

Factsheet 82

Switching energy supplier

September 2016

About this factsheet

This factsheet looks at the issues involved in switching energy suppliers. It explains how to switch to get the best deal and save money on your bills.

The information in this factsheet is applicable in England, Wales and Scotland. If you are in Northern Ireland, please contact Age NI for their version. Contact details can be found at the back of the factsheet.

Contact details for other organisations mentioned in the factsheet can be found under Useful organisations.

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1 Recent developments

- The Competition and Markets Authority have put forward a package of remedies to address problems they identified in the energy market. They plan to cap the amount a prepayment customer can be charged in a year and have recommended that Ofgem set up a database of '*disengaged*' customers and make changes to their rules for suppliers and Price Comparison Websites. Ofgem have adopted some recommendations and are consulting on others.
- The Warm Home Discount scheme has been extended until 2020-21. This year, '*dual fuel*' customers may request the discount as credit on their gas account instead of their electricity account. Further changes may be made in the 2017-18 scheme year, for example automatic discounts may be provided to a wider range of people, but the Government have said that they intend to protect the older people who currently benefit.
- The trade association for the energy industry, Energy UK, have developed a voluntary '*Energy Switch Guarantee*'. A supplier who signs up agrees to adhere to 10 commitments on switching.

2 Introduction

This factsheet explains how to switch energy supplier to get the best deal for you. Switching can result in substantial savings on your bills – the Government estimate that millions of households could save £200 each year and some could save even more.

It is becoming easier and easier to switch. At present, it should take no more than 21 days including a 14-day '*cooling-off period*' and the industry is working towards reliable next-day switching by the end of 2018. Unless you need a new meter installed, no physical changes should be made to your property and your energy supply should not be interrupted.

However, the energy market is complex and fast moving. You do not have to understand all aspects of the market to switch supplier, but it may help if you understand basic principles. The following sections explain these principles and define some key terms.

Who '*supplies*' my energy?

Your home is connected to a network of pipes and cables that transmit energy from where it is generated. Energy is delivered to your home by a '*network operator*' or two different operators if you use both mains gas and electricity. Different network operators cover different geographical areas, so you cannot choose who delivers your energy.

You do not pay energy bills to your network operator. These are paid to your '*energy supplier*' and you may have two different suppliers for gas and electricity. Energy suppliers buy gas and electricity and sell it to you.

The distinction is important because network operators and energy suppliers have different functions. Contact your gas or electricity network operator if your supply is interrupted and your energy supplier if you want to talk about your bills or are threatened with disconnection. You can find out who your network operator is by contacting the Energy Networks Association.

Network operators and energy suppliers operate separate '*Priority Services Registers*' offering help if you have reached pension age or are chronically sick or disabled. Make sure you join all available registers to benefit from the full range of services. See factsheet 1, *Help with heating costs*, for more information. In Scotland, see Age Scotland's factsheet 1s, *Help with heating*. In Wales, see Age Cymru's factsheet 1w, *Help with heating costs in Wales*.

What is an energy 'tariff'?

Suppliers offer different energy deals to customers, known as '*tariffs*'. Your tariff determines the price you pay per kilowatt hour (kWh) of energy used. This is the '*unit*' used to measure both gas and electricity for billing purposes.

Some tariffs are '*fixed price*', meaning you pay a set amount per unit of energy used over a defined period of time. This does not mean your bills are fixed – they vary according to your energy usage.

Some tariffs are '*variable*', meaning the price you pay per unit fluctuates with changes in wholesale energy prices. If your fixed-price plan comes to an end and you do not switch, your supplier must transfer you on to their cheapest variable tariff. This is unlikely to be the best deal for you, so try and shop around for a better one.

Some tariffs are '*capped*', meaning the price you pay per unit can go up or down but cannot exceed a certain threshold. Others allow you to pay different amounts at different times of day. See section 7 for more information about the types of tariff that might be available.

How is the energy market regulated?

The energy market is regulated by the Office of Gas and Electricity Markets (Ofgem). They set conditions that energy suppliers and network operators must meet to be licensed, which cover:

- the type and range of tariffs suppliers can offer
- what information must be given on bills and in other communications
- '*priority services*' for older, disabled and chronically sick customers
- disconnection and how older or disabled households are treated.

What upcoming changes should I be aware of?

The energy market has been investigated by the Competition and Markets Authority (CMA). They look at whether a market is working well for consumers and what barriers there are to effective competition.

CMA decided there are a number of barriers in the energy market. They have put forward proposals to remedy this, including a proposal to introduce a cap on the amount prepayment customers have to pay each year, effective until the end of 2020. They have made recommendations to Ofgem, who are:

- Setting up a database of '*disengaged*' customers, i.e. customers who have been on a supplier's '*default*' tariff for three years or more. Rival suppliers can access the database and contact customers by post. Customers can opt out of having their details entered. The database goes live in spring 2018.
- Looking at how to improve customer engagement, e.g. by changing the information in bills and how this is presented. This may involve randomised testing, leading to greater variation between bills.
- Consulting on changes to conditions attached to suppliers' licences, including the ban on complex tariffs, the rule limiting the number of tariffs a supplier can offer, rules restricting the range of discounts and special offers available and the requirement to make all tariffs available to all customers.
- Consulting on changes to the Confidence Code that governs accredited Price Comparison Websites (PCWs). PCWs currently have to cover the whole market, but Ofgem are proposing to give them more flexibility over how they display tariffs.

At the time of writing, Ofgem have not made any changes to supplier licences. However, they have said that they will not generally penalise suppliers for breaching the conditions CMA want them to remove. This means that there may be more tariffs on offer than in previous years. Tariffs may also be more complex, potentially making them harder to compare.

Ofgem say customers should be able to understand new tariffs and assess value for money in comparison with other tariffs offered by the supplier. Suppliers should take steps to address potential detriment to customers, including those in vulnerable situations.

This factsheet guides you through the process of comparing deals and switching supplier, but you may wish to seek advice from a local advice agency if you find the range of deals on offer confusing.

3 Before you start

Review your overall financial situation before switching supplier, to make sure you are claiming all the benefits you are entitled to.

To find out what you might qualify for, use the benefits calculator on the Age UK website or visit your local Age UK or Age Cymru for advice or assistance. Contact Age Scotland in Scotland.

It is worth claiming even if you are only entitled to a small amount of benefit, as you may find you are entitled to other allowances or eligible for other forms of assistance as a result.

For example, claiming a small top up of Pension Credit means you receive a Cold Weather Payment to help with heating costs during particularly cold spells. Sometimes you qualify for additional help simply because you have '*underlying entitlement*' to a benefit, even if your circumstances mean you do not receive payments.

For information about Cold Weather Payments, see factsheet 1, *Help with heating costs*. In Scotland, see factsheet 1s, *Help with heating*. In Wales, see factsheet 1w, *Help with heating costs in Wales*. For information about Pension Credit see factsheet 48, *Pension Credit*.

4 What information do I need?

4.1 Basic information and where to find it

To get the best deal, try to make an accurate comparison of available tariffs based on your own energy usage and personal circumstances.

Tariffs are given a '*Tariff Comparison Rate*' (TCR), which is the equivalent of an '*Annual Percentage Rate*' for bank loans. TCRs are an easy way to compare deals, but they should be used as a guide only. They are calculated based on the estimated annual bill for a customer on that tariff, which is divided by the amount of energy used each year by a typical or average customer. You may use a different amount of energy or use energy in a different way.

For a more accurate comparison, gather the following information:

- your postcode
- the name of your supplier
- the name of your current tariff
- whether you are on a dual fuel tariff, meaning you have one plan for gas and electricity from the same supplier
- how you pay your bills, e.g. monthly/quarterly by direct debit, on receipt of the bill or prepayment
- whether you have an 'Economy 7' meter, meaning you pay two different rates for your electricity depending on the time of day

- your '*annual consumption details*' (how much energy you used over the past 12 months, or your supplier's best estimate) or your '*personal projection*' (a personalised estimate of what you can expect to pay over the next 12 months based on your tariff information and previous consumption).

You should be able to find this information on your latest bill or your '*annual statement*'. Citizens Advice have an online tool to help navigate energy bills and find the information you need, see:

www.citizensadvice.org.uk/consumer/energy/energy-supply/problems-with-your-energy-bill/understand-your-energy-bill/

Bills and statements should include information about your supplier's cheapest overall tariff and cheapest similar tariff, with a personalised savings message showing how much you could save by switching. Remember other suppliers may offer better deals, so it is worth shopping around.

If you cannot find the information listed above on your bill, contact your supplier. You may want to ask your supplier for your '*Tariff Information Label*', which gives information about your tariff such as the unit rate (the amount you pay per kWh of energy used), the standing charge (a fixed amount you pay per day, like a service charge), when the tariff ends if it's a fixed-price plan and how much you have to pay to terminate the plan early. This information must be on your annual statement.

Note

Information and messaging in bills will be changing as a result of CMA's energy market investigation. Ofgem are looking at how bills can be used to improve customer engagement and may carry out randomised testing to see what works. This would mean greater variation between bills. They are developing new tools to make a wider range of tariffs comparable. Specifically, they propose to:

- get rid of the Tariff Comparison Rate
- change the way personal projections are calculated to allow for a wider range of discounts
- change the format of the Tariff Information Label.

In the meantime, they have said suppliers should ensure customers (including those in vulnerable situations) continue to receive appropriate prompts to engage, are not misled and are able to make properly informed decisions.

If you find it difficult to compare deals due to the number on offer or because your bills do not contain the information you need, seek advice.

4.2 Other considerations

How would you like to pay your bill?

Think about how you would like to pay for your energy and how often. The common payment methods are:

- Paying on receipt of a bill by cash or cheque or through online banking.
- Paying monthly or quarterly by direct debit – this could be a set amount each time or can vary according to energy usage. If you pay a set amount, you may over pay or under pay, particularly if the weather is milder or colder than expected or if you are on holiday or in hospital. If your direct debit is variable, you need to supply meter readings.
- Prepayment meter.

Note

Some payment methods are cheaper than others. For example, paying by direct debit is usually cheaper.

Prepayment meters, which need to be topped up with credit, can seem an easy way of controlling how much you spend if you are on a low income. However, prepayment tariffs are often much more expensive. If you are struggling with your energy bills, you may wish to do a benefits check or speak to an adviser about how you might reduce your energy spending before deciding to switch to a prepayment meter.

Do you want to switch both electricity and gas?

You may get a better deal if you switch to a single plan for electricity and gas (known as dual fuel). There are other advantages to this, for example simpler bill payments and hopefully quicker resolution to any problems as there is only one account to query.

Do you want to manage your account online?

You may be able to get a discount on your tariff if you agree to manage your account online. Another benefit is you can easily provide regular meter readings, so you will not receive estimated bills which can be higher or lower than your actual usage. You may be required to pay by direct debit.

Does your current contract carry an 'early termination fee'?

Check with your existing supplier whether you have a fixed-term contract. If you do, you may face an early termination fee as a penalty for cancelling your contract before the end of the term, which could offset the benefit of switching.

Your supplier should not charge this fee if you switch in the weeks before your contract is due to come to an end. This is known as the '*switching window*' and starts 49 days before your contract ends. Your supplier must write to you at least six weeks before the contract ends to tell you about it.

5 How to find a deal and switch

Once you have all required information and have decided you would like to shop around for a better deal, find out which companies operate in your area and how much they charge. Six major suppliers of gas and electricity cover the UK, but smaller suppliers may offer a good deal. You can find contact details for energy companies online or by calling the Citizens Advice consumer helpline.

5.1 Using the internet

Using the internet may be the easiest way to shop around for a good deal. There are Price Comparison Websites (PCWs) you can use to compare deals. Once you enter your information, the website makes the comparisons for you and provides a list of suitable options. If you decide to switch, the website can contact your chosen supplier for you.

It is important to use an impartial website. Some are '*Ofgem accredited*', meaning they have signed up to a voluntary '*Confidence Code*' and offer independent and unbiased comparisons. Look for the Confidence Code logo or see the list of accredited PCWs below.

Many of the best offers can be found online. If you do not have access to a computer at home and friends or family cannot help, your local library may offer free internet access. If you use a public computer, be careful entering personal information. Do not leave your computer unattended and check nobody is watching over your shoulder. Check a local advice agency to see if they have information on cheap broadband offers, discounted computers, or technology training.

Currently, accredited PCWs include comparisons for all available domestic tariffs. Following the CMA investigation, Ofgem are consulting on giving PCWs greater flexibility over how they display tariffs. Under their proposals, PCWs would be able to display a limited number of tariffs as a default or 'pre-tick' a filter giving you the option of viewing the whole or part of the market. This would allow PCWs to enter into deals with suppliers and offer tariffs at a discount, but may mean you miss out on better deals.

For a whole-market comparison, CMA recommend using the Citizens Advice price comparison online tool:

<https://energycompare.citizensadvice.org.uk/>

This cannot carry out a switch, but may be the easiest way of comparing all available deals.

5.2 Over the phone

Some accredited PCWs offer a telephone service. Alternatively, you can call individual suppliers for a quote and compare deals before making a decision. They should give you this information over the phone or send you pricing details.

Suppliers must provide Tariff Information Labels free of charge, but these are not personalised and should be used for guidance only. Ensure you are given quotes based on your energy consumption, your preferred payment method and any discounts you are likely to receive.

You can enter into a contract with a supplier without signing anything. A contract is likely to be made if there is a clear agreement between you and the seller that you want to be supplied with their goods or services. If you enter into an energy contract, the supplier must send you a written copy or confirmation of your agreement within a reasonable period. You should read this carefully to check that everything you agreed to is included and that the deal is appropriate for you. Speak to an adviser immediately if you have any concerns, as you have limited time to cancel.

5.3 Ofgem-accredited price comparison websites

www.energyhelpline.com	Tel: 0800 074 0745 (free call)
www.energylinx.com	Tel: 0800 849 7077 (free call)
www.moneysupermarket.com	Tel: 0800 177 7087
www.myutilitygenius.co.uk	Tel: 0203 468 0461
www.simplyswitch.com	Tel: 0800 011 1395 (free call)
www.switchgasandelectric.com	Tel: 03333 700 600
www.theenergyshop.com	Tel 0845 330 7247
www.ukpower.co.uk	Tel: 0800 860 6866 (free call)
www.unravelit.com	n/a
www.uswitch.com	Tel: 0800 051 5493 (free call)
www.runpathdigital.com	n/a
www.quotezone.co.uk	n/a

5.4 Door-to-door sales

Few energy suppliers sell contracts on the doorstep. If a sales person calls at your home trying to sell gas or electricity, follow these guidelines:

- Ask them for identification – all sales people must carry this.
- If you are in any doubt, check they are who they say they are. Ask which company they are from and get the company telephone number from directory enquiries or the phone book. Do not get it from the caller.
- Do not let anyone into your home if you are in any way unsure or unhappy. If you want a friend or family member to be with you, ask the caller to come back at a convenient time.

Note

Although it may be helpful to speak to someone face to face, be wary of a sales agent who arrives unannounced and remember they may only work for one energy supplier so their advice is not impartial. For more information, see Age UK's information guide *Avoiding scams*.

6 Useful questions to ask suppliers

Some questions to think about before you make a decision include:

- What payment methods are offered?
- Are there special discounts or schemes?
- What is the daily standing charge? Some suppliers set their standing charge at zero; others do not but charge a higher unit price. A low standing charge may benefit if you use little energy.
- What are the supplier's policies on debts and disconnection? You may also want to find out how suppliers rate for customer satisfaction and service – some PCWs are able to tell you this.
- Is the supplier signed up to the Warm Home Discount scheme? See section 12.3 for information on how switching affects your Warm Home Discount.
- Has the supplier signed the Energy Switch Guarantee? See below for more information.

Note

If you currently pay by fixed direct debit, a new energy supplier may try to tempt you to switch by offering to beat your current direct debit payments. Lowering the amount you pay by direct debit does not lower the cost of energy, just how much you pay each month. You may find you get a larger final bill at the end of the year and any debt you accrue could prevent you from switching supplier.

Seek advice if you are in this position; unless your contract states otherwise, your supplier must take all reasonable steps to use accurate and up-to-date information when setting your direct debits.

6.1 The Energy Switch Guarantee

Energy UK have developed an '*Energy Switch Guarantee*'. This is a list of commitments on switching that participating suppliers agree to adhere to. They are regularly checked for compliance.

The Guarantee is voluntary, so check a supplier's website for the logo or contact them to ask if they have signed up. A full list of participating suppliers is online at www.energyswitchguarantee.com/signatories/

The commitments are:

- 1 All energy suppliers use the same wires and pipes, therefore your energy supply will not be interrupted.
- 2 The switching service is free.
- 3 The switch takes no more than 21 days from the date your new supplier receives your completed application.
- 4 Your new energy supplier will not need to visit your home to complete the switch unless you agree otherwise.
- 5 Your new energy supplier arranges the switch, including contacting your current supplier to let them know you are leaving.
- 6 Your new energy supplier sends details of your new energy supply agreement for you to check and you have 14 days to change your mind. If you cancel in this time, you stay with your current supplier.
- 7 Your new and current suppliers work together to make sure you are not charged twice for the same energy.
- 8 If there are problems making the switch, your new supplier contacts you as soon as possible and is responsible for putting the matter right.
- 9 Your current supplier sends you a final bill no later than six weeks after the switch.
- 10 If your current supplier owes you money, they refund this to you no later than 14 days after sending you the final bill.

Some of these commitments are legal requirements or Ofgem licence conditions and apply to all suppliers, not just those who have signed up to the Guarantee. For example, the 14-day '*cooling-off period*' is a legal requirement and the obligation to complete a switch within three weeks is an Ofgem licence condition. However, picking a supplier who has signed up should give you confidence that switching will be hassle-free and any problems will be resolved promptly.

7 Types of tariff

There is a range of different types of tariff on offer. Some tend to be more expensive than others, but prices will vary between suppliers. You should also consider how much energy you use, when you use it and what your priorities are – for example, do you want a contract without an early termination fee? Do you want greater control over your energy costs? Do you want to contribute to environmental schemes?

7.1 Standard tariffs

A standard tariff is the supplier's basic tariff, although it can often be their most expensive. The amount you pay for energy can go up or down with the market. It is sometimes referred to as an '*evergreen*' tariff, as you do not face an early termination fee if you switch supplier.

7.2 Fixed-price tariffs

A fixed-price tariff means the price you pay per unit of electricity or gas will not change for a set period of time (usually one or two years, although longer fixed terms may be available). This does not mean your bills are fixed. They vary according to how much energy you use.

A fixed-price tariff provides you with some stability and certainty over energy costs. You are protected from price rises during the fixed term but bear in mind you will not benefit from price reductions.

Unless you are in your '*switching window*', you are likely to incur an early termination fee if you leave before the end of the fixed period. Your switching window begins 49 days before your plan is due to come to an end. Your supplier must write to you at least six weeks before your plan ends, saying you may now cancel your contract without being charged and reminding you about switching your tariff or supplier.

If you do not switch supplier or expressly agree a new contract with your current supplier, they must roll you onto their cheapest evergreen tariff at the end of your fixed period. This is unlikely to be the best deal, so look at your supplier's other tariffs or shop around for a better offer.

If your supplier does not give notice that your fixed term is coming to an end, tries to charge you an early termination fee when you switch after receiving such a notice or rolls you onto another fixed-price tariff without your consent, complain to your supplier and the Energy Ombudsman if you are unhappy with the outcome.

7.3 Capped-price tariffs

A capped-price tariff guarantees the price paid per kWh will not rise beyond a capped level for a set period of time. The price can decrease if the supplier's standard prices decrease during the period. Your bills continue to vary depending on how much energy is used. If you leave before the end of the specified period, you may be charged a termination fee. Check the terms of your contract to see whether this applies.

7.4 Economy 7 tariffs

Economy 7 is a special electricity tariff that allows you to pay different rates during the day or night. You need a multi-rate meter to switch to one of these tariffs. Your bill is split into two parts. You are charged for seven hours of electricity at the '*night rate*', which is cheaper, and the rest at the '*day rate*', which is slightly higher than a standard tariff.

Economy 7 tariffs can save you money if you use storage heaters, because they can charge up at night when your electricity is cheaper. Economy 7 is not a cheap option for anyone without electric storage heating.

7.5 Green tariffs

Green tariffs contribute to environmental schemes, but this does not guarantee that your energy supply comes directly from renewable sources such as solar/wind energy or hydroelectricity.

7.6 Feed-in tariffs

A feed-in tariff (FIT) offers guaranteed cash payments to households who produce their own electricity at home using renewable technologies such as solar panels or wind turbines. You are paid for the energy you generate and for any surplus energy you export to the grid.

For more information about renewable technologies see the Energy Saving Trust website.

8 Collective switching

If you do not want to shop around for an energy deal, you may be able to switch supplier through collective switching. This is where a third party organisation, such as a charity or a local authority, negotiates with suppliers on behalf of a large group of customers.

To do this, you must register your interest with a scheme and provide details of how much you pay for gas and electricity. Check before you register whether you are committing to switch or whether you have an opportunity to reject the deal if you are not happy with it.

After the registration period closes, the information from registered customers is passed to the energy companies, who offer their best price to the whole group. There is no guarantee this is the cheapest deal on the market. You may have to shop around to be sure.

For more information about collective switching schemes, contact the Citizens Advice consumer service or speak to your local authority about registering with them.

9 Decided to switch – what next?

If you decide to switch, your new supplier should set this up for you. They ask for a meter reading to pass to your old supplier so you can be billed for any outstanding money you owe. You have to provide your meter reference number, which you can find on your bill. Your new supplier should tell you when to expect your first bill and the date from which they will begin charging you.

You should receive a final bill from your old supplier within six weeks of the date of the switch. You should settle this as soon as possible. If you pay your bills through direct debit, make sure you cancel the instruction.

When you switch to a new supplier, keep a record of the following:

- the date you agreed the deal/signed the contract
- details of the deal agreed
- meter readings on the date of the switch
- any letters/emails sent between you and the supplier
- contact numbers and names of people you have spoken to and the dates of your conversations
- the final bill from your old supplier.

10 Changed your mind?

If you change your mind about switching energy suppliers, you have a '*cooling-off period*' of 14 calendar days in which to cancel your new contract without giving a reason or incurring an early termination fee.

Your new supplier should not start your supply of gas or electricity within the cooling-off period unless you have specifically requested they do so. If they start the supply without you having made this request, you should not be liable to pay for it during the cooling-off period. If you are trying to decide whether to ask your new supplier to start the supply during the cooling-off period, ask them what their procedures would be if you decided to cancel the switch, i.e. would you be returned to your original supplier?

If you are no longer within your cooling-off period and wish to switch back to your previous supplier, you should check the terms of your contract to see whether there is an early termination fee.

If you were not told about your right to cancel when you entered into the contract, your cooling-off period may be extended. If you are told within 12 months of the first day of what should have been your cooling-off period, you have 14 days from that point in which to cancel. If you are not told or told at a later stage, your cooling-off period ends 12 months and 14 days after you signed the contract.

If you feel you have been misled or harassed into switching energy supplier, you may have rights to redress, such as the right to unwind your contract within 90 days or claim a discount on past or future payments. Seek advice immediately if you are in this position.

11 Complaints

When you enter into a new contract, if you find the terms are not as initially agreed or the service is clearly not suitable for your needs, you should contact your new supplier to complain.

If you cannot resolve your complaint or are not satisfied with your supplier's response, you can refer your complaint to the Energy Ombudsman.

For more help and information on your rights and making a complaint about an energy supplier, see the Citizens Advice website or call Citizens Advice consumer helpline.

If you are concerned that you, a friend or relative, may have entered into a contract while lacking the mental capacity to do so, you should seek advice. Under the *Mental Capacity Act 2005*, a person must pay a 'reasonable' sum for a 'necessary' service, even if they lacked capacity to contract for that service. In Scotland, call Silver Line Scotland for more information as different legislation applies.

For more information on the *Mental Capacity Act 2005* see factsheet 22, *Arranging for someone to make decisions on your behalf*. In Scotland, see factsheet 103s, *Legal options for someone who has lost capacity*, factsheet 104s, *Ways that you can help someone else to manage their money and benefits* and Age Scotland's *Guide to Mental Capacity in Scotland*.

12 Frequently asked questions

12.1 Can I switch if I rent my property?

If you are a tenant and directly responsible for paying your energy bills, you can switch suppliers at any time.

Make sure you check the terms of your tenancy agreement before you switch. You should be able to switch if the agreement states that your landlord has a preferred supplier, but you might be required to inform the landlord or switch back to the original supplier at the end of your tenancy. Ofgem rules state that landlords should make their tenants aware of any tie-ins with specific energy suppliers and should provide details of applicable tariffs and prices at the outset.

If there is a clause in your agreement forbidding you from switching supplier, speak to the Citizens Advice consumer service or a specialist housing organisation like Shelter. A clause like this goes against Ofgem rules, but you may need to think about your security of tenure and how easily you can be evicted when deciding whether to enforce your rights. For more information see factsheet 68, *Tenancy rights – security of tenure*. In Scotland, see the Age Scotland factsheet *Private tenants' rights*.

Your landlord should not unreasonably prevent you from switching, but you should always consider what security of tenure you have and how easily you can be evicted. Your landlord should not unreasonably restrict your ability to switch payment method, e.g. by replacing a prepayment meter with a credit meter. However, there might be a term in your tenancy agreement requiring you to revert to the original payment method at the end of your tenancy, which could cost you. Before you switch meters, check to see whether your supplier will do so for free.

If your landlord is responsible for paying your bills, for example if they pay the supplier(s) directly and reclaim the money from you, or if bills are included in your rent, they have the right to choose the supplier(s). There is a maximum amount they can charge, called the Maximum Resale Price. Speak to an adviser if you think you are being charged too much.

12.2 Can I switch if I am in arrears with your gas or electricity?

You may be able to switch supplier if you are in arrears. If you are on a prepayment meter and have owed money for less than 28 days or have arrears of less than £500 for gas and £500 for electricity, your existing supplier should not prevent you from switching. Your preferred supplier may refuse to accept your application to switch but, if they do, your debt will be transferred to them.

If you are not on a prepayment meter and have been in arrears of any amount for more than 28 days, your supplier can prevent you from switching until you have repaid the debt.

Your supplier cannot prevent you from switching if it is their fault you are in debt, for example if they took an incorrect meter reading. However, you still have to pay back any money you owe.

If you are in debt, your supplier may be able to prevent you from switching even if you wish to do so because you have been notified of a price increase. However, you can switch if you clear the arrears within 30 working days of receiving notice that you would otherwise be prevented from doing so.

If your supplier is preventing you from switching due to debt, they must give you information on how you can dispute or resolve this, along with advice on energy efficiency, debt management and details of any alternative tariffs that might be cheaper for you.

If you are in arrears, speak to your supplier to make arrangements to repay them and seek advice immediately if threatened with disconnection. For more information, in England refer to factsheet 1, *Help with heating costs*. In Wales, see Age Cymru's factsheet 1w, *Help with heating costs in Wales*. In Scotland, see Age Scotland's factsheet 1s, *Help with heating*.

Note

If you have been in arrears in the past, a new supplier may refuse to supply you without some sort of financial security in place. For example, you may be asked to put down a deposit. If you have concerns about the financial security you are being asked to provide, ask whether you can provide security in a different way.

12.3 Will switching supplier affect my Warm Home Discount?

If you are in receipt of certain means-tested benefits, including the Guarantee Element of Pension Credit, you may be entitled to a one-off £140 discount on the cost of your energy during the winter months. This is known as the Warm Home Discount. The discount is usually applied to your electricity account, but if you are a dual fuel customer you can ask for it to be applied to your gas account.

Not all suppliers participate in the Warm Home Discount scheme. If you are eligible for a discount and switch to a non-participating supplier, this could effectively offset any savings you make on your bills.

Switching to a non-participating supplier does not necessarily mean you will not receive a Warm Home Discount this year. This is because some people receive the discount automatically so long as they are assessed as having met certain conditions on a specific date (the '*qualifying date*').

The conditions are:

- your electricity supplier is part of the scheme
- your name (or your partner's) is on the bill
- you are entitled to the Guarantee Credit element of Pension Credit.

This year, the qualifying date is 10 July 2016. If you met the conditions on that date, you should receive a discount before April 2017 even if you switch to a non-participating supplier. Your old supplier should provide the discount, usually by cheque through the post. However, you will not be entitled to a discount in future if you stay with your new supplier.

If you switch from a non-participating to a participating supplier after the qualifying date, you may not receive a discount even though your new supplier is part of the scheme. This is because you would not have fulfilled all of the conditions on the qualifying date.

If you are not eligible because you are not in receipt of Guarantee Credit, or you only switched to a participating supplier after the qualifying date, you may be eligible for a discount under your supplier's '*Broader Group*' rules. You will have to apply directly to your supplier for a Broader Group discount. Contact them for information on their rules and how to apply.

Suppliers can set their own Broader Group rules, but they must include certain standard criteria, e.g. being in receipt of income-related Employment and Support Allowance with a pensioner premium. If you meet one of these standard criteria, it should be easier for you to switch between participating suppliers without losing your discount. However, you should consider the time of year: Broader Group funds are cash limited and suppliers may refuse to accept applications towards the end of the financial year.

Note

The Warm Home Discount scheme will run until at least 2020-21. The Government are considering changing how it is delivered from 2017-18 onwards. They may scrap the Broader Group and provide automatic discounts to a wider range of people. The aim is to better target households most at risk of fuel poverty, notably low-income families of working age. However, the Government say they intend to protect the older people who currently benefit.

12.4 I have a smart meter – can I switch?

The Government aims to install smart meters in all UK homes by 2020. The general rollout of this installation programme began in 2015, with most suppliers beginning a full-scale rollout in 2016.

You can still switch energy supplier if you have a smart meter installed, but your new supplier might not be able to offer you the same functions as your current supplier (e.g. remote meter readings and being able to see the cost of your energy use in pounds and pence).

Under Ofgem rules, your new supplier must tell you about any potential loss of function before you switch. If you are using a smart meter as a prepayment meter and then switch suppliers, you should not have to pay if your new supplier needs to replace the meter in order for you to continue on a prepayment tariff.

See factsheet 1, *Help with heating costs* or Age Cymru's factsheet 1w, *Help with heating costs in Wales* or Age Scotland's factsheet 1s, *Help with heating* for more information.

12.5 I live in a remote area – can I switch?

Some remote parts of the UK are supported by a single energy supplier and there is no option other than to remain with them. However, you can look at other ways of reducing your energy bills, such as ensuring your home is energy efficient. You might consider alternative sources of energy, for example, green or renewable energy.

See factsheet 1, *Help with heating costs* or Age Cymru's factsheet 1w, *Help with heating costs in Wales* or Age Scotland's factsheet 1s, *Help with heating* for more information.

Useful organisations

Citizens Advice

England or Wales go to www.citizensadvice.org.uk

Scotland go to www.cas.org.uk

In England telephone 0344 411 1444

In Wales telephone 0344 477 2020

In Scotland telephone 0808 800 9060

Citizens Advice Consumer Service Tel. 08454 040506

National network of advice centres offering free, confidential, independent advice, face to face or by telephone.

Energy Networks Association

www.energynetworks.org/

Telephone 020 7706 5107

The Energy Networks Association is the industry body for gas and electricity transmission and distribution network operators in the UK. You can call them to find out who your network operator is, for example if you want to join their Priority Services Register or speak to someone in the event of interrupted energy supply. There is a separate number for gas and carbon monoxide emergencies: 0800 111 999.

Energy Ombudsman

www.ombudsman-services.org/energy.html

Telephone 0300 440 1624

Independent body set up to resolve disputes between consumers and their energy suppliers. Before you take your complaint to the Ombudsman you have to complain to your supplier by following their complaints procedure. The service is free to consumers.

GOV.UK

www.gov.uk

The Government website – the best place to find Government services and information. Here, you can find information on the Warm Home Discount scheme, including the consultation on changes that might be made to the scheme from 2017-18 onwards.

The Office of Gas and Electricity Markets (Ofgem)

www.ofgem.gov.uk/

Telephone 020 7901 7295

The Government regulator for the gas and electricity markets in Great Britain, including suppliers and network operators. Their website gives advice around switching, details of all the accredited PCWs, the full licence conditions for suppliers and network operators and information about how and when the Competition and Markets Authority's recommended changes will be implemented.

Age UK

Age UK provides advice and information for people in later life through our Age UK Advice line, publications and online. Call Age UK Advice to find out whether there is a local Age UK near you, and to order free copies of our information guides and factsheets.

Age UK Advice

www.ageuk.org.uk

0800 169 65 65

Lines are open seven days a week from 8.00am to 7.00pm

In Wales contact

Age Cymru Advice

www.agecymru.org.uk

advice@agecymru.org.uk

0800 022 3444

Lines are open Monday-Friday from 9.00am to 5.00pm

Call Age Cymru Advice to find out whether there is a local Age Cymru near you, and to order free copies of Wales-specific factsheets or information guides.

In Northern Ireland, contact

Age NI

www.ageni.org

0808 808 7575

In Scotland, contact Age Scotland by calling

Silver Line Scotland

www.agescotland.org.uk

0800 470 8090

(This is a partnership between The Silver Line and Age Scotland)

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