Summary of Lower Standing Charges statutory consultation responses

Publication date: 25 February 2026

This document summarises the responses we received to our statutory consultation on requiring energy suppliers to introduce a lower standing charge tariff, published in September 2025. It includes views from consumers, charities, and various other stakeholders. This summary sets out the feedback that has shaped our planned next steps outlined within our accompanying update on our next steps. Non-confidential responses to the consultation can be accessed on our online consultation.

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Summary of responses

This section details a high-level summary of the responses to the lower standing charge statutory consultation broken down into type of respondent.

In response to our statutory consultation on a requirement on suppliers to offer lower standing charge tariffs, we received responses from 32 organisations, including 13 from suppliers, 12 from charities and consumer groups and 7 from industry bodies. There were also over 100 individual consumer responses and 75 from an email campaign.

The policy proposals were opposed by many charities and consumer groups, the majority of suppliers, and just over half of individual consumers who responded to our consultation. Many individual consumers called for the policy to go further, supporting a greater standing charge reduction or zero standing charges, or not allowing suppliers to increase the unit rate.

Suppliers largely opposed the proposals. Concerns were raised about increased market complexity and under recovery of fixed costs. Several suppliers contended that the prevailing consumer concern around standing charges relates to affordability, rather than asking for a different way to pay fixed costs. However, some support from one supplier was provided for the approach of requiring suppliers to offer lower standing charge tariffs, compared with introducing a zero standing charge price cap variant, as it would still increase consumer choice while providing greater commercial flexibility.

Several consumer groups and charities expressed broad support for the principle of having more choice in how standing charge costs are paid. Despite this support, concerns were also raised that it could be difficult for consumers to understand the trade-offs of switching to these tariffs. Also, that tariffs were likely to be more expensive for consumers with higher consumption.

Industry bodies also raised concerns about complexity, with an ask to focus on the simplification of bills. It was mentioned that consumers may make choices that make them worse off, for example if their consumption changes unexpectedly.

Across many responses, there was strong support for consumers having appropriate communications and information to assess whether to switch to a lower standing charge tariff. Further, stakeholders were supportive of our wider work on the cost

allocation and recovery review as a mechanism that could fundamentally restructure standing charge costs.

Several responses strongly supported undertaking a pilot or limited real-world trial, arguing that this would allow for the policy to be tested for its impacts on consumers and suppliers before a decision was made on mandating across suppliers. This is the approach that we have decided to take forward, with more information on the pilot found here.