Given government policy to replace gas central heating with zero and low carbon alternatives, Ofgem and government should begin planning for a diminishing (and less affluent) gas customer base across which gas system costs can be socialised. The planned regional rollout of energy infrastructure through ED3 and RESP offers the opportunity to begin planning the gradual, managed contraction of the gas network to minimise system costs. Ultimately, in the context of whole system energy planning, Ofgem should be ensuring actors across gas, electricity and heat networks collaborate and costs to consumers are clear and understood as a whole, as opposed to still being considered in isolation.

### **Strategic Priority 3: Establishing an efficiency, fair and flexible energy system**

CSE's Smart and Fair market monitoring shows that the market is becoming far more complex for consumers, with increasing tariffs and products, and little independent advice available to consumers on suitability of these smart energy options for their needs. We therefore welcome Ofgem considering interventions to support consumers to take advantage of this increased choice in the market. As mentioned earlier we would go further and urge Ofgem to require suppliers to report on what they are doing to ensure vulnerable customers are being offered the cheapest smart energy tariffs appropriate to their needs and providing data on uptake of these by different groups. As we have said repeatedly before, fairness will not simply emerge in this market without purposeful monitoring and action.

We welcome plans to consult on reforming network charging and to progress option coming out of the Cost Allocation and Recovery Review, though would comment that this work should be extended to also consider the allocation of gas system costs when there is clarity on the future of the gas grid.

We welcome the proposed introduction of an engagement framework for consumer led flexibility, and the introduction of consumer protections into the regulations for this emerging sector. We encourage Ofgem to create more evidence on how vulnerable situations are created or exacerbated by the provision of consumer led flexibility (CLF). We also recommend that Ofgem monitor the range of consumer segments that can access and benefit from CLF, and to act on any emerging gaps in the market where some consumer segments have no routes into CLF but suffer penalties.

Noting the work that Ofgem has already progressed to tighten up on suppliers' requirements to fix broken smart meters we maintain that suppliers should be required to report on how many of their smart meters are functioning correctly, how many are broken or faulty – and Ofgem should publish details on how well each of them are performing under the new requirements. Broken/faulty smart meters continue to cause a harm for vulnerable customers, erode trust in the technology and are foundational infrastructure for the achievement of a fair and flexible energy system.

### **Strategic Priority 4: Advancing decarbonisation through low carbon energy and social schemes**

The closure of the Energy Company Obligation represents a significant challenge to the energy efficiency industry, with many companies already collapsing. In addition to working with government

partners to ensure these schemes continue to run effectively until they close, Ofgem needs to urgently and explicitly ensure protection for the many consumers directly affected by failed, or worse unfinished, insulation works installed by contractors who are no longer trading (noting unfinished works in particular have no Trustmark protection or other industry backed guarantee). These are by scheme definition almost entirely low income, vulnerable consumers and we are already seeing reports of consumers unable to get works completed or failures remedied due to their original contractor ceasing trading and reluctance of others in the market to take on these works. This must be a priority for Ofgem and government to resolve in the coming year.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Janine Michael'. The signature is written in a cursive, flowing style with a large initial 'J'.

Janine Michael  
Chief Executive