

Ministers spark energy regulator board overhaul amid prepayment meter scandal

The government is preparing to replace a slate of Ofgem's directors this year as the energy regulator faces intense criticism over its handling of the prepayment meters scandal.

Sky News understands that the Department for Energy Security and Net Zero (ESNZ) has begun recruiting a new chair for the watchdog, as well as four non-executive board members.

The Ofgem board currently comprises Professor Martin Cave, who will step down as chairman in October when his five-year term expires, a slate of independent directors and Jonathan Brearley, its chief executive.

Two non-executives who have already departed will be replaced, while two more – Lynne Embleton and John Crackett – have terms expiring later this year.

A further two board members are due to serve until 2025.

An Ofgem spokesperson said its chairman "will not be seeking reappointment for the role".

"The chair will be appointed by the Secretary of State for the Department for Energy Security and Net Zero who are overseeing the selection process."

Insiders at the watchdog disputed the characterisation of the recruitment process as a clearout and insisted that it represented "business as usual appointments related to the natural expiry of contracts and standard procedure".



Image:

Jonathan Brearley is Ofgem's chief executive

They insisted that Ms Embleton and Mr Crackett could be reappointed to serve a further five-year term, while the non-executive contingent could swell to as many as eight directors before reducing as appointment terms come to an end.

Advertisement

Nevertheless, many industry executives have been pressing for an overhaul of the Ofgem board for some time.

Mr Brearley has also come under intense pressure, with former prime minister Gordon Brown saying he should consider resigning over the scandal which saw thousands of vulnerable households forced to install costlier prepayment meters.

Ofgem has since unveiled a series of measures to crack down on misconduct by energy suppliers.

The board recruitment process is being run by Audeliss Executive Search.

Read more from business:

[Cost of living crisis triggering wave of workplace crime](#)

Heathrow annual losses halve as pandemic recovery gathers speed

Potential candidates for the chairmanship have been given until the middle of next month to apply for the role, which pays up to £180,000-a-year for an average of about three days a week.

Ofgem's new non-executive directors will receive annual fees of £20,000.

A government spokesperson said: "Ofgem protects consumers and ensures effective energy regulation in Great Britain, and the roles of chair and board members of Ofgem are essential to that purpose.

"Audeliss are specialists in the recruitment of diverse executive and board level appointments.

"The recruitment process is in progress.

"The new Ofgem chair and non-executive directors will be announced in due course."