

# how do I know if my business has a business energy claim?

If you have used an energy broker or consultant to source your energy contracts in the last six years and you don't pay a fee or an invoice to your energy broker, then you may have been mis-sold to.

## what is an energy broker?

Energy brokers / consultants (also known as 'third party intermediaries' or 'TPIs') assist businesses by offering them gas and electricity contracts from energy suppliers.



## did you know?



there are over **2000** energy brokers (TPIs) in the UK

**42%** of complaints to OFGEM about mis-selling contained references of broker behavior. \*\*

we believe **60-70%** of UK companies use TPIs

Lack of regulation means some brokers are inflating the cost of their energy without disclosing this to their customers...

**...costing UK businesses £500m per year.\***

## what is the problem with TPIs?

Energy brokers have various different ways in which they charge businesses for their services. Therefore, many businesses are either unsure about what they've been charged or, in some cases, don't think they've been charged at all.

The Citizen's Advice Bureau lists three practices that occur most often and / or cause the most damage:

1. mis-selling
2. lack of transparency
3. mis-representation



## How do brokers get paid?

Most brokers operate one of the following ways of earning their fees:

**Example 1.**  
The client agrees a fee with the broker for service, client pays broker their fees. This could also be a percentage of a saving made for the client.



**Example 2.**  
This is the method most brokers operate. They add a margin to your energy price. meaning for every unit of energy you use during the contract, they are being paid. This can be very lucrative, and the bigger the consumption or duration the more the broker is making.



## who has been affected?

If you've used a broker / consultant and any of the following applies to you then you may have been mis-sold to:

Don't know or weren't told what the TPI made for arranging your contracts.

The TPI pushed a long-term contract.

Were told it was a free service or the supplier pays their commission.

This widespread mis-selling and lack of transparency is the energy industry's worst kept secret and we expect a significant number of claims by businesses seeking compensation.

It affects large corporate companies all the way down to sole traders, we have evidence of all sizes of business being either mis-sold and/or being the subject of hidden commission.

## Surely brokers have to make money somehow?

We totally agree, and most people think that brokers make a modest amount for the work they do. However, our experience to date shows that brokers are often making very significantly more than businesses think.



We have evidence of businesses with over half of their energy bills being broker commission.

Most brokers are incentivised by how much they can make on the deal, and how long the term of the contract is, often meaning that the client is rarely offered the best price, supplier or term.

Some even sweeten the deal by offering a token saving so that you are more amenable to the deal.

Brokers (TPIs) claim to offer whole of market comparisons, but brokers can be swayed by having targets with suppliers or only a handful of supplier relationships.

## Who are Business Energy Claims?

Business Energy Claims are a team of energy and legal experts helping businesses to recover hidden commissions and losses from the mis-selling of energy contracts.

Our aim is to change the business energy market enough that brokers (TPIs) remove miss-selling and become more transparent.

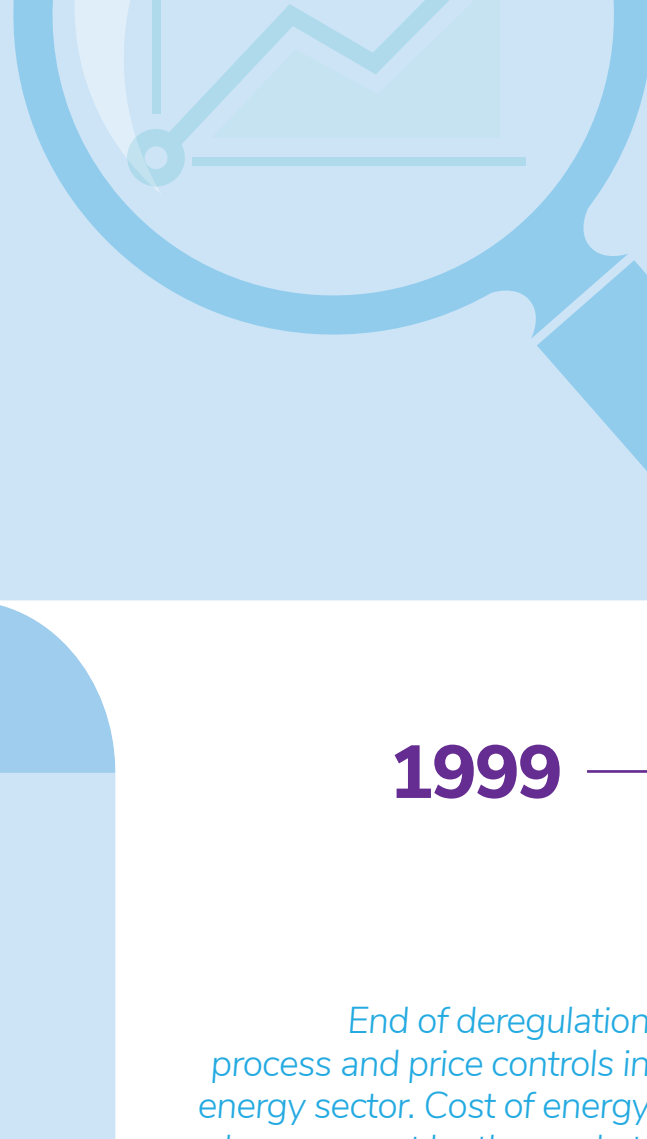
We offer a no-obligation review of a business's energy contracts to identify the hallmarks of mis-selling and to ascertain whether you have a valid claim.

Our processes and panel of solicitors operate in accordance with the Solicitors Regulation Authority (SRA) so you know you are in safe hands.

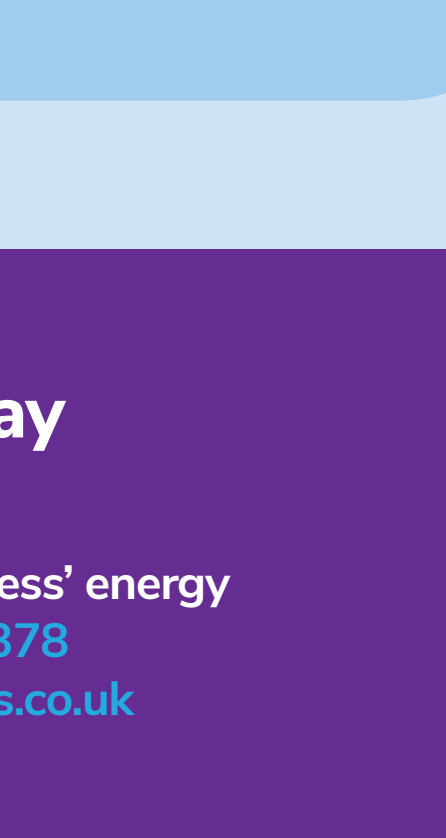


## How we assess if you have a claim

1. Send us a bill for each meter the broker procured for you.
2. An expert will be in touch to discuss your experience and do a free review.
3. If we identify a mis-sold amount you are unhappy with, we will open a claim against your TPI on a no-win, no-fee basis to have the monies returned.
4. At your request, we can ask the supplier to end the contract early or negotiate a cheaper price for the duration of the contract.



- 1999 — Full competition introduced to Britain's energy market so customers can shop around.
- 2001 — End of deregulation process and price controls in energy sector. Cost of energy becomes set by the market.
- 2002 — First energy supplier fined for misspelling contracts. Trade association Utilities Intermediaries Association (UIA) for TPIs is created for voluntary regulation but few brokers signed up.
- 2013 — Ofgem introduced proposals to regulate energy brokers to protect businesses.
- 2017 — Ofgem stops automatic rollover contracts for business customers - allowing more opportunity for switching supplier.
- 2018 —



## Start your claim today

For a no-obligation review of your business' energy contract, please call **0191 519 7378** or email **info@businessenergyclaims.co.uk**

**businessenergyclaims.co.uk**



\* according to the Competition & Markets Authority (CMA).  
\*\* according to Citizens Advice in 2013.