Switching energy suppliers

Why switch suppliers?

As energy companies get more profit from having more customers, many suppliers offer time-limited cheap deals to new customers that aren't available to regular customers – you get no credit for being loyal. This means that if you haven't shopped around for a while, you're probably paying more than you should.

- Some people may be locked into a fixed term deal, in which case you can either wait until this ends or check whether there are any termination fees if you leave the deal early.
- Most companies offering fixed term deals move you onto their 'standard variable tariff' once the fixed term ends. This is usually much more expensive, and unless you ask for a new deal you end up paying much more. Rates can vary from less than 14p/kWh for electricity (daytime) while others on the standard tariffs who hadn't switched

suppliers recently can be paying up to 21p/kWh for electricity (2020 prices).

- If you haven't switched supplier in the last two years you will probably be paying too much.
- There may be a different way to pay your bills that is cheaper. Regular direct debits, or managing your account online, will be cheaper than paying quarterly by cheque or cash – see Figure 1.

What information do I need to switch suppliers?

- Before you start you should know:
 - The name of your current tariff and supplier – this will be on your bills
 - How you pay the bills
 - Roughly how much you use each year
 - Your postcode.

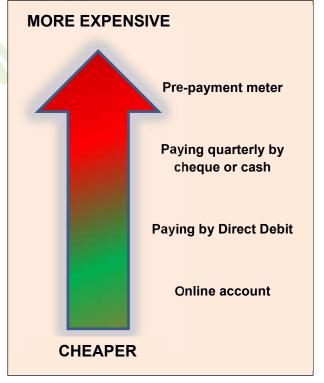


Figure 1 – Options for managing your energy bills

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- ➤ If you rent your property, you should still be able to switch suppliers, so long as you are responsible for paying the bills, although you should check your tenancy agreements in case there are clauses preventing this.
- If you are on a pre-payment meter and currently in arrears, you can still switch suppliers, so long as the arrears are less than £500. For all other customers, your supplier can make you clear the arrears before you switch.
- ➤ If you are a pensioner on Pension Credits, you may qualify for a £140 annual discount from the Warm Home Discount scheme. This may also be available to other low income customers but make sure you ask any suppliers about this if you think you may qualify. Not all suppliers offer this discount so you need to check this before you switch.
- If you are elderly, or have a disabled member of the household, you may be eligible for help under the Priority Services Register. Make sure you tell any new suppliers this, as you need to re-register every time you switch. See Factsheet 8, The Priority Services Register.

What's the best way to switch?

- You can use a number of online comparison websites, telephone supply companies or speak to someone direct – many companies have sales people in supermarkets and shopping centres.
- > Always check:
 - What payment methods are available
 - If there are any discount schemes
 - Whether there are any standing charges, hidden fees or lock in clauses
 - If you are worried about paying bills, also check on company policy on debts and disconnection.
- If you use an online comparison site, you might want to use one that has signed the Consumer Focus Confidence Code. This is a code of conduct that guarantees they will be impartial and unbiased. For details see:

ofgem.gov.uk/ofgem-publications/74615/confidence-code.pdf

- > These comparison websites include:
 - www.confused.com
 - www.energyhelpline.com
 - www.energylinx.co.uk
 - www.fuelswitch.com

- An alternative method is to use <u>moneysavingexpert.com</u> which was founded by Martin Lewis (renowned for his money saving advice programmes on TV); it covers the <u>entire</u> market.

 Moneysavingexpert.com has a Cheap Energy Club where members can opt for three different service levels; one of them (Autoswitch) is ideal for those who don't want the hassle of constantly checking and switching in that it automatically switches supplier.
- > If you decide to change suppliers, you should keep records of:
 - The date you agreed or signed the contract
 - Details of the new tariff
 - Meter readings on the day you signed
 - All letters and emails sent and received
 - Names and contact numbers of the people you have spoken to
 - A copy of the final bill from your old supplier.

What if I can't be bothered with the hassle of switching?

- If you find this too much bother, you will probably end up paying more for your energy than you need to.
- However, it's still worth calling your existing supplier to tell them you are thinking of switching (even if you aren't) as they may find a better tariff for you so you can save money without switching.

Other sources of advice

- It's also worth checking out these websites:
 - ethicalconsumer.org/energy/shopping-guide/gas-electricity
 - which.co.uk/news/2020/01/which-reveals-best-and-worstenergy-companies-for-2020/

❖ Where to get local help?

Durham County Council Energy Adviser, David Hird, is available to offer you impartial advice and help you change energy supplier to save money. You can contact David by telephone on 03000 268000 or email: warmhomes@durham.gov.uk.

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