

Heat Trust still offers the only consumer protection for heat network consumers in advance of regulation

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Heat Trust, the consumer champion for heat networks, has welcomed this week's extension of the Energy Ombudsman service to all heat network consumers and progress with the regulation of heat networks.

The current Heat Trust consumer protection scheme, which covers over 85,000 homes and microbusinesses across Britain, will remain the only way to ensure consumers are fully protected until Ofgem is able to provide full oversight in 2027.

Heat Trust also warned that government need to do more to protect consumers from high and volatile heat costs, with many consumers on heat networks still paying significantly more for heating than domestic gas customers. Current proposals fail to properly address this problem.

It has also warned government against creating a system of two-tier regulation, with some social tenants having fewer rights to compensation for supply outages than those with private landlords, as suggested in a recent consultation document.

Heat Trust has also called on government to ensure that leaseholders don't face massive bills for heat network remediation costs under the forthcoming Heat Network Technical Assurance Scheme (HNTAS), which could come on top of existing cladding remediation costs for some leaseholders.

Stephen Knight, Chief Executive of Heat Trust, said: "It is great to see that all heat network consumers now have the right to take their unresolved complaint to the Energy Ombudsman – a right that those living on Heat Trust registered sites have enjoyed for a decade. However, for the time being, there are still no

consumer protection rules in place for heat networks that are not registered with Heat Trust, so we continue to advise heat suppliers to register their sites with our scheme to both protect their consumers now and to prepare for regulation.

“We also warmly welcome the government’s progress with regulation, but current plans fail to address the thorny issue of high and volatile heat prices due to the unregulated nature of commercial energy prices, and this cannot be ignored.

“We are also very concerned at Ofgem’s proposal to exempt housing associations from having to compensate their consumers for heat supply outages, as this would create a system of two-tier regulation, with some social tenants having fewer rights to compensation for supply outages than those with private landlords. We hope Ofgem will re-think this ill-judged proposal.

“Finally, whilst proposals to make operators address the efficiency of poorly performing heat networks are vital to cutting running costs for consumers, the government needs to ensure that they don’t result in massive bills for capital works falling to leaseholders, many of whom are already faced with unaffordable cladding remediation costs.”