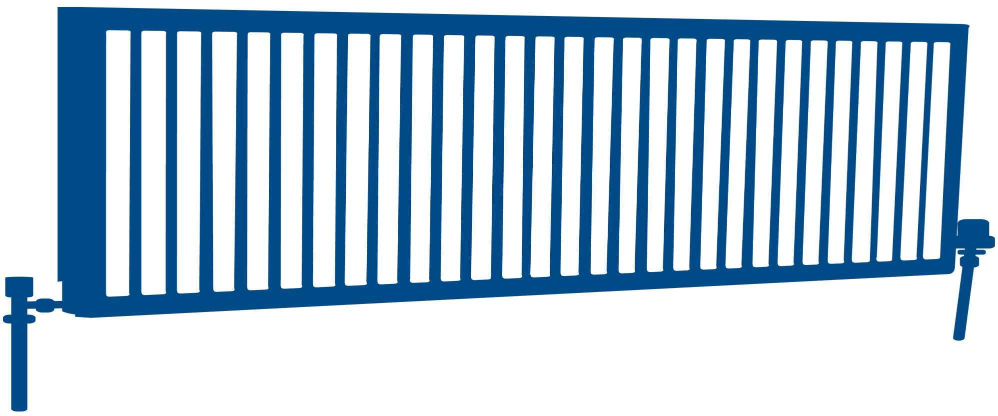
Priorities for heat networks consumer protections

Debt and affordability



Deborah Toner, May 2025

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Executive Summary

New heat network regulations coming into force from January 2026 are a major step toward ensuring fair treatment for all consumers. With heat networks operating as natural monopolies, robust regulation is critical. Making sure heat network consumers finally get the protections they deserve is our top priority.

In our first month as the new statutory advocate for heat network consumers, our frontline services have been advising more clients on heat networks. Analysing these cases, along with those from recent years, we've seen the serious harms some heat network consumers experience.

Steep price increases since the energy crisis, shock bills and poor communication have left some people struggling to afford their bills. Some providers' aggressive approaches to recovering debt have led to consumers being cut off from an essential-to-life service and others being at risk of losing their home.

The Government recently consulted on proposals that begin to tackle these issues, but these need to be strengthened in some key areas.[1] DESNZ and Ofgem should take bold decisions as they continue to develop the new protections that will be introduced next year.

1. **Improve standards in billing for unmetered consumers.** Clear, transparent and accurate bills are essential for consumers. The large proportion of heat network consumers living in unmetered properties could be waiting years to see improvements without stronger minimum standards. Minimum standards should include a requirement to provide bills at least annually and to provide a range of payment methods.
2. **Strengthen year-round disconnection protections.** We want to make sure disconnections for debt are extremely rare. Cutting off supply can have very serious consequences for people's safety. People in vulnerable circumstances should be protected from disconnection all year round - not just in winter. Thousands of organisations are involved in running heat networks, so DESNZ and Ofgem need to set strict standards in this critical area. Ofgem should closely monitor disconnection and the forced installation of prepayment meters, which can lead to disconnection for people who can't afford to keep their meters topped up.

[1] DESNZ/Ofgem, Heat networks regulation: Implementing consumer protections consultation, November 2024.

3. **Prevent eviction for heating debt.** Heat network consumers risk falling through protection gaps unless action is taken now. Government departments should work together to unbundle heat from rent and service charges. These bundled charges can lead to major harms like shock bills, eviction threats and mortgage forfeiture, which must be addressed for new consumer protections to be credible. As a first step, we need clarity on what is needed to achieve unbundling, and a timeline for doing so.
4. **Limit back-billing to 12 months for all consumers.** Current proposals mean consumers who pay for heating as part of their housing costs could suffer from a second class standard on back-billing, until these charges are separated. Allowing their providers a longer 18 month time limit for back-billing would expose these consumers to greater risk of debt. We want to avoid a 2-tier system that leaves some consumers worse off and creates confusion among suppliers and consumers.

These measures are priorities for strengthening the initial consumer protections due to begin in January 2026. But they will only start to address problems of affordability, unreliability and failures of accountability which have damaged consumer trust in the heat networks sector. In the longer term, to secure better outcomes for consumers, DESNZ and Ofgem need to make appropriate decisions on price protections and technical standards.

Some consumer outcomes will only improve with upgrades to physical infrastructure - like metering and efficiency improvements - which will take considerable time and money to implement. The government needs to establish a framework to support these networks to access public and private finance for these upgrades. Without getting these longer-term decisions right, consumers on poorly performing networks will continue to get bad outcomes. A mechanism to fairly share the burden of consumer debt may also be needed.

Transparency in pricing is fundamental to empowering consumers to challenge unfair practices of monopoly providers of an essential service. We welcome plans for benchmarking to identify disproportionate pricing and improve transparency for consumers.[2] However, Ofgem won't be able to conduct robust price investigations until January 2027 at the earliest.[3] The Government must play its part by improving targeted bill support to protect consumers from unaffordable prices.

[2] Ofgem, Heat networks regulation: fair pricing protections consultation, 2025, page 48.
[3] Ofgem, Heat networks regulation: fair pricing protections consultation, 2025, page 7.

Introduction

Heat networks provide heating and hot water to 3% of households in the UK, but could grow to 20% by 2050.[4] They can provide heating more efficiently, and while most use gas, they can also use waste resources to generate heat. As such, they're a key part of the government's plan to decarbonise heating - but consumers aren't always seeing these benefits currently.

High prices, poor service and failures of accountability in some heat networks have damaged consumer trust. Heat network consumers currently have fewer protections than gas and electricity consumers. This means that heat network consumers with unaffordable bills and mounting debt can face disconnection and threats of eviction. As heat networks are natural monopolies, consumers can't change their supplier and can be left trapped with nowhere to turn.

To tackle these risks and ensure consumers benefit from heat networks, in 2017 we began calling for Ofgem to regulate the sector.[5] In 2021 the government recognised it was unfair for people who heat their home via a heat network to be left behind. They went on to pass landmark legislation to start addressing this protection gap, with Citizens Advice becoming the statutory consumer champion in April 2025.[6]

We've now launched a new advice service to provide tailored support for heat network consumers in England and Wales. We're tracking trends in the issues consumers need help with most often and how these trends change over time. And we're representing consumer interests in conversations with the government, the regulator and industry.

Initial consumer protections will finally come into force from January 2026, almost a decade after we first called for sector regulation. We strongly support this long-awaited step towards a fairer market and better consumer outcomes.

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[4] UK Parliament, Research Briefing - Heat networks, 29 Sept 2020.
[5] Zoe Guijarro, District heat networks 2: Analysis of responses from private heat suppliers, 2017, page 3.
[6] Department for Business, Energy & Industrial Strategy, Heat networks: Building a market framework, 2021; Gillian Cooper, 3 ways Citizens Advice will be a strong people's champion for heat networks, 2024.

Timeline for regulation

May 2017: Citizens Advice calls for the sector to be regulated.

May 2018: The Competition and Markets Authority echoes our call for regulation.

February 2020: Government launches Heat Networks Market Framework consultation.

December 2021: Government confirms Ofgem will be the regulator and Citizens Advice will be the statutory advocate.

August 2023: Ofgem launches first Consumer Protection consultation.

October 2023: Energy Act 2023 outlines Ofgem powers.

November 2024: Ofgem launches second Consumer Protection consultation.

April 2025: Citizens Advice becomes statutory consumer advocate.

January 2026: New protections start and Ofgem becomes the regulator.

January 2027: Deadline for heat networks to register with Ofgem.

Heat networks are natural monopolies. This means people don't have a choice over who supplies their heating, with one organisation supplying all properties connected to a network. Because consumers can't shop around if they're unhappy with their heating supplier, robust regulation is particularly critical to protect consumers in these circumstances. Suppliers also have less reputational incentive to improve than in a competitive market.

We want regulation and government policy to deliver outcomes for heat network consumers that are the same as, or better than, for other energy consumers. This is vital if heat networks are to play a greater role in helping the government to meet its net zero targets.

DESNZ and Ofgem should make sure consumer protections are as strong as possible from day one. Limited data about the heat networks sector has made the task of developing and implementing regulations difficult, as has the complexity and diversity of the market. Around 3,000 different organisations are involved in running over 14,000 heat networks. In comparison, the gas and electric retail energy market comprises about 20 licensed suppliers.[7] As a result, the government have to design regulations to meet a wide range of business models. To effectively monitor this market and enforce rules, Ofgem needs to have a laser focus on identifying and registering heat networks.

Regulation must set strong standards and clear monitoring to avoid repeating past mistakes, which saw the limited heat network rules weakly enforced. Since 2014, heat networks have been required to register with the Office for Product Safety and Standards.[8] But poor compliance with this requirement is one reason why we don't even know how many consumers live on heat networks currently, with estimates ranging from just over 500,000 to almost 1 million.[9] We do know they're more likely to live in vulnerable circumstances and in low-income households than other energy consumers.[10]

The monopoly market, limited data and higher-risk consumer groups mean DESNZ and Ofgem need to make bold decisions on consumer protections now. Heat network consumers need to see better outcomes as soon as possible. The ongoing cost-of-living crisis means many households face serious challenges affording their essential bills. Heat network consumers have waited long enough.

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[7] Department for Energy Security and Net Zero, Heat Networks registered under the Heat Network (Metering and Billing) Regulations statistics: December 2022, 2023; Social Market Foundation, We can't keep heating like this: A fairer deal for heat networks, 2023; Heat Trust, About heat networks and their consumers, 2024.
[8] Office for Product of Safety and Standards, Heat Network (Metering and Billing) Regulations 2014 (as amended in 2015 and 2020).
[9] Department for Energy Security and Net Zero, Heat Networks registered under the Heat Network (Metering and Billing) Regulations statistics: December 2022, 2023; Social Market Foundation, We can't keep heating like this: A fairer deal for heat networks, 2023; Heat Trust, About heat networks and their consumers, 2024.
[10] Department for Business, Energy and Industrial Strategy, Heat Network Consumer and Operator Survey, 2022, page 17.

The heat network affordability crisis

Some heat network consumers face a perfect storm of increased prices and fewer protections than gas and electricity consumers. In the ongoing cost-of-living crisis, heat network consumers are exposed to wide variations in pricing that are difficult to understand. They're more likely to be on low incomes too.[11] This means heat network consumers could be exposed to even worse levels of debt than in the broader energy sector, which is at record-breaking levels.[12]

Cost-of-living crisis

The cost-of-living crisis continues to pile pressure on low-income households, who struggle to afford their essential bills. Over 14 million people are in poverty and 5 million are in a negative budget.[13] This means their income isn't enough to cover even their most basic essential costs.

The cost of energy is a major part of this problem. In 2024 our advisors helped more than 90,000 people with energy debts, more than any other year on record.[14] The average amount of energy debt people need help with has almost doubled in the last 5 years. In 2019 the average energy debt was £835 - now it's over £1,500.[15]

We don't have data on energy debt specific to heat network consumers yet. But volatile prices and no limitations on catch-up bills have exposed some heat network users to financial difficulties and debt.

[11] 29% of heat network consumers surveyed in 2022 said their household income was under £16,000. This compared to 28% of non-heat network consumers surveyed. Heat network consumer and operator survey: All consumer tables (2022), Table 214.
[12] Citizens Advice, Why the government needs to move quicker to address energy affordability, 25 February 2025.
[13] Joseph Rowntree Foundation, UK Poverty 2025, 29 January 2025; Citizens Advice, Negative Budgets data dashboard (accessed 28 March 2025); Citizens Advice, The National Red Index, 7 February 2024.
[14] Citizens Advice, Frozen in place: Why we need urgent action to address energy affordability, February 2025, page 5.
[15] Citizens Advice Data Insights, Debt - Barriers to Recovery, 25 February 2025.

Richard* received a bill for £1,300 backdated for the last 3 years. He'd already paid all his heating bills for this time and his account was £150 in credit. When he queried the bill with the building managers, they told him they'd undercharged the whole building. Some people's meters were broken so they decided to split the outstanding cost between all the flats. Richard didn't think this was fair and got in touch with the Energy Ombudsman. But they couldn't help. They told him the building managers could do what they want until regulations change next year.

*All names have been changed to preserve anonymity.

Unpredictable prices

A range of complex factors shape heat network prices, which can lead to wide variations in pricing in cases that we see. For example, one council-run heat network in east England increased the unit prices it charged from 11.3p per kWh in 2023 to 21.9p per kWh in 2024. A housing association-run heat network in south-east England increased its unit rates from 5p per kWh in 2022 to 19p in 2023 and 30p in 2024. A building management company on a heat network in northwest England changed its unit rates from 9.5p to 38p per kWh in October 2023.[16] From the consumer perspective, this makes it very difficult to budget and difficult to judge whether prices are fair.

Many heat networks operate on a non-profit basis, so the reasons for these unpredictable prices are complex.

- The heat network sector is very diverse. Local authorities, housing associations and private companies all run heat networks.
- Providers buy energy to supply their networks on wholesale markets which have been very volatile in recent years. This counts as 'non-domestic' purchase of energy.
- Heat networks' efficiency can also be poor, often well below 50%.[17] This compares to an average domestic gas boiler efficiency of 85%.

[16] These changes were reported by clients seeking help from their local Citizens Advice offices.
[17] Ian Allan, What is heat network efficiency and why is it important? Switch2, 2022; Heat Trust, About heat networks.

- The purchasing power and credit worthiness of heat networks to buy energy on the commercial market varies too. Some companies run multiple networks across different sites, while others cover a single block of flats.

This all means the unit cost of energy can be much more variable for heat network consumers compared to other energy users. Household energy bills increased for everyone at unprecedented levels in 2022. The average increase was 54% in April 2022 and a further 27% in October 2022.[18] But price rises have been much steeper for some heat network consumers.

Colin* contacted his local Citizens Advice office in southern England when he faced a nearly 450% jump in his heating and electricity costs. He lives alone in a housing association property and is a full-time carer. He's got a long-term health condition and is on a fixed, low income. So he was already struggling and he can't afford such a big rise in his bills.

Potential solutions mains energy consumers might try aren't available to Colin. His heating costs are fixed and charged as part of his rent. This means using less energy won't lower his bills and his benefits can't cover the increase. Because he doesn't pay the energy provider directly, he can't get a fuel voucher either. He could be at risk of eviction if he can't find a way to pay.

Colin's story shows how several differences between heat networks and the rest of the energy sector have compounded problems for some consumers. The complexity of factors shaping heat network prices means he faces a staggering increase in his bills, even though his supplier operates on a non-profit basis. Payment arrangements he had no choice over mean he can't access a source of crisis support available to many other consumers. Bundling his heating costs into his rent means he's at risk of an extreme outcome if he can't pay - losing his home.

[18] The average increase in October 2022 would have been 80% without the Energy Price Guarantee, through which the government subsidised prices substantially. House of Commons Library, Domestic Energy Prices, 2024.

Lack of meters and network efficiency

Nearly 6 in 10 (57%) heat network consumers don't have their own meter measuring how much energy they use.[19] This means their energy bills don't have a straightforward link to their energy use and they can't reduce their bills through energy saving methods. Martin's story shows how this lack of control can lead to taking desperate measures.

Martin* lives in a housing association flat on a very low income. He was so worried when his heating bill quadrupled to £50 per week he asked his landlord to cut off his heating. Heating and hot water costs alone accounted for one fifth of his total income. He quickly racked up £1,000 in debt. It's not safe to be without heating and hot water, so the housing association refused to turn it off. Martin then asked for a meter to help him control his use. They didn't respond to his request.

How heat networks determine charges in the absence of meters can expose consumers to shock bills. Instead of paying based on individual energy use, heat network consumers might pay a set rate based on a share of the network's overall costs. When a heat network supplier buys energy wholesale when prices are high, these costs can get passed on to consumers in higher bills. Unexpectedly high maintenance costs can be charged in the same way.

Installing meters to measure use in individual homes reduces energy consumption by at least a fifth (20%).[20] This can help to make bill increases less steep and less of a shock. It can also incentivise consumers to be more energy efficient.

Heat networks need a lot of investment to become more energy efficient themselves. Most operate at around 30-40% efficiency, with the best reaching 65-70% efficiency.[21] The Heat Network Technical Assurance Scheme (HNTAS) will set out requirements for improving the efficiency and operation of heat

[19] Social Market Foundation, We can't keep heating like this: A fairer deal for heat networks, 2023 page 4.
[20] Social Market Foundation, We can't keep heating like this: A fairer deal for heat networks, 2023, page 4.
[21] Ian Allan, What is heat network efficiency and why is it important? Switch2, 2022; Heat Trust, About heat networks.

networks in 2026.[22] This will include standards on installing meters to both drive system efficiencies and make costs more transparent for consumers. The HNTAS timeline allows heat networks until 2029 (for those built since 2014) or 2031 (those built pre-2014) to install meters for all end consumers.

In the meantime, we need ambitious consumer protections to come into effect in January 2026 to start tackling some of the worst harms to consumers. On their own, these consumer protections won't be enough to fix the complex, long-term challenges facing the heat networks sector. We'll also need more robust price protections to address the root causes of high pricing. Individual metering will be key to unlocking improved billing practices and customer support for many consumers. Alongside consumer protection regulations, the government must make sure the sector has the necessary funding and access to private finance to enable metering and other technical and infrastructure upgrades. This should include mechanisms to limit the risk of large upfront bills for residents.

[22] DESNZ, Heat Network Technical Assurance Scheme (HNTAS), 2025.

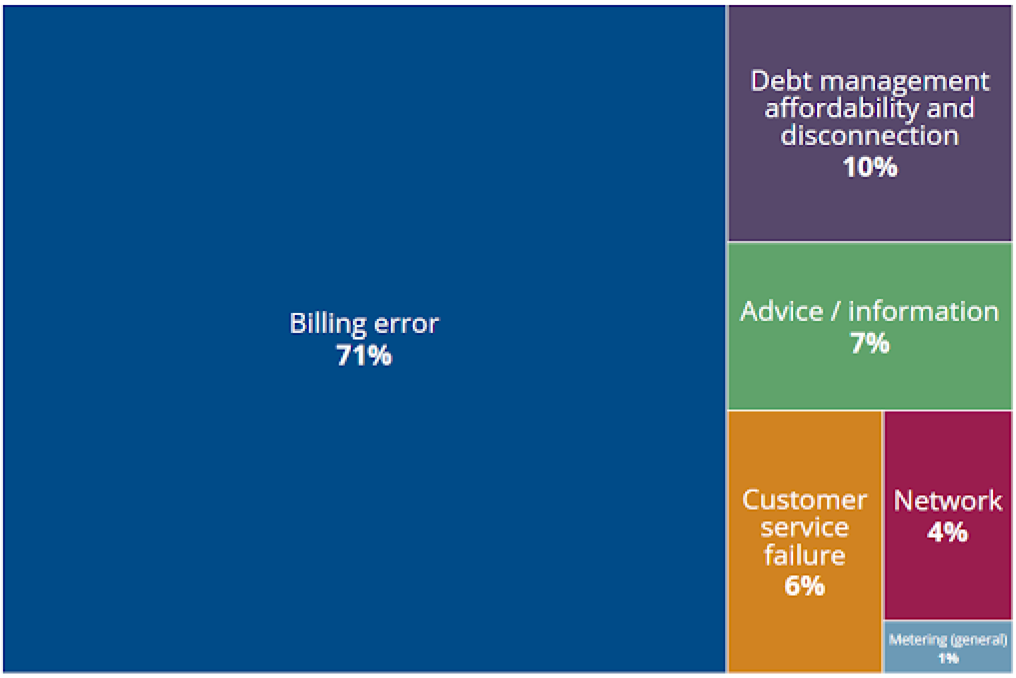
Clear and transparent billing

Consumer protections planned for January 2026 will require heat network providers to improve billing practices. Regular bills will have to include a clear explanation of how charges are calculated and signpost consumers to sources of help. But the rules aren't as strong for people living in unmetered properties. This means the majority of heat network consumers could be left in the dark about what they're paying for.

Clear bills are a top priority

Clear, transparent and accurate billing is a top priority for consumers. Data from our advice services shows billing errors are the most common issue heat network consumers need help with. 7 in 10 clients who contacted our new heat networks advice service in April 2025 had a billing issue.[23]

Billing errors are the most common issue we help heat network consumers with, April 2025

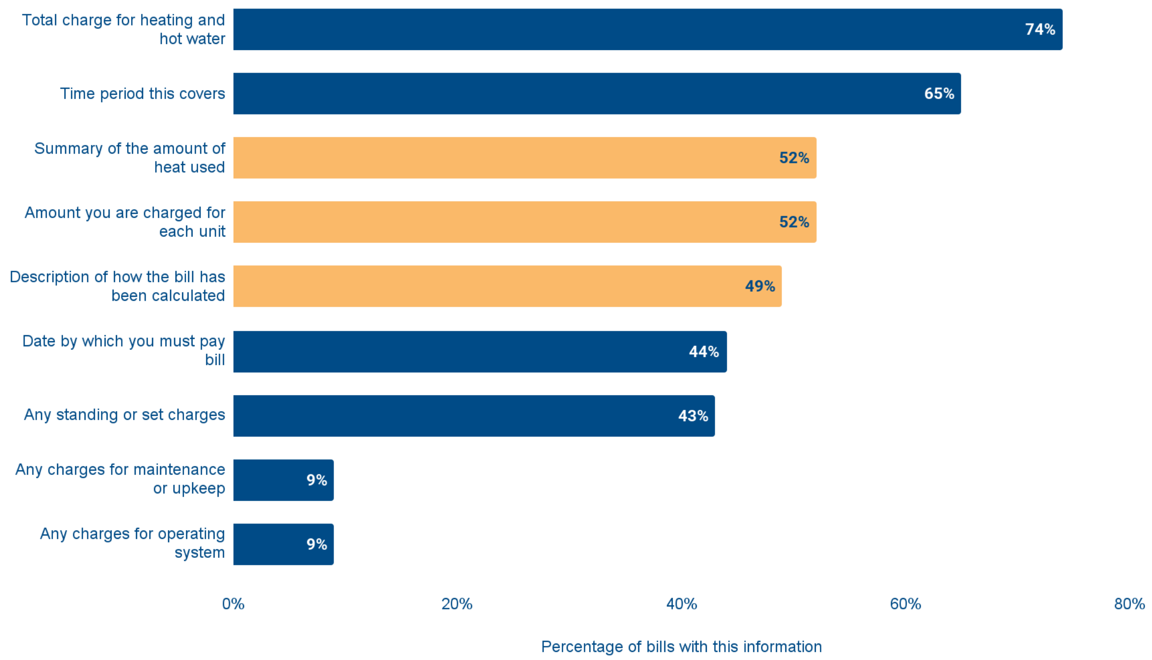


[23] Since this service only launched in April 2025, this is based on a relatively small number of clients (68) - trends may change over time. Between January 2022 and March 2025, billing errors were also the most common issue (3 in 10) for the 700 heat network consumers who contacted our general consumer helpline.

Poor billing practices can make it difficult for heat network consumers to keep on top of their finances. The most recent government survey looking at consumer experiences of heat networks was conducted in 2022. This showed 1 in 4 heat network consumers don't receive any form of bill or statement. This is nearly double the rate of gas and electricity consumers who don't receive a bill.[24]

When heat network consumers do receive bills, they frequently lack important information. Only 1 in 2 bills showed either the amount of heating used, the amount charged for each unit of heat, or a description of how the supplier calculated the bill.[25]

Key information included on heat network consumer bills, 2022[26]



This means many heat network consumers don't know what they're paying for. Too often, suppliers give consumers incomplete information.[27] This makes it

[24] Department for Business, Energy and Industrial Strategy, Heat Network Consumer and Operator Survey, 2022, page 44.
[25] Department for Business, Energy and Industrial Strategy, Heat Network Consumer and Operator Survey, 2022, page 46.
[26] Adapted from Department for Business, Energy and Industrial Strategy, Heat Network Consumer and Operator Survey, 2022, figure 24, page 46.
[27] Citizens Advice, Getting ready for heat network regulation: How heat networks can prepare for regulation and deliver for consumers, 2022, page 9.

harder for heat network consumers to manage their budget. And it can reduce trust in heat networks.

New rules for billing in January 2026

New regulations will require heat network suppliers to provide clear, regular and more transparent information in consumers' bills. They'll have to include a breakdown of costs, an explanation of what the charges cover and details of who to contact for queries. They should also signpost consumers to sources of support and advice if they're struggling to pay their bills. These rules are similar to the ones gas and electricity suppliers have had to follow for over 10 years.[28]

Making sure consumers know who to contact is important when more than 1 party is involved in running the heat network. This is common - around 1 in 3 heat network operators subcontract their operation either entirely or in part.[29] Our local advisors often help consumers caught between billing agents, building managers and landlords.

Frank* was passed between different companies when he tried to challenge an unexpected heating bill of almost £1,300. He'd moved out of a property 4 months earlier, and had paid all the heating bills when he lived there. The private rental company issued the bill but blamed the heating supplier, who had retrospectively increased the tariff and recalculated the bill for his whole 19-month tenancy.

When Frank tried to complain he was passed between both companies without resolution. He wasn't sure who he owed money to and was worried about debt collection agencies getting involved.

Clearer billing information and lines of communication for raising queries should help to drive up standards in transparency and complaints management. Providers keen to improve billing practices before the new rules officially begin can start implementing these standards now.[30]

[28] The Electricity and Gas (Billing) Regulations 2014, UK Statutory Instruments, 2014 No. 1648.
[29] Department for Business, Energy and Industrial Strategy, Heat Network Consumer and Operator Survey, 2022, page 16.
[30] A template heat network bill, based on very similar billing requirements, has been available on the government website since 2020. This shows how to lay out required types of information so

Consumers without meters could get left behind

The majority of heat network consumers - nearly 6 in 10 (57%) - don't have their own meter.[31] There's a concerning gap in planned protections for consumers with individual meters and those without. From January 2026, metered consumers should get bills at least twice per year. Or 4 times a year if their bills are electronic. Consumers with prepayment meters should get an account statement at least annually.[32]

But suppliers of unmetered consumers don't have to provide bills with the same frequency if it's 'unreasonable' for them to do so. This could give some suppliers a get-out clause. They'll still have to provide clearer information, but there's no minimum standard for how regular bills should be.[33] Suppliers have to offer a choice of payment methods to metered consumers, but only have to inform unmetered consumers of 'acceptable' payment methods.[34] Having a range of payment options can help people stay out of debt.[35]

James's story shows the harmful consequences when a supplier fails to provide regular, accurate and transparent bills.

James* received a shock heating bill of over £2,500 despite having already paid nearly £2,000 to his heating provider for the year. He lives in a 1 bedroom flat and tries to be careful with energy, even though he doesn't have a meter to track his use. His electricity bill is £650 per year by comparison, so he couldn't believe his heating bill was over £4,500.

James made a formal complaint to his heating provider, but it went

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it's easy for consumers to understand. DESNZ/OPSS, Regulations: heat networks (metering and billing): Guidance for heat suppliers, 2020.

[31] Social Market Foundation, We can't keep heating like this: A fairer deal for heat networks, 2023 page 4.

[32] Ofgem/DESNZ, Heat networks regulation: Implementing consumer protections - draft authorisation conditions appendix, AC 13.7, 13.11 and 13.21.

[33] Ofgem/DESNZ, Heat networks regulation: Implementing consumer protections - draft authorisation conditions appendix, AC 13.23-24.

[34] Ofgem/DESNZ, Heat networks regulation: Implementing consumer protections - draft authorisation conditions appendix, AC 13.10 and 13.24.

[35] Citizens Advice, Getting ready for heat network regulation: How heat networks can prepare for regulation and deliver for consumers, 2022, page 10.

unresolved. As he couldn't afford to pay, the provider disconnected his heating and hot water. He came to his local Citizens Advice office in distress, because he couldn't bathe his young daughter or keep her warm.

Greater billing transparency could have helped James to dispute his high heating charges sooner and more effectively. Installing meters to make sure consumers can control their heating and pay fairly for what they use is the best solution. But this will be a major investment in physical infrastructure for many heat networks and it could take years. In the meantime, an annual bill clearly breaking down how costs are calculated, and a choice of how to pay, are reasonable minimum standards that all consumers should expect.

Regular, clear, transparent billing for all consumers

Bills are a key tool for consumers to understand their energy use and manage their finances. Many heat network consumers have gone without these tools for too long. The government and industry should work together to make sure no-one is left behind. Government regulations should require unmetered heat networks to provide bills at least annually with a range of flexible payment methods. Heat network providers should implement improved billing processes wherever possible before regulations begin.

Protection against disconnection

Heating and hot water are essential to life. Cutting off supply can have very serious consequences for people's safety. In the mains gas and electricity sector, instances of disconnection directly by the supplier as a response to debt are virtually zero. To make sure such disconnections are equally rare for heat network consumers, the proposed rules against disconnection for debt should be stronger. People in vulnerable circumstances should be protected from disconnection all year round - not just in winter. Thousands of organisations are involved in running heat networks, so DESNZ and Ofgem need to set strict standards in this critical area. Ofgem should closely monitor disconnection and the forced installation of prepayment meters, which carries similar risk of serious harm through self-disconnection.

New rules about disconnection from January 2026

New protections for heat network consumers struggling to pay their bills will come in from January 2026. The proposed rules prevent disconnection during winter for households with very young children, older people, disabled people and people with chronic health conditions. They also require suppliers to take various steps to recover debt before considering disconnection at other times of year. These steps include proactively contacting consumers at the earliest opportunity when payment difficulties arise, offering an affordable repayment plan and exploring a consumer's ability to pay off debt through their benefits.[36]

The new protections mirror established rules in the mains gas and electricity sector. These rules were created after the tragic deaths of George and Gertrude Bates in their own home in 2003. George died of hypothermia and Gertrude died of a heart attack after their gas had been cut off for a debt of less than £150.[37] This shows the danger of disconnecting people from an essential-to-life service. People with a traditional gas boiler have had these protections for over 20 years. In the absence of similar protections, heat networks have put people like Rashida in life-threatening situations.

[36] Ofgem/DESNZ, Heat networks regulation: Implementing Consumer Protections - draft authorisation conditions appendix, AC 16.5-16.6.
[37] Alex Lawson, Fatal disconnection: How an elderly couple's deaths shaped UK energy policy, *The Observer*, 14 January 2023.

Rashida's* heat network disconnected her energy supply because she couldn't afford to pay £900 a month to clear her debt. She'd built up £3,000 in energy arrears because her heat network supplier took almost a year to set up her account and issue an accurate bill. They wanted her to pay the debt off within 6 months, on top of her ongoing monthly payments.

Rashida told them she couldn't afford this. She also told them her multiple medical needs meant disconnection was life-threatening. Two weeks later, they disconnected her supply.

It took Rashida 5 days of repeated bargaining to get her supplier to agree to a payment plan she could afford. In the meantime, she had to borrow money to stay in a hotel with her 2 children. This was the only way she could stay safe.

The proposed new regulations mean Rashida's heating supplier would have to consider affordability properly when agreeing a payment plan with her. They'd have to signpost her to advice and support for managing her finances. With her medical conditions, the supplier would also be prevented from disconnecting her during winter or force-fitting a prepayment meter.

Energy suppliers commonly use prepayment meters as a way to reclaim debt over time. Proposed regulations mean heat networks will have to follow strict rules to check whether it's safe to install a prepayment meter. For some consumers, it's never safe. This is due to the risk of self-disconnection when credit runs out. For people like Rashida - who needs a continuous supply of heating and hot water for medical reasons - self-disconnection would cause serious harm.

The proposed new regulations state prepayment meters should never be installed to recover debt in households with people under 2 or over 75 years old, or with people who are terminally ill, chronically sick or disabled. This is because these groups are most at risk of serious harm if their heating and hot water is cut off. But the proposed rules about disconnection by the supplier protect the same groups of people only during winter. That's why we're calling for year-round protections against disconnection.

As a general principle, we think protections against disconnection should always be stronger than protections against the forced installation of prepayment meters. This is so suppliers aren't incentivised to disconnect consumers before exploring all other means of debt recovery, including prepayment meters. Disconnection should be an absolute last resort. To safeguard consumers in vulnerable circumstances, Ofgem must closely monitor both disconnection and the forced installation of prepayment meters.

Why protections against disconnection should go further for heat network consumers

Features of the heat networks market point to the need for stronger rules against disconnection than in the mains gas and electricity sector. First, heat network consumers are more likely to be in vulnerable circumstances compared to the broader energy sector.[38] Second, there are thousands of organisations involved in running heat networks, so voluntary commitments - which have helped to improve practice among gas and electricity suppliers - are unlikely to work. Third, heat networks are monopoly providers, so reputation is likely to play a smaller role in incentivising good practice.

Reputation has contributed to the virtual elimination of disconnection directly by the supplier for debt in the mains gas and electricity sector. 95% of gas and electricity consumers have suppliers who voluntarily signed up to Energy UK's vulnerability commitment.[39] This commitment says providers should:

> never knowingly disconnect a vulnerable customer at any time of year, where the household has children under the age of 6 (or under the age of 16 during the Winter Moratorium) or where for reasons of age, health, disability, or severe financial insecurity, that customer is unable to safeguard their welfare or the personal welfare of other members of the household.
>
> \- Energy UK[40]

These more robust protections should be written into heat networks regulations to make sure disconnections are extremely rare. A voluntary commitment is unlikely to be effective in a sector with thousands of providers, each of which holds a monopoly over a disproportionately vulnerable group of consumers.

[38] Department for Business, Energy and Industrial Strategy, Heat Network Consumer and Operator Survey, 2022, page 17.
[39] Energy UK, Vulnerability Commitment.
[40] Energy UK, The Vulnerability Commitment, 2024, page 2.

Strengthening protections in this way will also drive down threats of disconnection, which cause consumers like Estherine serious distress.[41]

Estherine* needed urgent help when her heating and hot water supplier threatened to disconnect her. She'd been struggling to keep up with her bills over winter and built up over £1,200 in debt. Her supplier had a policy of not disconnecting people in vulnerable circumstances during winter. Estherine has a 2 year old child, so she qualified for this protection.

But as the end of winter approached, Estherine's supplier gave her an ultimatum. Pay 25% of the debt upfront and commit to paying 30% from every future bill, or we'll disconnect you.

Protect vulnerable groups from disconnection all year round

We recommend stronger year-round protections against disconnection to safeguard consumers in vulnerable circumstances. This would bring the heat networks sector more in line with practice in the mains gas and electricity sector, where there's already a de facto ban on disconnection by suppliers for debt. Ofgem should also introduce strong guidance and proactive monitoring to set the clear expectation for disconnection to be extremely rare. Disconnection from an essential-to-life service poses significant risks to physical and mental health. Heat network consumers can't switch suppliers and deserve stronger protections in this critical area.

[41] Money Advice Liaison Group, Money and Mental Health Policy Institute research shows people with severe mental illness are twice as likely to be disconnected from utilities, April 2025.

Heating and housing charges

Heat network consumers risk falling between the cracks of housing and energy regulation. The government's consultation on implementing consumer protections for heat networks shows they know this is a problem. But they don't have a clear solution yet. A third of heat network consumers pay for heating as part of rent or housing service charges.[42] Falling behind on these payments can result in threats of eviction, mortgage problems and people losing their home. Even if suppliers don't always follow through on eviction proceedings, such threats inflict serious distress. These are major harms which must be addressed for new regulations to be credible.

Bundling heating and housing costs leads to threats of eviction

A third of heat network consumers pay for heating and hot water through their rent or service charges. They are 4 times more likely to pay in this way than other energy consumers.[43] It's most common for people living in the social rented sector. In this type of housing, people are often on low incomes. This means they're more likely to struggle with unexpected and high bills.

Heating and hot water bill types by housing tenure[44]

Housing sector	Heating & hot water bill included in rent	Heating & hot water bill included in central service charge	Separate heating & hot water charge
Private rent	14%	6%	72%
Social rent - local authority, council	20%	6%	62%

[42] Department for Business, Energy and Industrial Strategy, Heat Network Consumer and Operator Survey, 2022, page 30.
[43] 32% of heat network consumers pay in this way, compared to 8% of mains consumers. Department for Business, Energy and Industrial Strategy, Heat Network Consumer and Operator Survey, 2022, page 30.
[44] Department for Business, Energy and Industrial Strategy, Heat Network Consumer and Operator Survey, 2022, data table 131.

Social rent - housing association	20%	11%	58%
Owner	1%	14%	80%

Charlie's* housing association issued a Section 8 eviction notice for service charge arrears of over £3,000. This debt built up because her benefits couldn't cover increased heating costs. This is because heating's considered an 'ineligible' service cost under Universal Credit rules.

Charlie is 62 years old and has multiple long-term health conditions and mobility issues. She came to her local Citizens Advice office for help as she doesn't have the money to clear this debt.

Leaseholders who pay for heating as part of their service charge can also face the threat of forfeiture if they fall behind on their payments. Leaseholder charities and campaigners say that forfeiture is very unlikely. But the threat of forfeiture is "quite often" used to pressure leaseholders to pay higher fees.[45] We don't have reliable data on how common this is. But recent news stories suggest at least some consumers have suffered such threats.[46] Other homeowners say they can't sell their homes due to escalating heating bills.[47]

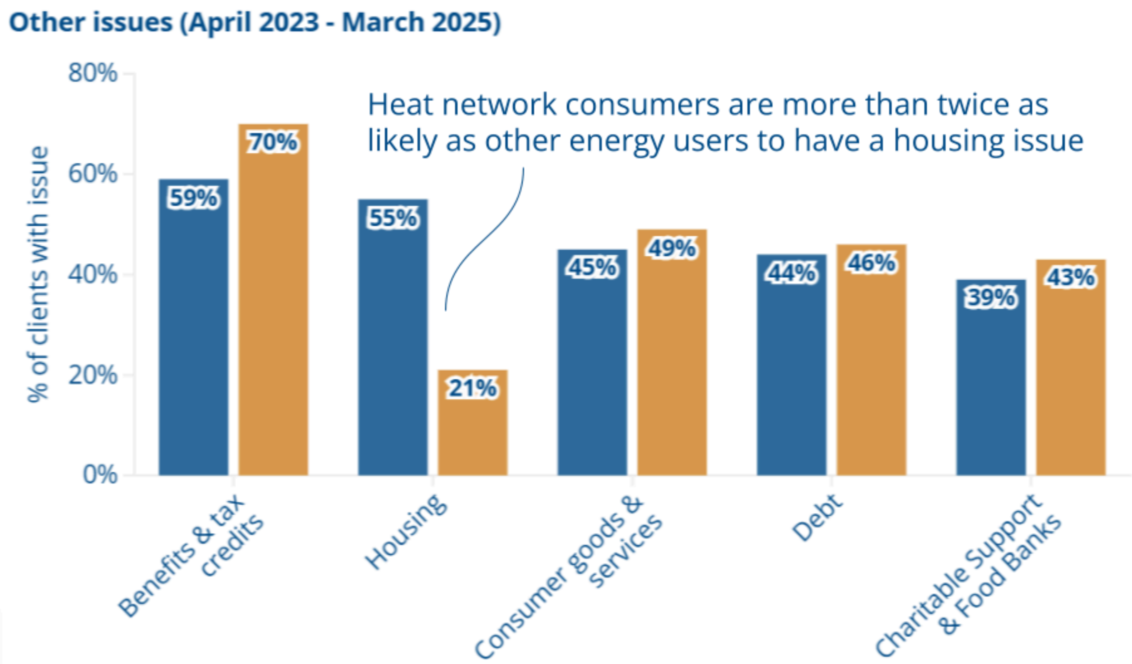
Heat network consumers deserve a level playing field

Consumers face shock bills, threats of eviction and threats of mortgage forfeiture as a result of bundled heating and housing costs. This might explain why clients using our general consumer helpline have often needed help with

[45] Leasehold Knowledge Partnership and National Leasehold Campaign, "What is Leasehold?" Page 17.
[46] James Riding, "London council 'working with residents' after claims it made eviction threats over energy bills," *Inside Housing*, 17 January 2024; James Riding, "London council issues further eviction threat over energy bills," *Inside Housing*, 5 February 2024; Rebecca Robinson, "Labour council with energy bills 60 percent higher than Ofgem price cap average," *Express*, 19 July 2024.
[47] Robert Firth, "My house buyer pulled out after council put my energy bill up £1,500 before they signed contract," *MyLondon*, 30 September 2024; Angie Brown, "Affordable home families hit by 450% gas price rise," *BBC Scotland*, 30 June 2024.

housing problems at the same time as they needed help with their heat network. While only 1 in 5 mains energy consumers also ask for help with a housing issue, this rises to over 1 in 2 for heat network consumers.

Top 5 other issues heat networks need help with compared to other energy users, April 2023 - March 2025



This data pre-dates the launch of our specialist advice service for heat network consumers in April 2025. This means it's based on a relatively small number of heat network clients and we might see changes in the relationship between heating and housing over time. But the government, Ofgem and some heat network providers in the social housing sector recognise bundling creates barriers for consumers. Jodie's story shows the impossible choice facing some heat network consumers as a result of bundled heating costs.

Jodie* was forced to consider moving out of her supported housing when her service charges increased sharply. This included a 200% rise in her heating costs. When she asked her housing association for help, they didn't offer a payment plan. Instead they suggested using her Personal Independence Payment (PIP) - meant for her disability needs - to cover the increase. They told her she was at risk of eviction if she didn't pay.

As well as being faced with an impossible choice, Jodie struggled to challenge the 'reasonableness' of her increased heating bill. Housing law allows consumers to challenge service charges if they're unreasonable.[48] They might do this by showing their heating charge is 3 or 4 times higher than a mains consumer's gas bill for the same use. But Jodie's increased bill didn't give any details about her use or tariff price. This lack of transparency in billing makes it very hard for consumers to challenge the 'reasonableness' of their charges. It also makes it difficult to challenge an eviction notice on the same grounds.

Prevent evictions by unbundling heating from housing costs

Heat network consumers risk falling through protection gaps unless action is taken now. DESNZ must work with the Ministry for Housing, Communities and Local Government to unbundle heating from housing costs. A first step would be a clear commitment to - and timeline for - achieving this in the government's response to the Implementing Consumer Protection consultation. If needed, legislation should follow to make this happen. Mains energy consumers aren't at risk of losing their home if they fall behind with energy bills. Heat network consumers shouldn't face this dilemma any longer.

[48] Leasehold Advisory Service, A guide to service charges, administration charges, ground rent, recognised tenants associations and forfeiture, section 2.7.

Back-billing and recalculated bills

Heat network consumers who pay for heating as part of service charges could also be exposed to greater risk of debt. This is because government proposals for heat networks could allow a 2-tier standard on back-billing to develop. Back-billing is when a supplier hasn't billed someone for their energy correctly, or at all, at the time of its use. And the supplier issues a bill to recover these costs at a later date. Allowing different back-billing time limits for different types of suppliers within the heat networks sector is confusing. It could leave many consumers worse off.

Another risky gap between housing law and heat network regulation

At the moment, there are no legal restrictions on back-billing specific to heat networks. By contrast, mains gas and electricity suppliers can usually only issue catch-up bills for energy consumers have used in the past 12 months.[49] New heat network regulations due to start in January 2026 will start to address this gap. They'll introduce a 12-month limit on back-billing to mirror established rules in the rest of the energy sector.

However, the new rules might also allow an exemption for suppliers who bundle heating with wider housing costs. Under housing law, landlords have 18 months to demand payment for service charges. Service charges can include individual heating costs and some communal costs, such as maintenance and the heating of hallways. This means some heat networks could continue to back-bill consumers for heating used up to 18 months ago.

Lengthy back-billing can cause serious harm

Having different rules could lead to a 2-tier system where up to a third of consumers - who pay for their heating as part of housing charges - are worse off.[50] Even with a 12-month limit, evidence from the wider energy sector shows

[49] Standard Licence Condition 21BA restricts suppliers from back-billing for energy used more than 12 months prior to the bill date except when the consumer 'has been obstructive or manifestly unreasonable'. Ofgem, Energy Back-billing project, 2018.
[50] 32% of heat network consumers pay in this way, compared to 8% of mains consumers. Department for Business, Energy and Industrial Strategy, Heat Network Consumer and Operator Survey, 2022, page 30.

the impact of catch-up bills can be severe.[51] As energy prices remain at historically high levels, catch-up bills of a year or more can mean large debts. That's why, in the mains energy sector, we've called for a 6-month limit to back-billing for consumers with smart meters.[52] Allowing some heat network suppliers to issue back-bills for up to 18 months would expose consumers to even greater risk of debt. Our local advisors have seen cases of back-billing taking place over a much longer period. Corinne's story shows this has happened even in the social housing sector, where the legal limit on collecting service charge payments is 18 months.

Corinne* got a shock heating bill covering the last 3 years from her housing association-run heat network. Her disability makes her vulnerable to damp, so she relies on her heating. She was already spending more than 10% of her income on energy before getting this bill.

Corinne assumed a catch-up bill covering such a long period wasn't allowed and complained to the billing company. They told her back-billing rules for energy didn't apply to them.

This shows the need for a clear, sector-wide message on this issue. Our advisors have also seen cases of suppliers re-billing customers at higher tariff prices for bills they've already paid. Mains gas and electricity suppliers are explicitly banned from doing this. New regulations for heat networks won't allow this from January 2026 either. The new standards will require suppliers to give consumers advance notice of price increases. But we're concerned practices like this could fly under the radar if there's any confusion about what back-billing is allowed.

Alejandro* visited his local office for help after receiving a catch-up bill for over £2,000 for his privately rented flat. He'd already paid for the 9 months covered by the new bill. But his heat network supplier applied an

[51] Citizens Advice, Footing the bill: How the energy bill protection gap is putting strain on households, November 2024.
[52] Citizens Advice, Footing the bill: How the energy bill protection gap is putting strain on households, November 2024.

uprated tariff for this period with no warning.

Alejandro thought this was unfair and complained to the supplier. They refused to change their stance and signposted Alejandro to the Energy Ombudsman. This was in March 2024, more than a year before the Energy Ombudsman was appointed to look into such complaints.

Limit back-billing to 12 months across the sector

Ofgem should implement a 12-month limit on backbilling across the heat networks sector to avoid a 2-tier system that leaves some consumers worse off. Alongside this, guidance for heat network suppliers should spell out the ban on retrospective tariff rises. Together, these measures set a clear standard and avoid mixed messaging. This would let consumers know where they stand, incentivise heat networks to improve billing practices and empower Ofgem to stamp out poor practice.

Conclusions and recommendations

New protections coming into force from January 2026 are a major step toward ensuring fair treatment for all consumers. With heat networks operating as natural monopolies, robust regulation is critical. Making sure heat network consumers get outcomes the same as, or better than, other energy consumers is vital if heat networks are to play a bigger role in helping us meet our energy security and net zero ambitions.

Evidence from our frontline services shows the serious harms heat network consumers experience - from unaffordable bills to disconnection for debt and threats of eviction. To strengthen the initial consumer protections due to start in January 2026, DESNZ and Ofgem should take bold decisions in 4 key areas:

1. **Improve standards in billing for unmetered consumers.** Clear, transparent and accurate bills are essential for consumers. The large proportion of heat network consumers living in unmetered properties could be waiting years to see improvements without stronger minimum standards. Minimum standards should include a requirement to provide bills at least annually and to provide a range of payment methods.
2. **Strengthen year-round disconnection protections.** We want to make sure disconnections for debt are extremely rare. Cutting off supply can have very serious consequences for people's safety. People in vulnerable circumstances should be protected from disconnection all year round - not just in winter. Thousands of organisations are involved in running heat networks, so DESNZ and Ofgem need to set strict standards in this critical area. Ofgem should closely monitor disconnection and the forced installation of prepayment meters, which can lead to disconnection for people who can't afford to keep their meters topped up.
3. **Prevent eviction for heating debt.** Heat network consumers risk falling through protection gaps unless action is taken now. Government departments should work together to unbundle heat from rent and service charges. These bundled charges can lead to major harms like shock bills, eviction threats and mortgage forfeiture which must be addressed for new consumer protections to be credible. As a first step, we need clarity on what is needed to achieve unbundling, and a timeline for doing so.
4. **Limit back-billing to 12 months for all consumers.** Current proposals mean consumers who pay for heating as part of their housing costs could suffer from a second class standard on back-billing, until these charges

are separated. Allowing their providers a longer 18 month time limit for back-billing would expose these consumers to greater risk of debt. We want to avoid a 2-tier system that leaves some consumers worse off and creates confusion among suppliers and consumers.

Melanie’s story highlights the serious consequences of being left without heating and hot water. It also shows how bundled heating costs can quickly turn into debt - and even bailiffs at the door.

Melanie* faced frequent heating and hot water disruptions, making it hard to care for her 2 young children and worsening her own health. She endured a 4-month outage when she first moved in, followed by multiple winter breakdowns. She was forced to carry boiling water from neighbours’ homes to bathe her children when the heating and hot water supply stopped. She struggled through unsafe repairs, exposed wires and had to use costly temporary heaters - 4 times more expensive than her usual heating. A botched repair by her housing association even left her without a thermostat, causing her bills to soar. By the end of that winter, she owed £3,000 and worried she could be facing eviction.

Affordability pressures are acute for many people like Melanie. Advisors in our local offices and on our helpline have helped people grappling with the issues discussed in this paper. The appendix includes further case studies showing the impact of high prices, back-billing, poor billing practices, disconnections and bundled heating charges. Consumer protections will start to turn the tide. But future decisions on price protections, network upgrades and finance for the sector still need to address the underlying causes of serious consumer harm.

To continue shaping regulations as they’re developed and implemented, we’re conducting in-depth research with heat network consumers. This includes detailed interviews with 50 heat network consumers about their experiences of debt and affordability. In this research we’re finding more worrying evidence of an affordability crisis among heat network consumers, with many people’s bills doubling or tripling since 2022. We’ll be publishing the results of this research and further recommendations to support consumers later in 2025.

Appendix: Case Studies

High pricing

Dorota's* heating bill rose by 240% in 2024 to a level she couldn't afford. She told our advisors she lives in the cold most of the time, as the radiators in her flat don't work. When Dorota complained to her housing association, they told her they'd investigate.

But after 3 months, they'd only fixed 1 of her radiators. And they still couldn't tell her who the heat network supplier was. They'd subcontracted the heat network to a separate company but they couldn't, or wouldn't, tell her who it was.

Gareth* received a letter saying his unit price for heating would increase by 600% with just 1 day's notice. After he and his neighbours objected, Gareth's housing association agreed to delay the increase for a month. Although this gave people more notice, at 30p per unit their prices will be almost 5 times higher than Ofgem's price cap for gas in March 2025.

Gareth is well-informed about the current lack of protections for heat network consumers. He described the increase as 'immoral, unethical but legal'. He's concerned neither the housing association nor the energy company considered the impact such a large increase could have on a group of residents on low incomes.

Martin* lives in a housing association flat on a very low income. He was so worried when his heating bill quadrupled to £50 per week he asked his landlord to cut off his heating. Heating and hot water costs alone accounted for one fifth of his total income. He quickly racked up £1,000 in debt. It's not safe to be without heating and hot water, so the housing association refused to turn it off. Martin then asked for a meter to help him control his use. They didn't respond to his request.

Poor billing practices

Frank* was passed between different companies when he tried to challenge an unexpected heating bill of almost £1,300. He'd moved out of a property 4 months earlier, and had paid all the heating bills when he lived there. The private rental company issued the bill but blamed the heating supplier, who had retrospectively increased the tariff and recalculated the bill for his whole 19-month tenancy.

When Frank tried to complain he was passed between both companies without resolution. He wasn't sure who he owed money to and was worried about debt collection agencies getting involved.

Sandra* is paying £20 per day for her heating and hot water on a prepayment meter. This is unsustainable, averaging £600 per month. By contrast, her electricity bill is £100 per month. Her husband is disabled and has multiple health conditions. This means they need to keep the heating on all the time.

Sandra complained to her housing association in December 2024 about the increased cost of topping up. She didn't have any information about the rate she was being charged or why it had gone up. Over a month later, in the middle of winter, she still didn't have this information.

Zakiya* asked for advice after she spent a month trying to get to the bottom of a billing problem with her heat network. She got a shock bill for over £1,800 even though she'd paid her regular bills and kept her account in credit for nearly 2 years. Her emails went back and forth between the billing company and the building managers, who initially blamed faulty meters. They changed the amount of debt she owed to £1,200 at first and then £600. Then they blamed a third company, the heating supplier, for not maintaining the communal boiler.

Zakiya's understandably confused. The numbers don't seem reliable and she doesn't know who to believe.

Disconnections

Estherine* needed urgent help when her heating and hot water supplier threatened to disconnect her. She'd been struggling to keep up with her bills over winter and built up over £1,200 in debt. Her supplier had a policy of not disconnecting people in vulnerable circumstances during winter. Estherine has a 2 year old child, so she qualified for this protection.

But as the end of winter approached, Estherine's supplier gave her an ultimatum. Pay 25% of the debt upfront and commit to paying 30% from every future bill, or we'll disconnect you.

James* received a shock heating bill of over £2,500 despite having already paid nearly £2,000 to his heating provider for the year. He lives in a 1 bedroom flat and tries to be careful with energy, even though he doesn't have a meter to track his use. His electricity bill is £650 per year by comparison, so he couldn't believe his heating bill was over £4,500.

James made a formal complaint to his heating provider, but it went unresolved. As he couldn't afford to pay, the provider disconnected his heating and hot water. He came to his local Citizens Advice office in distress, because he couldn't bathe his young daughter or keep her warm.

When **Julia's*** service charge for heating doubled unexpectedly, she asked her housing association for help as she couldn't afford the increase. She's a single mother with 3 young children. The housing association didn't give her any options and passed her on to the heating company.

The heating company didn't give her any support to manage her bills either. Instead, they threatened to disconnect her and charged additional admin fees for the bill she hadn't paid.

Rashida's* heat network disconnected her energy supply because she couldn't afford to pay £900 a month to clear her debt. She'd built up £3,000 in energy arrears because her heat network supplier took almost a year to set up her account and issue an accurate bill. They wanted her to pay the debt off within 6 months, on top of her ongoing monthly payments.

Rashida told them she couldn't afford this. She also told them her multiple medical needs meant disconnection was life-threatening. Two weeks later, they disconnected her supply.

It took Rashida 5 days of repeated bargaining to get her supplier to agree to a payment plan she could afford. In the meantime, she had to borrow money to stay in a hotel with her 2 children. This was the only way she could stay safe.

Bundled heating and housing costs

Charlie's* housing association issued a Section 8 eviction notice for service charge arrears of over £3,000. This debt built up because her benefits couldn't cover increased heating costs. This is because heating's considered an 'ineligible' service cost under Universal Credit rules.

Charlie is 62 years old and has multiple long-term health conditions and mobility issues. She came to her local Citizens Advice office for help as she doesn't have the money to clear this debt.

Colin* contacted his local Citizens Advice office in southern England when he faced a nearly 450% jump in his heating and electricity costs. He lives alone in a housing association property and is a full-time carer. He's got a long-term health condition and is on a fixed, low income. So he was already struggling and he can't afford such a big rise in his bills.

Potential solutions mains energy consumers might try aren't available to Colin. His heating costs are fixed and charged as part of his rent. This means using less energy won't lower his bills and his benefits can't cover the increase. Because he doesn't pay the energy provider directly, he can't get a fuel voucher either. He could be at risk of eviction if he can't find a way to pay.

Gabby* reached out for help when her service charge for heating increased by 300%. She said this left her 'in poverty overnight'. She lives alone in a council flat on a low income, which makes such a spike in costs unaffordable. Our local advisors helped her to access food vouchers, as she was left with only £25 a week to live on.

Gabby is autistic and has a mental health condition that makes it difficult to deal with sudden changes in circumstances. This made it harder for her to follow up on the limited options available as a heat network customer.

Jodie* was forced to consider moving out of her supported housing when her service charges increased sharply. This included a 200% rise in her heating costs. When she asked her housing association for help, they didn't offer a payment plan. Instead they suggested using her Personal Independence Payment (PIP) - meant for her disability needs - to cover the increase. They told her she was at risk of eviction if she didn't pay.

Melanie* faced frequent heating and hot water disruptions, making it hard to care for her 2 young children and worsening her own health. She endured a 4-month outage when she first moved in, followed by multiple winter breakdowns. She was forced to carry boiling water from neighbours' homes to bathe her children when the heating and hot water supply stopped. She struggled through unsafe repairs, exposed wires and had to use costly temporary heaters - 4 times more expensive than her usual heating. A botched repair by her housing association even left her without a thermostat, causing her bills to soar. By the end of that winter, she owed £3,000 and worried she could be facing eviction.

Nathan* received notice of eviction proceedings from his council in late 2024. Heating is an ineligible service charge, so Nathan can't use his housing benefits to pay for it, and he built up debt. This debt counts as rent arrears. Nathan's local advisors contacted the council on his behalf, and they confirmed they're preparing court action against him. The advisors couldn't find any energy grants Nathan could apply for to help him out of this situation.

Tariq* came to his local advice office for help when his heating charges increased to £40 per week. This service charge forms part of his rent and he'll be at risk of eviction if he doesn't pay. He's a pensioner suffering from multiple physical and mental health problems. He lives in a council flat with his adult son, who also has a long-term health condition.

Tariq and his son are struggling to afford the increased costs. Our advisors suggested ways to make savings in other areas, and helped them to apply for the council's cost-of-living grant. If successful, the grant will pay for around 6 weeks of heating.

Back-billing

Alejandro* visited his local office for help after receiving a catch-up bill for over £2,000 for his privately rented flat. He'd already paid for the 9 months covered by the new bill. But his heat network supplier applied an uprated tariff for this period with no warning.

Alejandro thought this was unfair and complained to the supplier. They refused to change their stance and signposted Alejandro to the Energy Ombudsman. This was in March 2024, more than a year before the Energy Ombudsman was appointed to look into such complaints.

Corinne* got a shock heating bill covering the last 3 years from her housing association-run heat network. Her disability makes her vulnerable to damp, so she relies on her heating. She was already spending more than 10% of her income on energy before getting this bill.

Corinne assumed a catch-up bill covering such a long period wasn't allowed and complained to the billing company. They told her back-billing rules for energy didn't apply to them.

Dhruv* asked his local advice office for help after receiving a heating bill of £2,400. It covered a period of nearly 2 years and came out of the blue from his letting agency. Neither the landlord, letting agency or heating provider had given any prior information about heating bills. He felt scared and helpless when he received such a large, unexpected bill.

Gordon* contacted his local Citizens Advice office for help after receiving notice he owed over £800 for heating costs in a flat he'd recently left. For the 6 and a half years he lived there, he paid the heating bills he'd received monthly. Each of his monthly bills included a breakdown of energy used, daily standing charges and unit prices. But when he asked to settle his account on moving out, his heat network presented him with a bill for over £800. They said they hadn't charged enough for heat network maintenance costs dating back to 2016.

Nadia* received a back-bill of nearly £800 for a 4 and a half year period in early 2025. She's on a very tight budget as a single parent with 5 children under 16. To clear the debt, the energy company offered Nadia a payment plan she couldn't afford. They wanted her monthly payments to triple to clear the debt within a year. When she complained, they told her they didn't have to follow any rules against back-billing.

Oliver* got a back-bill of nearly £1,000 covering a 3-year period from his heat network. It was for a privately rented flat he'd moved out of a few months previously.

Our local advisors told him the usual 12-month restriction on back-billing didn't apply to heat networks. So, as a result, he'd either have to pay the bill, negotiate a payment plan or dispute the charges.

Richard* received a bill for £1,300 backdated for the last 3 years. He'd already paid all his heating bills for this time and his account was £150 in credit. When he queried the bill with the building managers, they told him they'd undercharged the whole building. Some people's meters were broken so they decided to split the outstanding cost between the flats in the building.

Richard didn't think this was fair and got in touch with the Energy Ombudsman. But they couldn't help. They told him the building managers could do what they want until regulations change next year.

Citizens Advice helps people find a way forward.

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