

# **Citizens Advice policy on non-domestic Third Party Intermediaries (TPIs)**



**citizens  
advice**

## Actions

Citizens Advice will;

- Monitor the performance of third party intermediaries (TPIs) in the energy sector;
- Ensure suppliers are aware of our work. We want to stop consumer detriment by ensuring rogue brokers are identified;
- Develop and maintain better ongoing relationships with the various Code of Practice managers and other stakeholders, including TPIs who plan to run price comparison websites;
- Using our data, refer individual TPIs, where appropriate, to Ofgem. The regulator, like Trading Standards and the Competition and Markets Authority, is able to use their Business Protection from Misleading Marketing Regulations (BPMMRs) powers.

## Detriment from TPIs

Citizens Advice have identified eight areas of detriment caused by TPIs. The first four types of behaviour are responsible for the majority of cases received by our consumer service;

<b>Behaviour</b>	<b>Examples leading to detriment</b>
Aggressive sales	Repeated cold calling and bullying
Lack of transparency	Not clearly presenting fees/charges or specifying how much of the market searched to find price, consumers not being offered the best deal
Mis-representation	Failing to identify themselves as an intermediary eg 'I'm calling from Meter Registrations', 'I'm calling from your supplier' and unfair contracts
Mis-selling	Selling consumers unsuitable contracts, presenting something as best deal based on their commission and consumers with contracts that do not meet their needs
No clarity on licensee	Bill aggregators act in a supplier-like capacity and consumers may not receive information; harder to switch/complain

Failure to deal with complaints	Complaints left for suppliers to deal with; disengagement and lack of trust
Fraud	Faking phone recordings/contracts and erroneous transfers
Misusing industry systems	Using ECOES data for marketing purposes and consumers receiving unwanted contact

In many cases:

- The TPI claims to be from government/other official body/current supplier when they make unsolicited contact. Calls are often very frequent - many consumers report being called multiple times in the same day;
- The TPI may claim the switch is technical/necessary or that the consumer is not initiating a switch but just agreeing to receive more information;
- The TPI is not clear about their relationship with the supplier they recommend or how much of the market they have looked through;
- When the consumer does see what they have agreed to, the contract details are not same as described, either in price and/or duration;
- The call was not recorded which means the alleged mis-selling is extremely hard to prove. Consumers are reliant on supplier goodwill to leave the contract.

### Existing voluntary principles

In 2015, Ofgem and Citizens Advice published a [factsheet](#) with some voluntary principles which were aimed at improving TPI behaviour:

- Honesty - mainly around what agreements the TPI already has in place
- Respect - if the consumer is not interested the TPI ceases to contact them
- Accuracy - market reach is clear and tariff details are presented clearly
- Transparency - especially around principal terms and costs
- Customer-focused - complaints are handled properly
- Professionalism - all staff are trained and follow these principles.

If your company has experienced a problem with a TPI in the energy sector, contact the Citizens Advice consumer service on **03454 04 05 06** for free, confidential and impartial advice about your options.