

Closed accounts with credit balances: 10 voluntary minimum standards

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Six suppliers (British Gas, EDF Energy, E.ON, npower, ScottishPower and SSE) have agreed to adopt the following voluntary minimum standards to help ensure credit balances from closed domestic accounts are returned to former customers:

1. Suppliers will make clear on their websites that when an individual moves home they should take final meter reading(s) and send them to their supplier plus a forwarding address. Where a supplier is notified that a customer is leaving a property they will ask for the final meter reading(s) and for a forwarding address.
2. When a supplier sends a final bill/statement to a customer, it will make clear (on or with the final bill/statement) if there is an actual or estimated credit balance on the account, and what (if anything) the customer needs to do to receive any credit, e.g. provide an actual meter read and/or a forwarding address on a Change of Tenancy.
3. Where the supplier holds the bank details or an actual address (i.e. a forwarding address on a Change of Tenancy) and name for a credit meter customer, it will refund credit balances (based on a final actual meter read) via Direct Debit refund or cheque automatically¹ or otherwise at the customer's request. If the customer remains with the supplier but has moved house, the credit will either be transferred to the new account or will be refunded directly.
4. To help ensure refunds are made to former customers, on a Change of Supplier, the losing supplier will treat the agreed meter reading provided by the new supplier as part of the switching process as a final actual meter read, subject to any disputed reads first being resolved.
5. For Prepayment Meter (PPM) customers, on a Change of Tenancy where the customer informs the supplier that they are leaving and provides a final actual meter reading, the supplier will discuss with the customer and agree how any final credit balances on their account (due to the customer following a reconciliation) should be handled, including the option of a refund.
6. Once the supplier holds the full and correct details, refunds will be issued as soon as reasonably practicable and within 14 days of a final bill/statement (based on a final actual meter read) being produced for the vast majority of customers.
7. Following a Change of Tenancy or Supplier, the new supplier will seek to establish whether the customer is owed a credit balance from previous accounts that they may have had with that supplier. Where an old credit balance is identified and the customers' identity can be verified the credit will be transferred to the live account or will be refunded directly.
8. Suppliers will explore how, where a first attempt to refund a credit balance is unsuccessful (e.g. they have a former customer's actual address, but have not been provided with sufficient information to issue a credit refund), they could proactively follow up in a meaningful way any credit balances of a proportionate amount.

¹ Where the amount is less than £5, some suppliers may seek confirmation from the customer before refunding

9. Suppliers will ensure their websites include a simple, clear and prominent description of their refund policy and any steps a customer may need to take to request a refund where this approach is needed.
10. There is no time limit to when a customer can reclaim a valid credit balance. If a supplier has not previously had the requisite information to provide a refund, the customer can ask for that credit at any point in the future and it will be refunded².

This represents a minimum set of voluntary standards; individual suppliers may go beyond this.

² Subject to the supplier in question being able to successfully validate the customer's claim and any relevant legal rules and checks, including around power of attorney