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ASSESSMENT OF CRITICAL REC CHANGES DELIVERED

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FOR DECISION	The Code Manager requests PAB to APPROVE the following: - Sharing of the recommendations set out in this paper with the REC Code Manager and RECCo
APPENDICES	Appendix A – List of Recommendations Appendix B – Survey Questions *NB: Appendices included at the end of this paper, and not as a separate paper*

1 BACKGROUND

1.1 DEEP DIVE OBJECTIVE

PAB approved the scope of this Deep Dive in January 2026 as outlined in *RECPAB_26_0127_08 - Assessment of Critical REC Changes Delivered*. The primary trigger for initiating the Deep Dive was feedback from Parties around the challenge in realising the benefits following complex changes which bring with them significant costs to the Parties impacted.

The objective of this Deep Dive is to give stakeholders confidence that the REC is operating effectively and meeting its objective of achieving sustainable innovation and continuous improvement.

We have therefore reviewed the effectiveness of a recent complex change, R0155 Change of Occupier: Evidentiary Standards and Timescales, in achieving the desired outcomes. We also assessed if specific aspects of the change process contributed significantly to either positive or negative outcomes and sentiment. The output from this exercise is set of recommendations for the REC Change process.

1.2 R0155 CHANGE

R0155 was implemented on 27 June 2025, with a stated aim to address the following problem statement:

- Non-Domestic Consumers may struggle to quickly and easily update a Supplier when they become the new owner/occupier or responsible bill payer for a property.
- Energy Suppliers may struggle to quickly and easily update their billing and contractual records for non-domestic properties.
- Third Party Intermediaries (TPIs) may struggle to provide Non-Domestic Consumers and Energy Suppliers with a service.

The Change Proposer also noted that the impact of this inconsistent Change of Occupier (CoO; also known as Change of Tenancy) process leads to “delays and increased costs to Non-Domestic consumers, potentially being exposed to deemed rates for prolonged periods”; speeding up the process therefore reduces needless costs and has direct consumer benefits.

The solution for R0155 focused on providing a non-exhaustive list of example evidence which Energy Suppliers could use to assess whether there has been a Change of Occupier. Additionally, the Change implemented a new time-based obligation (10 Working Days) for Energy Suppliers to review evidentiary documents and communicate the outcome of their review process to the provider of the evidence (either the Consumer or a TPI).

1.3 KEY ACTIVITIES

The Code Manager reviewed both quantitative and qualitative data to determine the effectiveness of R0155.

As part of the implementation of R0155, Non-Domestic Suppliers are required to provide a CoO monitoring report (PARC #1450); this data is broken down by month and includes:

- Median time to action CoO
- Number of approved CoOs
- Number of rejected CoOs
- Number of CoOs where more information was requested

The Code Manager therefore reviewed the data provided by Suppliers through PARC #1450 as part of this Deep Dive.

Additionally, the Code Manager launched a survey to supplement these objective outcome measures with subjective sentiment analysis from Parties. Subjective sentiment analysis was also captured as part of the Performance Assurance Check Ins with Parties sharing their experience and feedback in a meeting with a member of the PA team.

The outcomes of the investigation were additionally shared with the Change Team prior to publication; the Change Team did not challenge any of the findings or recommendations within the report and their full response is noted in Section 3.

2 INVESTIGATION OUTPUT

2.1 SENTIMENT ANALYSIS & STAKEHOLDER RETROSPECTIVE

2.1.1 SURVEY OVERVIEW

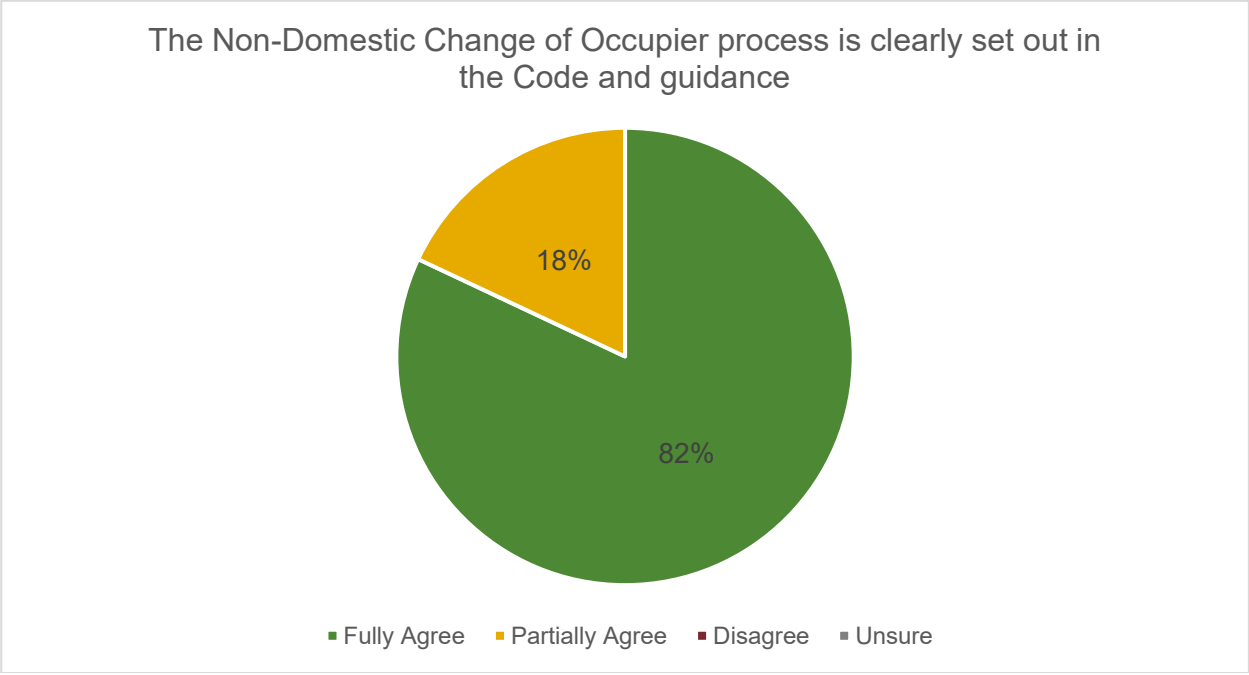
As outlined above, the primary tool for sentiment analysis was the survey which opened on 12 February 2026 and closed on 8 June 2026.

The full list of questions in the survey is provided in *Appendix B*, but in summary Parties were asked to respond as to what extent they agreed with the following statements:

- The Non-Domestic Change of Occupier process is clearly set out in the Code and guidance
- The benefits of the change have outweighed the costs
- Other REC Parties are acting in-line with their REC obligations in relation to Non-Domestic Change of Occupier process
- Do you believe that the [listed] problem statements set out in R0155 have been resolved?

2.1.2 PROCESS IS CLEARLY SET OUT IN THE CODE AND GUIDANCE

As shown below, a majority of respondents fully agree that the Non-Domestic Change of Occupier process is clearly set out in the Code and guidance.



This positive sentiment was driven by the wider package of materials delivered alongside the Code Change, including a guidance document, a paper setting out the proposed Performance Assurance approach, and a training deck explaining how the process should operate within SDEP.

In addition, the Code Manager undertook readiness checks, through which the Performance Assurance team reviewed Suppliers' monitoring arrangements, controls, and supporting infrastructure in relation to the new 10 Working Day service level and evidentiary review standard.

Feedback received through both Performance Assurance Check-In meetings and the survey indicates that Parties valued the additional time, engagement and preparatory feedback made available ahead of implementation. This suggests that readiness assurance activity should be considered for future complex changes as it brings a considerable benefit to Parties.

However, some stakeholders noted that the technical changes required within SDEP were delivered late in the implementation period, although this was agreed with stakeholders beforehand. For future changes, it is worth considering whether readiness activities should extend beyond high-level assurance and include an element of practical process assurance. This practical assurance should include confirmation that Parties have the systems, access, documentation and operational capability required to operate the new process effectively from the point of go-live.

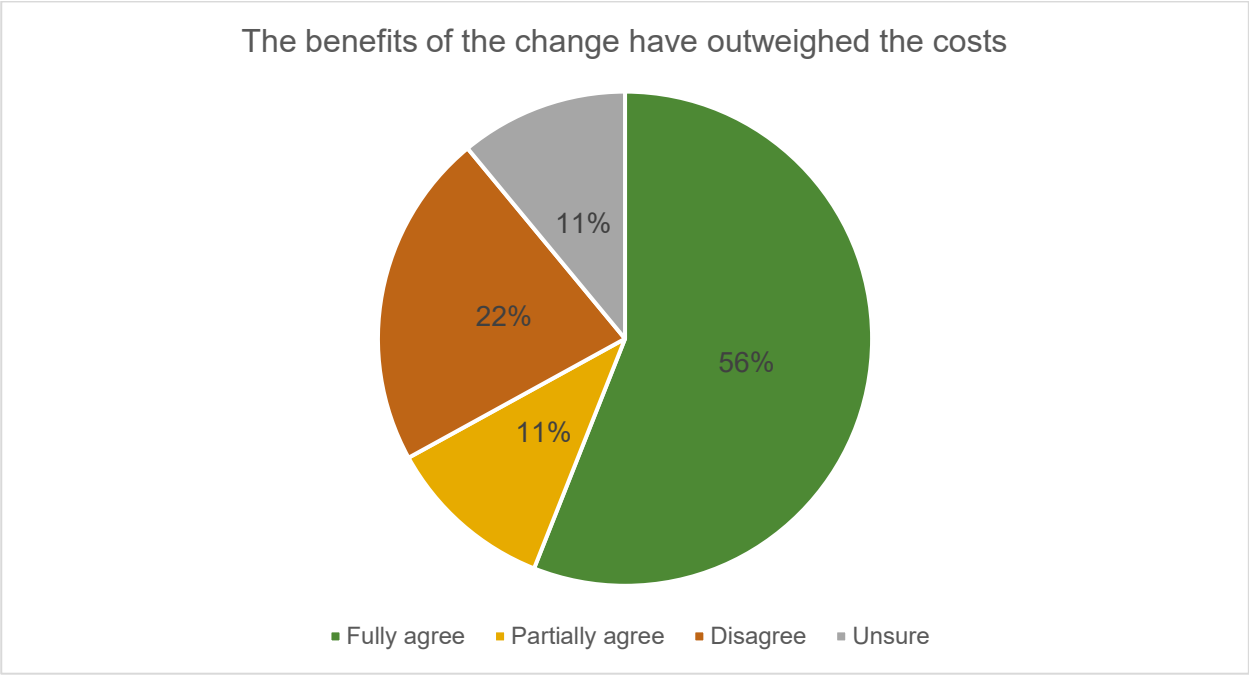
Despite the responses overwhelmingly pointing to clear expectations in the Code, some respondents highlighted that the expectation placed on Suppliers to review documents within 10 Working Days is interpreted inconsistently in practice. Some Suppliers understand the obligation to require an internal evidentiary review within that period, while others understood it to require both a decision and communication of that decision within the same timeframe. Whilst the Code Manager will often review changes after implementation, the framework and mechanism for such a review have not been formalised. It would therefore be beneficial to introduce a formalised post-implementation review framework to identify and address emerging ambiguities once a change is operating in practice.

Recommendation 1: The Code Manager should continue to undertake readiness activity for complex changes, as the evidence from this review suggests that such activity is both effective and valued by stakeholders in supporting implementation preparedness and reducing the risk of avoidable issues arising at go-live. This readiness activity should also be expanded to consider practical process assurance where relevant.

Recommendation 2: A formalised post-implementation review framework should be introduced for complex changes in order to identify unresolved issues, capture lessons learned and support continuous improvement of the Change process. This would also help ensure that material issues which do not otherwise enter formal governance routes are still identified and considered.

2.1.3 BENEFITS HAVE OUTWEIGHED THE COSTS

As shown below a majority of respondents believe the change has brought enough benefits to justify the costs incurred to bring it about.



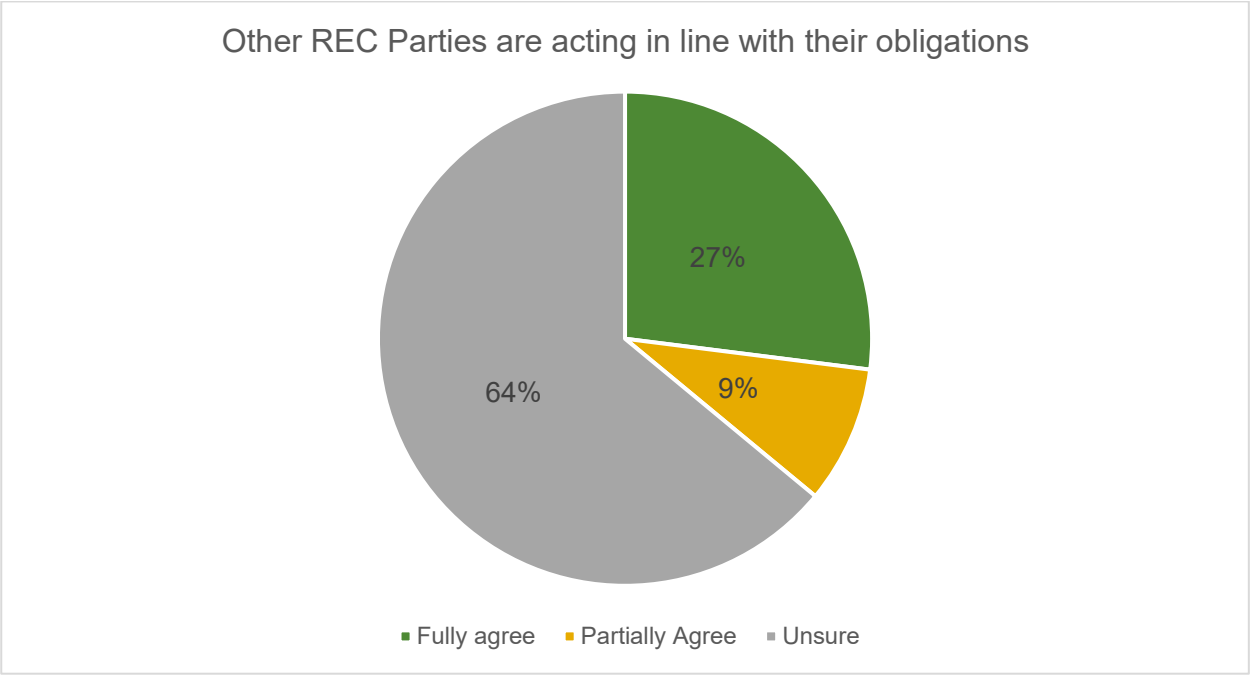
The sentiment is well illustrated by the below quote from a respondent who highlights the positive impact of consistent and purposeful engagement with the industry throughout the process:

> *"Some elements were well managed, with a clarity of approach to the consultations, and we were also left with the distinct sense that feedback to consultations* ***was listened to and acted upon where possible****. We also felt the working group discussions* ***took feedback on board****. Overall, this meant the implementation of a relatively pragmatic change which should bear fruit over time."*

Recommendation 3: The Code Manager should continue to seek and consider stakeholder feedback throughout the development and implementation of complex changes. This review indicates that stakeholders valued consultations and working group discussions, particularly where feedback was listened to and acted upon where possible. Continuing this approach should support pragmatic and deliverable change outcomes, while helping to identify implementation risks at an earlier stage.

2.1.4 PARTIES ARE ACTING IN-LINE WITH THEIR OBLIGATIONS

As shown below a majority of respondents are unsure as to whether other REC Parties are acting in-line with their REC obligations in relation to the Non-Domestic Change of Occupier process.



The overall sentiment from the Surveys and PA Check-Ins is that Parties believe they understand how to comply with the Non-Domestic CoO process; for example, one respondent noted:

*"Overall R0155 has contributed to a significant improvement in our CoO process and **positively impacted our ability to comply.**"*

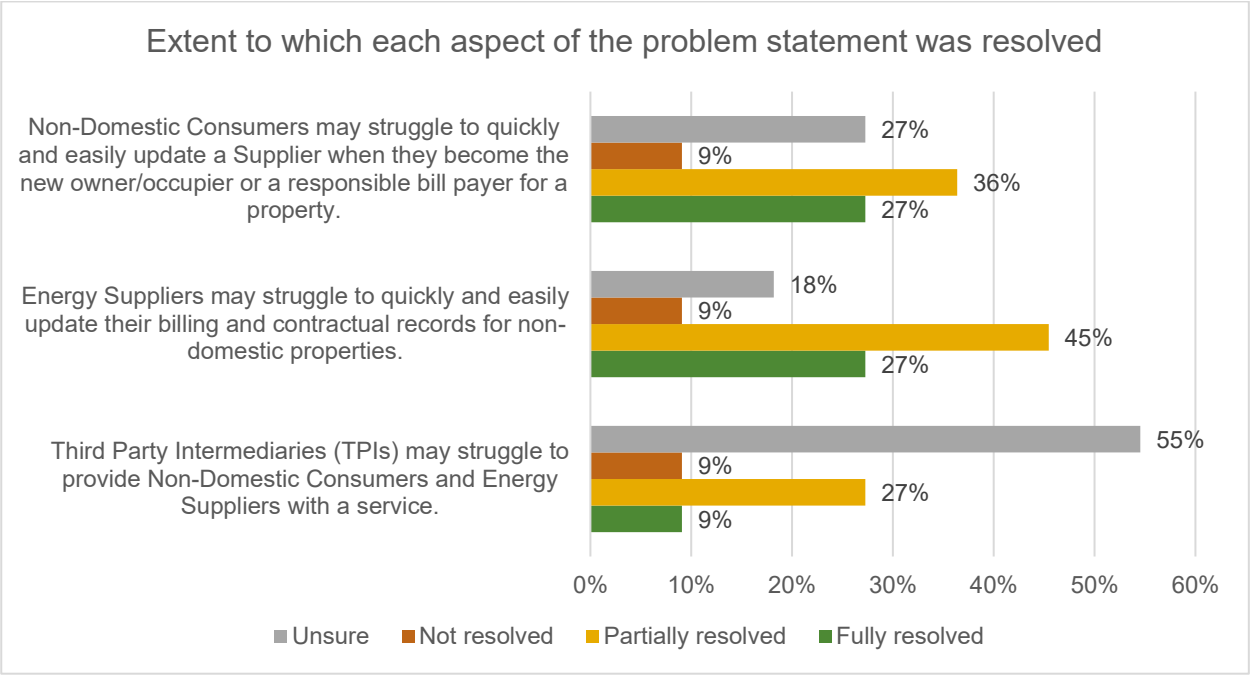
However, whilst Parties can monitor their own compliance, they have limited insight into the extent that other industry Parties are meeting their obligations, other than the Parties they interact with directly. As part of the Change, the Code Manager did outline what Performance Assurance activities would be performed, however the outcomes of these activities and overall industry performance have not been explicitly shared with REC Parties; for example, one respondent noted:

*In relation to 3, we don't know if other suppliers are following the SLA **as this information is not in a public domain**. On [Change of Tenancy with Change of Supply], when we object on valid grounds, we very frequently don't hear from the gaining supplier via SDEP.*

Recommendation 4: The Code Manager should therefore continue to outline the proposed Performance Assurance approach as part of Change where relevant. However, any post-change review should also demonstrate to industry to what extent the Change has achieved the desired outcomes, or in cases where it has not, what steps will be taken.

2.1.5 PROBLEM STATEMENT NOT FULLY RESOLVED

Despite the positive sentiments above on R0155, the majority of respondents either were unsure whether the problem statement had been resolved or believe that it had been partially resolved.



The theme most prevalent in those responses was that while R0155 addressed the issues related to processing of the Change of Occupier requests, it did not resolve fundamental issues related to consumer behaviour or quality of information provided at the outset, which was identified in the Problem Statement. According to the surveyed Suppliers, the key issues that continue to make the process difficult are:

- Delays in contacting the Supplier causing CoO requests to be backdated
- Customers being unable to determine who the previous Supplier was
- Poor information quality, including customers being unable to provide the required documents or providing documents which do not corroborate with their CoO request
- Gaining Suppliers often not providing supporting evidence up-front, and in some cases not providing it even after the CoO request is rejected

As noted above, R0155 did not resolve all the underlying issues around evidence quality for Change of Occupier cases, though it did introduce a defined timeframe for evidentiary review. Therefore, some smaller Suppliers reported increased operational pressure when managing complex cases within a shorter period.

*"While the change is **useful in ensuring that supporting documentation is reviewed by suppliers promptly**, it does not aid the site setup process and **does not make a high-risk [Change of Tenancy] any less risky**. "*

"*It is worth noting that bigger suppliers may be able to absorb the risk of accepting potentially high-risk costs in a shorter timescale, but **smaller suppliers do not have the luxury of accepting them, so thorough validation is needed**."*

Recommendation 5: For future complex changes, the Final Change Report should also include a clearer link between the Change solution and to what extent it fully addresses the problem statement, else any issues that sit outside its scope. This would help Parties better understand the intended benefits of the change and manage expectations where wider operational or customer behaviour issues are having an impact and are unlikely to be fully resolved with the change.

2.2 QUANTITATIVE ASSESSMENT OF OUTCOMES

The quantitative assessment of the effectiveness of R0155 is subject to limitations on the data. The CoO monitoring data is self-reported by Parties and cannot currently be validated for accuracy in bulk against wider industry data. In addition, comparable reporting data on CoO processing times was not collected before implementation of R0155. As a result, the assessment of pre-change performance is by necessity based on information gathered during the consultation, stakeholder feedback and indicative analysis rather than a complete baseline dataset. For example, we received anecdotal comments from TPIs that prior to the implementation of R0155, the majority of Suppliers took longer than 10 Working Days to process CoO requests, and several Suppliers were taking multiple months.

The data submitted through PARC #1450 indicates that, on average, Suppliers are responding to CoO requests within the 10 Working Day timeframe introduced by R0155. The average self-reported median response time across Suppliers is 8.8 Working Days. However, there remains material variation in performance, with individual Supplier median response times ranging between 1 and 33 Working Days.

The data also indicates variation in approval outcomes across Suppliers. The average approval rate for CoO requests is approximately 70%; however, among Suppliers reporting more than 100 requests, approval rates range from 33% to 99%. This variation does not, in itself, indicate that Suppliers are applying the Code-defined process inconsistently. The Code Manager has engaged with Suppliers and understands that in many cases there are portfolio-specific factors which may materially affect the nature, complexity and quality of CoO requests received.

Although a comprehensive pre-implementation baseline is not available, the available evidence suggests that post-R0155 performance represents an overall improvement. As noted above, subjective analysis during the R0155 consultation noted that the majority of Suppliers were resolving CoO requests beyond the proposed 10 Working Day target, and pre-change analysis indicated an approval rate of approximately 55%. The post-implementation data therefore suggests improvement in overall outcomes, while also demonstrating that further improvements remain possible. This is consistent with the stakeholder sentiment feedback set out earlier in this paper.

Overall, the quantitative evidence indicates that R0155 has contributed to improved outcomes, but it also highlights the importance of establishing a clear baseline and measurable success criteria before implementation. Without this, it is more difficult to assess the extent to which a complex change has delivered its intended benefits and to distinguish between process improvements, portfolio-specific factors and wider operational constraints.

Any such success criteria should also consider the impact on consumer outcomes; for R0155 this would have included the cost borne in consumer bills due to delays meaning that the consumer was charged at higher deemed rates. Measuring consumer outcomes like this would provide a more quantifiable measure for Parties on how the costs for the change compare against the benefits for the industry.

Recommendation 6: For future complex changes, the Code Manager should, where possible, capture relevant baseline performance before implementation and define clear success measures against which the effectiveness of the change can be assessed, with emphasis on any quantifiable consumer outcomes. This would support more robust post-implementation evaluation and provide greater confidence that the intended benefits of the change have been delivered.

3 NEXT STEPS

A draft report was shared with the REC Code Manager Change Team who noted that “The Change Team welcomes the findings of the Deep Dive and supports the conclusion that R0155 has delivered improved outcomes, while recognising further improvements are needed. The team is particularly pleased that strong stakeholder engagement and collaboration were viewed positively and contributed to a pragmatic and effective solution”.

As part of the Forward Work Plan 2026–29, RECCo have outlined their intention to review and update the REC Change Process to align with the standardised modification arrangements under the new Code Manager licence and with the Preliminary Strategic Direction Statement Objective 11.2 on Governance & Institutions.

We will therefore share this list of recommendations with the REC Code Manager and RECCo to consider as part of their updates to the Change Management process.

PAB DECISION

The Code Manager requests PAB to **APPROVE** the following:

- Sharing of the recommendations set out in this paper with the REC Code Manager and RECCo

APPENDIX A – LIST OF RECOMMENDATIONS

Recommendation 1: The Code Manager should continue to undertake readiness activity for complex changes, as the evidence from this review suggests that such activity is both effective and valued by stakeholders in supporting implementation preparedness and reducing the risk of avoidable issues arising at go-live. This readiness activity should also be expanded to consider practical process assurance where relevant.

Recommendation 2: A formalised post-implementation review framework should be introduced for complex changes in order to identify unresolved issues, capture lessons learned and support continuous improvement of the Change process. This would also help ensure that material issues which do not otherwise enter formal governance routes are still identified and considered.

Recommendation 3: The Code Manager should continue to seek and consider stakeholder feedback throughout the development and implementation of complex changes. This review indicates that stakeholders valued consultations and working group discussions, particularly where feedback was listened to and acted upon where possible. Continuing this approach should support pragmatic and deliverable change outcomes, while helping to identify implementation risks at an earlier stage.

Recommendation 4: The Code Manager should therefore continue to outline the proposed Performance Assurance approach as part of Change where relevant. However, any post-change review should also demonstrate to industry to what extent the Change has achieved the desired outcomes, or in cases where it has not, what steps will be taken.

Recommendation 5: For future complex changes, the Final Change Report should also include a clearer link between the Change solution and to what extent it fully addresses the problem statement, else any issues that sit outside its scope. This would help Parties better understand the intended benefits of the change and manage expectations where wider operational or customer behaviour issues are having an impact and are unlikely to be fully resolved with the change.

Recommendation 6: For future complex changes, the Code Manager should, where possible, capture relevant baseline performance before implementation and define clear success measures against which the effectiveness of the change can be assessed, with emphasis on any quantifiable consumer outcomes. This would support more robust post-implementation evaluation and provide greater confidence that the intended benefits of the change have been delivered.

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APPENDIX B – SURVEY QUESTIONS

Critical Changes Deep Dive (R0155) Survey

This Deep Dive was launched after recent change process reviews indicated challenges in identifying, delivering, and realising benefits of REC changes.
The purpose of this survey is to gather feedback on the R0155 change, specifically focusing on its implementation process and overall impact. Your responses will provide crucial insights that will help us understand what worked well and identify areas for improvement in future change initiatives.

The survey should take about 5 minutes to complete in total, however the majority of questions are optional so please feel free to provide input on any or all of the areas. Thank you for your response and contribution towards the Deep Dive.

You can find out more about REC Change R0155 here: https://recportal.co.uk/group/guest/-/change-of-tenancy-evidentiary-standards-and-timescales

If you have any questions about the Deep Dive or the form, please contact us via enquiries@recmanager.co.uk

1. To what extent do you believe that the following **problem statements** set out in R0155 have been **resolved**? *

	Not Resolved	Partially Resolved	Fully Resolved	Unsure
Non-Domestic Consumers may struggle to quickly and easily update a supplier when they become the new owner/occupier or responsible bill payer for a property.	○	○	○	○
Energy Suppliers may struggle to quickly and easily update their billing and contractual records for non-domestic properties.	○	○	○	○
Third Party Intermediaries (TPIs) may struggle to provide Non-Domestic Consumers and Energy Suppliers with a service.	○	○	○	○

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2. For any statements that you have marked as "Not Resolved" or "Partially Resolved", **please elaborate on what aspects have not been resolved adequately**:

3. To what extent do you agree with the following statements regarding the **outcomes for R0155**: *

	Disagree	Partially Agree	Fully Agree	Unsure
The Non-Domestic Change of Occupier process is clearly set out in the Code and guidance	○	○	○	○
The benefits of the change have outweighed the costs	○	○	○	○
Other REC Parties are acting in-line with their REC obligations in relation to Non-Domestic Change of Occupier process	○	○	○	○

4. For any outcomes that you have marked as "Disagree" or "Partially Agree", **please elaborate on why you believe these outcomes have not been fully met, and any actions that should be taken to improve these outcomes**:

5. **Optional:** Do you have any additional **feedback on the change process for R0155**; this may include any elements of the change lifecycle (e.g. how the change was raised, managed, communicated, implemented), or how this lead to any positive or negative outcomes.

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6. **Optional:** Do you have any additional **feedback on the outcomes from R0155**; this may include how it positively or negatively impacted your ability to understand and comply with your REC obligations over the Non-Domestic Change of Occupier process.

7. Please provide your **organisation type** *

- ◯ Large Supplier (>250k RMPs)
- ◯ Small-to-Medium Supplier (<250k RMPs)
- ◯ Non-REC Party Market Participants (e.g. TPI)
- ◯ Consumer and/or Consumer Interest Group

8. **Optional:** If you are happy for us to contact you regarding your responses, please leave your organisation name and your email address