

Customers can have greater confidence in the accuracy of their energy bills as a result of the voluntary industry Billing Code. This sets out commitments that participating suppliers are rigorously audited against. The 2019 audit covers the performance of signatories for the calendar year 2018.

The results of the Billing Code audit for 2018 demonstrate a strong level of compliance in a context of a tough rating system and increased industry change. As was the case in 2017, one supplier, EDF Energy, maintained the highest Gold award whilst British Gas and E.ON who achieved Silver last year, have also achieved the highest Gold award. Two suppliers, npower and ScottishPower achieved Silver and the final supplier, SSE achieved Bronze.

These awards recognise the efforts suppliers have made to comply with the Code. A Gold award means a supplier is fully compliant with all areas of the Code.

Audit results

Award	Number of suppliers	Suppliers
Gold	3	EDF Energy, British Gas, E.ON
Silver	2	npower, ScottishPower
Bronze	1	SSE

General findings

The annual audit shows that, in the majority of cases, suppliers have robust billing processes and controls in place which enable them to bill their customers accurately. However, billing processes are complicated and in any system serving millions of people there are bound to be issues that need addressing.

This year, as in previous years, PwC found the Billing Code governance framework which suppliers used to ensure compliance with the Code, helped them to identify billing issues before they became a serious problem. The auditors found many areas of good practice and the fact that three suppliers achieved a gold award underlines the commitment and progress made to improve billing experiences and outcomes for consumers.

Tina Tietjen, the Independent Chair of the Billing Code said:

“It’s great to see Billing Code members maintaining or improving their performance against the stringent criteria of the audit process with three suppliers achieving the highest gold standard.

“Clear, accurate and up to date billing is obviously important for customers so today’s results are very encouraging. I look forward to seeing Billing Code members build on this performance and improve standards still further.”

Performance

Participating energy suppliers are judged against four key commitment areas: switching, meter reading, energy bills & statements, payments and refunds. The commitments are broken down into 13 areas for the audit. The audit matrix is used by companies internally for self-assessment which they use to drive improvements in their own billing processes and controls.

The Billing Code

The Billing Code aims to drive improved standards of performance and to provide a common framework around which energy suppliers can build better processes and controls. Current members of the Code are: British Gas, EDF Energy, E.ON, npower, ScottishPower and SSE. Other companies may follow the principles of the Code but are not included because, as non-members, their practices are not audited.

The Billing Code Board

The Billing Code Governing Board is responsible for overseeing the management, administration and governance of the Code. The Board also has the power to admit other energy suppliers to Code membership. Each Code member (i.e. British Gas, E.ON, EDF Energy, npower, ScottishPower and SSE) has appointed a senior representative to sit on the Board. Other representatives on the Board include the Independent Chair, who reports directly to the Energy UK Retail Committee, and the Code Manager.

The Auditors

PwC audit the Billing Code. This is the fifth year PwC has carried out the audit. However the Billing Code has been audited on an annual basis since 2006.

This is the fifth year the audit results have been published.



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The commitments

Suppliers promise to:

Switching

- use an agreed meter reading to open and close accounts; and
- provide customers with the information needed during the switching process.

Meter reading

- obtain a meter reading on a regular basis, at least every two years; and
- use a valid meter reading to improve the accuracy of your bill/ statement; and
- provide a range of information in a variety of different ways to make sure that all customers can understand the importance of reading their meter.

Energy bills

- make sure charges on the bill accurately reflect current tariffs and that, when there is a change to the tariff, customers are charged correctly for the energy they used; and
- send energy bills or statements in a simple format so that customers can understand how the bill is worked out; and
- send an estimated bill based on: typical amounts of energy used in the past; average amounts of energy used; or what supplier believe will be used if an actual reading is not available; and
- make it clear on the bill if an actual or estimated meter reading was used to calculate the bill; and
- provide an energy bill or statement in line with the agreed billing schedule; and
- clearly communicate with the customer on the bill, statement, or other forms of communication if there is a price increase or reduction; and
- make sure they check unusually high or low bills before sending them out; and
- use an accurate reading if provided by a customer to produce a revised bill or statement and to do so, if asked, within 10 working days.

Payments and refunds

- will take all reasonable steps to make sure monthly direct debit payments are set at the right level and review accounts proactively to make sure payments cover total energy use; and
- offer a range of payment plans to assist with the payment of an outstanding bill; and
- refund promptly any amount owed in relation to customers' energy bills, in line with the terms and conditions of the contract; and
- issue new prices to update your meter automatically when you make a payment to your prepayment meter.

Appendix one

Classifications

Report classification	Points	Commentary
Gold	5 points or less	Supplier has been audited and is fully compliant with the Billing Code.
Silver	6 – 13 points	Supplier has been audited but could not prove compliance for one clause or had several clauses which are compliant with actions.
Bronze	14 – 34 points	Supplier has been audited but could not prove compliance for four clauses or had several clauses which are compliant with actions.
Not Classified	35 points and over	Supplier has been audited but could not prove compliance in more than four clauses and/or had several clauses which were rated as compliant with actions.

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