|  |
| --- |
| Theft of Energy Code of Practice – Guideline |

1. Introduction, purpose and scope

|  |
| --- |
|  |

* 1. Theft of energy increases the costs for customers and can have serious safety consequences. It also leads to a misallocation of costs among suppliers, which can distort competition and hamper the efficient functioning of the market. In order to reduce the amount of theft, Ofgem has established a package of measures which it considers will deliver effective and proportionate arrangements.
  2. One of the key initiatives launched to that effect includes the requirement for Suppliers to deliver and implement a dual-fuel Theft Risk Assessment Service (TRAS) scheme, which will seek to profile the risk of theft using a central data service. One of the additional measures initiated includes the introduction a gas and electricity code of practice (CoP) for how suppliers should undertake theft investigations and treat consumers where theft is identified. A high-level summary of those is set out below, and applies the following key principles:
     + - Where any activities are undertaken in accordance with this CoP, safety is paramount;
       - Costs directly attributable to the perpetrator of Theft should be borne by that person and any person who has knowingly benefitted from such activities;
       - Investigation of Theft should be carried out by qualified individuals possessing an appropriate level of skill and experience;
       - Ensuring Consumers are treated in an appropriate and consistent manner; and
       - Industry parties to pro-actively identify Vulnerability and give appropriate consideration to the needs of these Consumers when managing theft cases.

1. Visits procedures and gaining entry

|  |
| --- |
|  |

Conduct of Investigations

* 1. Where investigations are being conducted, industry parties and their agents should:
     + - Have sufficient evidence to prove that the Consumer committed an offence, intentionally or by culpable negligence, before exercising its statutory powers to Cut-Off or Disconnect;
       - Inform Consumers following a Cut-Off or Disconnection of who to contact in order to find out how to get the supply reinstated; and
       - Ensure Consumer data is kept up-to-date and accurate during the course of investigation.

Need for a warrant

* 1. Where Theft of Gas is reasonably suspected, Parties are required to take all reasonable steps to attempt to gain access to premises which includes obtaining a warrant where deemed necessary.

Qualification of Staff

* 1. Because safety is paramount, anyone attending or carrying out a site visit at a Consumer’s premises must be appropriately trained and qualified.

Information to Consumers

* 1. On arrival on site, no allegations will be made of any illegal activity or offence being committed. Whilst attending the site, industry parties must identify themselves and inform the Consumer of the industry party they are representing.
  2. On leaving the site, where Theft is either suspected or confirmed, industry parties shall undertake reasonable endeavours to leave the following written information with the named Consumer in a sealed and addressed envelope:
     + - The contact details for the industry party which is being represented;
       - The outcome of the visit on discovery of a suspected or confirmed irregularity;
       - Confirmation of any physical work undertaken, e.g. removal of meter;
       - A statement explaining the statutory basis for any action taken;
       - Who the Consumer needs to contact in order to get their supply re-established and re-connected;
       - What the Consumer can expect next / what they should do if they are unhappy with the outcome e.g. whom to contact in the first instance, and inform them of other options available under the normal redress processes, e.g. the 'Ombudsman Services Energy ; and
       - Contact details for further advice and sources of help e.g. Citizens Advice Consumer Service; or Social Services.
  3. Where it is not possible for a Party to leave the written information with the Consumer on leaving the site, this must be done so as soon as possible thereafter.

Identification and Treatment of Vulnerable Customers

* 1. Where Vulnerability has been identified, reasonable endeavours will be made to safeguard the personal welfare of the Consumer in question. Where theft has been confirmed, all reasonable efforts must be made to retain supply for a Vulnerable Customer. It may however not be reasonable to retain supply where there is a serious safety concern and/or the customer is a repeat offender and all reasonable efforts to prevent continued offending have been undertaken. If Cut-Off or Disconnection is carried out, industry parties shall, where applicable, provide contact details of Social Services to Consumers to make them aware where they may get help to resolve the issues.
  2. Industry parties must furthermore ensure that Vulnerable Customers are appropriately informed and fully aware of any action being taken. This may include using an interpreter or ensuring that an appropriate adult is present at the site. Vulnerable Customers must be offered the opportunity to clarify their circumstances so that this can be taken into account by Parties when deciding what actions should be taken.

1. outcome of investigations

|  |
| --- |
|  |

Theft Suspected but not confirmed

* 1. Sites will be subject to ongoing monitoring if following an investigation, where Theft is suspected but cannot be confirmed.

Theft confirmed

* 1. Where theft has been confirmed, appropriate steps will be undertaken to stop the Theft continuing and make safe as soon as reasonably practicable.Where Theft of Gas is confirmed, industry parties shall seek to identify the person intentionally or by culpable negligence responsible, for the offence. The appropriate steps which may be undertaken as a result include:
     + - Cut-Off or Disconnection;
       - Exchange of meter;
       - Assessment of unrecorded units;
       - Assess the ability of Consumers to pay;
       - Apply charges to be billed as appropriate;
       - Prosecution; and
       - Request a security deposit against future supply when a prepayment meter has not been fitted.

Negotiation of Payment

* 1. Reasonable efforts will be made to identify to whom charges should be levied. Where possible, the aim will be to secure payments on site. An assessment of charges will to that effect be completed on site with the aim of agreeing the assessment with the Consumer. Where this is not possible, an interim assessment will be completed and the final assessment completed and issued to the Consumer.
  2. Prosecution
  3. Where there is sufficient evidence, industry Parties may wish to pursue criminal prosecution and/or civil proceedings.

Maintenance of records following investigations

* 1. Following the outcome of a site visit, industry Parties will ensure that the information obtained through this visit is kept up to date on to their systems. Any written documentation no longer required as part of the investigation should either be destroyed or stored securely, and will be retained no longer than reasonably required necessary.

Cut-Off or Disconnection of Supply for reasons of Theft

* 1. Industry parties should not Cut-Off or Disconnect a premises where to do so would Cut-Off or Disconnect other premises that are not associated with the theft incident unless there is a serious safety concern.

Remedying the matter

* 1. Providing it is safe to do so, industry parties will consider all available options for the maintenance of supply.

1. Questions and additional information

|  |
| --- |
|  |

* 1. For questions and additional information, please contact the SPAA or DCUSA helpdesk on respectively [spaa@electralink.co.uk](mailto:spaa@electralink.co.uk) or [dcusa@electralink.co.uk](mailto:dcusa@electralink.co.uk), or alternatively call 02074323005 or 02074323017.