



Department for
Business, Energy
& Industrial Strategy

Energy Bills Support Scheme

Guidance for Electricity Suppliers

WITHDRAWN

November 2022

WITHDRAWN



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The Energy Bills Support Scheme

- 1.1 The Energy Bills Support Scheme (EBSS) provides a £400 non-repayable discount to eligible households between October 2022 to March 2023 to help with their energy bills.
- 1.2 The EBSS provides domestic electricity customers in Great Britain with £400 of support, delivered by electricity suppliers over six months from October 2022. Households will see a discount of £66 applied to their energy bills in October and November, rising to £67 each month from December through to March 2023. Customers do not need to apply for the payment.
- 1.3 This Guidance is provided by the Department for Business Energy and Industrial Strategy (BEIS) to support electricity suppliers to deliver the EBSS to eligible customers. Ofgem has contributed to this Guidance in line with their EBSS responsibilities.
- 1.4 Households seeking more information on EBSS or on wider Help For Households support schemes should visit <https://helpforhouseholds.campaign.gov.uk>
- 1.5 Households in Northern Ireland will also receive a £400 discount on bills through the Northern Ireland Energy Bills Support Scheme (NI EBSS), the same support as is available in Great Britain. <https://www.gov.uk/government/publications/energy-bills-support/energy-bills-support-factsheet-8-september-2022#how-the-energy-price-guarantee-and-energy-bills-support-scheme-will-be-applied-to-energy-bills-in-northern-ireland>
- 1.6 Further funding will be available to provide equivalent support of £400 for energy bills for the 1% of households in Great Britain who will not be reached through the scheme. Additional funding will be made available so that £400 payments will be extended to include people such as park home residents and those tenants whose landlords pay for their energy via a commercial contract. The government is committed to ensuring such households receive the same support for their energy bills. <https://www.gov.uk/government/news/government-outlines-plans-to-help-cut-energy-bills-for-businesses>

2 Legal and regulatory framework

- 2.1 The Secretary of State for Business, Energy and Industrial Strategy will make a Direction pursuant to sections 7(3)(a) and 107 of the Electricity Act 1989 - the EBSS Direction.
- 2.2 The Direction can be found at - <https://www.gov.uk/government/publications/energy-bills-support-scheme-ministerial-direction>
- 2.3 The BEIS consultation on technical proposals for the EBSS ran from 11 April 2022 and closed on 23 May 2022 and can be found at <https://www.gov.uk/government/consultations/technical-proposals-for-the-energy-bills-support-scheme>. The government response sets out the final policy decisions reached for the delivery of the EBSS and can be found at https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1096205/energy-bills-support-scheme-government-response.pdf.
- 2.4 Ofgem has introduced a modification to the standard conditions of all electricity supply licences granted under section 6(1)(d) of the Electricity Act 1989 (the Act) by adding a new standard condition 25E under section 11A(1)(b) of the Act. Ofgem issued the decision to implement standard licence condition 25E on 29th July 2022. This licence condition will come into effect on 24th September 2022.
- 2.5 The Ofgem statutory consultation with suppliers can be found at <https://www.ofgem.gov.uk/publications/ebss-energy-bill-support-scheme-statutory-consultation-networks>.
- 2.6 The Ofgem EBSS Licence Condition decision notice regarding the implementation of the new Licence Condition 25E, can be found at <https://www.ofgem.gov.uk/publications/ofgems-response-beis-consultation-energy-bills-support-scheme-april-2022>.
- 2.7 The Direction is issued under standard licence condition 25E and applies to any domestic electricity supplier. The purpose of the Direction is to require that a domestic electricity supplier provides and delivers EBSS payments to its eligible customers and submits to the reporting, audit and financial management requirements of the scheme.
- 2.8 The Direction comes into force on 25 September 2022 and has effect for the duration of the scheme, until 30 June 2023.
- 2.9 This Guidance is issued by the Secretary of State for Business, Energy and Industrial Strategy (BEIS) to domestic electricity suppliers – a person who holds a licence granted under section 6(1)(d) of the Act and who supplies or intends to supply electricity to domestic customers – to support the implementation of the scheme.

The role of Ofgem in the EBSS

- 2.10 Ofgem have contributed to this Guidance in line with their EBSS responsibilities.
- 2.11 Ofgem have published a decision to introduce standard licence condition (SLC) 25E. This condition, alongside the Direction, are the legal framework for suppliers' obligations in delivery of the scheme.
- 2.12 Ofgem will also provide the compliance and enforcement framework for the EBSS and will monitor supplier compliance with the new SLC 25E. Ofgem's monitoring activity is intended to give reassurance that suppliers have provided the EBSS payments in line with the Licence Condition, and therefore the Direction. Ofgem's role in monitoring scheme compliance is set out in this Guidance.
- 2.13 Ofgem cannot provide advice on operational management issues including the specific arrangements a supplier puts in place to implement the EBSS. Nor can they complete any reporting documentation on behalf of a supplier.

Contact

- 2.14 The Ofgem EBSS team can be contacted at ebss.compliance@ofgem.gov.uk
- 2.15 The BEIS EBSS team can be contacted at supplier.ebss@beis.gov.uk.

Data sharing and data privacy

- 2.16 BEIS will share with Ofgem non-personal data in the form of aggregate level reporting data, to minimise reporting burden for suppliers. This information sharing is necessary for the purpose of enabling Ofgem to monitor and enforce compliance. This data sharing is governed by a data sharing agreement between BEIS and Ofgem.
- 2.17 As part of the scheme BEIS will collect Personal Data in the form of Meter Point Administration Number (MPAN) information from suppliers. Suppliers must follow the Guidance set out in paragraphs 7.24 and 7.25 in relation to the sharing and processing of these data.
- 2.18 The Energy Bills Support Scheme data privacy notice is published on GOV.UK, <https://www.gov.uk/government/publications/electricity-meter-data-collected-through-the-energy-bills-support-scheme-privacy-notice/use-of-electricity-meter-data-collected-through-the-energy-bills-support-scheme-privacy-notice>, and sets out how BEIS will use the personal data collected from electricity suppliers, and the rights of suppliers and consumers. It is made under Articles 13 and 14 of the UK General Data Protection Regulation (UK GDPR).

3 Operations and readiness

- 3.1 Suppliers are required to provide administrative and readiness information and to complete readiness checks prior to delivery of the scheme.
- 3.2 Suppliers must evidence their readiness to deliver the scheme in advance of the first EBSS grant payment to suppliers being made.

Deed

- 3.3 The BEIS Terms of EBSS Scheme Deed sets out the terms under which BEIS will make payments pursuant to the Direction.
- 3.4 The Deed must be signed by a senior person such as the supplier Finance Director or CEO (or equivalent). The signatory may provide an e-signature or an ink signature scanned into a PDF.
- 3.5 The signed Deed must be returned to BEIS by email to supplier.ebss@beis.gov.uk by Friday 23 September 2022.

Supplier information

- 3.6 Supplier information, as set out in Annex A, is required to support the administration of the scheme and is requested to be reported to BEIS by Wednesday 7 September 2022.
- 3.7 For the purpose of administering the scheme suppliers are required to provide details of the following people:
 - a. Their Finance Director – who may be a person with this job title, or a person in a similar senior financial role or a senior director role.
 - b. The Responsible Person – who has overall supplier responsibility for delivering the scheme. This should be someone in the company with sufficient understanding of and authority over relevant supplier systems and processes to ensure delivery of EBSS, as well as sufficient and appropriate authority to sign off reporting submissions to ensure the supplier meets their obligations under EBSS.
 - c. The Senior Compliance Officer – who is required to complete internal assurance and must be independent and not under the Direction of the Responsible Person. They need to be of the appropriate authority to sign off the requested reporting submissions and will be held accountable for the accuracy and validity of the content.
 - They can either be part of an internal audit or assurance function and/or an individual who is both independent (of scheme delivery) and capable. To ensure the internal assurance declaration has validity the Senior Compliance Officer

must be a separate individual from the Responsible Person, as the Responsible Person should not audit their own work.

- Independent in this context means an individual who has appropriate authority and independence from the Responsible Person. They must be able to question the accuracy of the return and have the authority to do so.
 - Capable in this context means an individual who is sufficiently competent to undertake verification, to understand the supplier obligations under EBSS, and who understands the EBSS reporting requirements. There is no requirement for this person to be a qualified auditor or hold Consultative Committee of Accountancy Bodies (CCAB) qualifications.
- d. The person responsible for the day-to-day administration of the scheme – who can be any person chosen to receive and be responsible for all correspondence with BEIS on scheme delivery.
- 3.8 Suppliers should also provide details of those persons who will require access to the Data Management System (DMS) to submit scheme reporting.
- 3.9 Suppliers should inform BEIS if their supplier information changes at any time.

Supplier bank account

- 3.10 Suppliers are required to hold a qualifying bank account to receive and administer EBSS funding. This may be a new account or an existing one solely dedicated to EBSS.
- 3.11 A qualifying bank account must be a bank account in the name of the domestic electricity supplier with a bank in Great Britain which will be maintained separately from the supplier's other bank accounts and into which only EBSS monies will be paid.
- 3.12 Ahead of the initial payment only, suppliers should provide a letter signed by their Finance Director (see 3.7a) confirming their bank account details. This should be returned to BEIS with the initial solvency statement (see from paragraph 4.7). A template declaration can be found at Annex B.
- 3.13 Suppliers must not release or transfer monies out of the qualifying bank account for any purpose other than providing an EBSS payment to an eligible customer or returning funds to BEIS when requested.
- 3.14 Any interest accrued or balance held must be returned to BEIS as part of the scheme reconciliation. Any charges made to the account are not eligible for reimbursement from EBSS funds and equivalent funds must be reimbursed to the account by the supplier.
- 3.15 This account must remain active until the final scheme reconciliation has been completed and this has been confirmed in writing by BEIS.

Supplier readiness notifications

- 3.16 Suppliers must take measures to ensure the swift and direct disbursement of EBSS payments from this account to customers. Where it is necessary for a supplier to transfer funds through another business account as part of a process of making an EBSS payment, and where the transfer is for the sole purpose of making the payment to an eligible customer, suppliers should:
- Minimise the time any funds are held outside of the qualifying account. Suppliers should be prepared to evidence that funds have been withdrawn from the qualifying bank account no earlier than necessary and, at a minimum, in line with a weekly schedule of disbursement to customers. Where required BEIS may request further evidence that payments have not been withdrawn unnecessarily early.
 - Ensure any undispersed funds moved out of the qualifying account are returned as soon as reasonably practical.
 - Be prepared to evidence the flow of the money in full through all accounts that the EBSS monies have transferred through as part of the reconciliation, post payment assurance and audit programme.
 - Account for and return any interest accrued through all accounts that the EBSS monies have transferred, reflected proportionately against the EBSS fund figures.
- 3.17 As part of either or both of Ofgem's supplier readiness checkpoints 2 and 3 suppliers have submitted readiness information covering clauses:
- 7(a)(iv) –a general overview of how an EBSS will be provided and delivered to each eligible customer.
 - 7(a)(viii) –a description of how eligible customers will be provided with the EBSS payment, broken down by payment type –traditional prepayment customers, smart prepayment customers, Direct Debit customers and credit customers.
 - 7(a)(ix) –a description of how eligible customers who have not been provided with an EBSS before or on the cut-off date will be identified and recorded.
 - 7(a)(vii) –a description of how eligible customers will be notified of the EBSS payment, broken down by payment type –traditional prepayment customers, smart prepayment customers, Direct Debit customers and credit customers.
 - 7(a)(xi) –a description of any systems or other testing intended to be used or carried out before the qualifying date.
 - 7(a)(xii) –a description of any management processes put in place to oversee compliance.
 - 7(a)(xviii) –a description of the measures taken to prevent fraud, misuse or abuse.
- 3.18 Supplier bank account information (7(a)(i) and 7(a)(ii) and details of the responsible person 7(a)(iii)) must be provided as set out in this Guidance from paragraph 3.10.

- 3.19 Eligibility information (7(a)(v) and 7(a)(vi) must be provided as set out in this Guidance from paragraph 4.12.
- 3.20 If at any time during scheme delivery period any of the readiness notification information changes this must be submitted to supplier.ebss@beis.gov.uk. Suppliers will be required to confirm that any changes have been reported when providing the monthly reconciliation and compliance report.

Managing the risks of fraud

- 3.21 The government will not accept any manipulation or fraud. Any allegation or suspicion of fraud, misuse or abuse will be treated seriously.
- 3.22 Suppliers should provide Ofgem with a description of their Fraud Strategy and Fraud Response Plan as part of their EBSS readiness reporting.
- 3.23 Suppliers must maintain business as usual fraud detection, prevention, reporting and recovery processes and procedures that are proportionate to and appropriate for EBSS scheme delivery.
- 3.24 If suppliers detect any attempted or actual fraud or misuse of public monies by an internal actor, customer group or third party, they should immediately report it to supplier.ebss@beis.gov.uk to ensure this intelligence can be signposted appropriately for the development of control measures.
- 3.25 Suppliers should follow the Guidance on issuing vouchers securely (see from paragraph 5.53).
- 3.26 Supplier bank accounts will be checked using control measures including the government's digital due-diligence tool Spotlight to ensure funds are held safely and in line with the requirements of the Direction. Suppliers should also formally write to the BEIS confirming details of the bank account that the EBSS grant funding will be paid into (see paragraph 3.12).

4 Providing the EBSS grant to suppliers

- 4.1 Over the course of the scheme, BEIS will provide each supplier with the funding required to provide EBSS payments to all eligible customers.
- 4.2 Funding will be paid to suppliers in advance of each month of scheme delivery. Funding will be provided in six lump sum payments made, at the latest, by the last working day of the month preceding each qualifying date, provided the supplier satisfies the conditions for receiving payment.
- 4.3 Monthly payments will be made to suppliers by the following dates:
- Friday 30 September
 - Monday 31 October
 - Wednesday 30 November
 - Thursday 29 December
 - Tuesday 31 January
 - Tuesday 28 February
- 4.4 The supplier is responsible for ensuring that all payments are used for the sole purpose of providing EBSS to eligible customers. Suppliers must not retain any grant funding to reimburse costs incurred or for any other purpose.
- 4.5 Funding will not be provided to suppliers for scheme administration. Scheme implementation may cause suppliers to incur costs, whilst providing benefits in other areas of their organisation. Suppliers may provide Ofgem with information on any cost benefit analysis, highlighting any systematic and material net cost increases resulting from active government schemes. Ofgem will monitor the information and will consider the appropriate course of action if and when required.
- 4.6 The EBSS will close for delivery on 30 June 2023. Any funds provided to suppliers and not dispersed by the scheme closing date of 30 June 2023 must be returned to BEIS.

Solvency statement

- 4.7 To receive each monthly payment suppliers are required to provide a declaration, signed by their Finance Director or someone in a similar role such as a senior financial role or a senior director role.
- 4.8 The declaration must confirm that an insolvency event has not occurred and that, having made reasonable enquiries, the Finance Director is not aware of any circumstances that could reasonably be expected to give rise to such an insolvency event during the

calendar month in which the declaration is given or in the immediately following calendar month.

- 4.9 An alternative provision will be put in place for any supplier operating under a Special Administration Regime (SAR), details of which will be communicated to them.
- 4.10 The declaration must be dated the 25th day of the calendar month immediately prior to the relevant scheme month (or if such day is not a working day, the working day immediately prior to such day):
- Friday 23 September 2022
 - Tuesday 25 October 2022
 - Friday 25 November 2022
 - Tuesday 20 December 2022
 - Wednesday 25 January 2023
 - Friday 24 February 2023
- 4.11 The declaration must be provided by no later than 12:00 hours on the 25th day of the calendar month immediately prior to the relevant scheme month, or there is a risk of not receiving the payment. The declaration must be submitted to supplier.ebss@beis.gov.uk. A template declaration can be found at Annex B.

Calculating payments to suppliers

- 4.12 The monthly grant payment to suppliers will be based on the estimated number of eligible customers the supplier will be required to make EBSS payments to on the qualifying date.
- 4.13 Suppliers are expected to provide the estimated number of qualifying customers based on best available data and to certify that as of the date provided and to the best of their knowledge, the information is a true and accurate reflection of the number of EBSS payments that will be provided in the relevant month.
- 4.14 Suppliers must provide an estimate of eligible customers broken down by payment type for each qualifying month as part of the monthly scheme reconciliation and compliance report (see section 7).
- 4.15 Suppliers will receive 101.5% of the estimated funds for making the first EBSS payment, to provide contingency for any adjustments such as customer switching or exceptions that take place between the estimated figures and the number of eligible customers on the qualifying date. Where a supplier can demonstrate that customer growth is expected to be greater than 1.5%, up to a further 0.5% contingency may be made available in the first grant payment. Suppliers requesting the additional contingency should contact BEIS to discuss evidence and the quantum requested.

- 4.16 Monthly grant payments will be made based on the number of EBSS payments estimated to be required for eligible customers in the qualifying month. Payments will be based on the number of qualifying customers per supplier multiplied by the agreed monthly payment. For payments in September this will be the total number of eligible qualifying customers x £66 plus 1.5% (or the agreed contingency percentage). In October this will be the total number of eligible qualifying customers x £66. For the remaining 4 payments this will be the total eligible qualifying customers x £67.
- 4.17 BEIS will consider if any adjustment is required to the payment calculation having regard to the bank balance position, forward estimate and exceptions position reported. Monthly adjustments are only expected on an exceptional basis. The presumption is that adjustments for remittance or recovery will be actioned as part of the final reconciliation stage.
- 4.18 The monthly grant figure will be communicated by BEIS to individual suppliers in advance of the payment date and will detail any adjustment proposed offering the opportunity for review prior to payment being issued. If, in exceptional circumstances, a supplier wishes to request a payment adjustment within a qualifying month they must contact BEIS in advance of the next payment date.

October payment to suppliers

- 4.19 For the initial October grant payment only, suppliers are requested to provide figures to enable an estimate of eligible customers outside of the regular scheme reporting (see section 7).
- 4.20 This should be provided to BEIS via email to supplier.ebss@beis.gov.uk on 7 September 2022.
- 4.21 The estimate should take the following format using the template BEIS provide:
- a. Actual number of eligible customers on 1 September
 - b. Direct Debit customers - reduction
 - c. Direct Debit customers - refund
 - d. Credit customers
 - e. Smart prepayment customers
 - f. Traditional prepayment customers
- 4.22 A declaration from the responsible person stating that the information provided is to the best of his or her knowledge and belief a true and accurate reflection of the number of eligible customers on 1 September 2022.
- 4.23 The Responsible Person declaration should take the following format: *The estimate for the number of eligible customers is that which [Co Name] reasonably believes is the amount eligible for scheme funding in the following month, as broken down by payment types.*

Payment reconciliation

- 4.24 Following the closure of the scheme on 30 June 2023 a final audited reconciliation will take place, allowing for confirmation of final expenditure under the scheme and reimbursement to suppliers of any balance due or repayment of undispersed balance to BEIS.
- 4.25 To complete the scheme reconciliation, an end of scheme report must be submitted to BEIS by Monday 31 July 2023 (see from paragraph 7.30).
- 4.26 The information provided in the report will be used by BEIS to fully reconcile actual EBSS payments made under the scheme against estimated allocations provided to suppliers.
- 4.27 Following the completed reconciliation BEIS will write to suppliers confirming:
- a. The total allocation of grant made to the supplier
 - b. The value of eligible EBSS payments delivered
 - c. The balancing figure for remittance or recovery
- 4.28 Any undispersed funding resulting from monies which exceed the total sum of all the EBSS payments delivered will need to be returned to BEIS in full within 5 working days of the receipt of the reconciliation notification. The notification will provide full details of how to make any payment.
- 4.29 Suppliers are not expected to make any payment to BEIS ahead of receiving a reconciliation notification request and should not routinely expect to make any repayment before the scheme closure, except if this is required on an exceptional basis.

5 Providing the EBSS payment to customers

- 5.1 Domestic electricity bill payers in Great Britain are eligible for EBSS payments, which are applied to primary domestic supply contracts (or deemed contracts).
- 5.2 Households who do not have a domestic supply contract (or deemed contract) with an electricity supplier are not eligible for EBSS payment.
- a. Any domestic customer who is only supplied gas is not eligible for EBSS payments.
 - b. Where a landlord rather than a tenant holds the contract, the landlord is eligible for the EBSS payment. Where the landlord resells the electricity to their tenant, they must comply with the maximum resale price (MRP) rules and should therefore pass on any EBSS payments appropriately.
 - c. Where an inclusive charge is made for accommodation with no specified charge for gas or electricity and no separate agreement for the resale of energy, parties are encouraged to come to an agreement on the EBSS payment, in line with the arrangements in their respective contracts or tenancy agreements.
- 5.3 For the purpose of the scheme, eligibility refers to only one contract (or deemed contract) per domestic premises.
- a. Where there are multiple related meter points, eligibility relates to the primary meter point (primary MPAN) only.
 - b. Where a premises has multiple unrelated meter points, a supplier must exclude all known ineligible MPANs from their estimate of eligible customers and must not provide EBSS payments to these meters. Examples of meter points that are not primarily dwellings include, but are not limited to, a stable, barn or swimming pool.
 - c. For accounts where two-meter points serve two separate occupied domestic premises, both meter points should receive an EBSS payment. For the purposes of the scheme, an occupied property is a non-vacant property, as defined in the vacant property exception in Annex C.
- 5.4 Customers with a domestic electricity supply contract or a deemed contract at 00:00 hours on the qualifying date will be eligible for a monthly payment under this scheme.
- 5.5 EBSS is delivered on a monthly basis and suppliers are responsible for delivering the EBSS monthly payment to all customers eligible on the qualifying date.
- 5.6 Suppliers should aim to provide the EBSS payment to eligible customers on the earliest possible date within the scheme month for all customer payment types, except for Direct Debit customers, where the EBSS payment should be provided in line with the established Direct Debit collection schedule.

- 5.7 The supplier is obliged to provide an EBSS payment for each qualifying month to eligible customers, subject to exceptions provided for in the Direction.

Qualifying date

- 5.8 The qualifying date is the date on which a supplier must identify all customers who are eligible to receive the EBSS payment.
- 5.9 Suppliers are responsible for providing the payment to all eligible customers, who are those customers registered at 00:00 on each of the following qualifying dates, the first day of each eligible month:
- 1 October 2022
 - 1 November 2022
 - 1 December 2022
 - 1 January 2023
 - 1 February 2023
 - 1 March 2023
- 5.10 Suppliers are responsible for accurately identifying all eligible customers on the qualifying dates. Suppliers may choose the best method for calculating and identifying eligible customers and should prepare in advance so they are confident that their management information systems can accurately do so. Evidence of how eligible customers have been identified should be retained for audit purposes.
- 5.11 Suppliers are required to report the actual number of eligible customers identified on each qualifying date as part of their monthly reconciliation and compliance report (see section 7).
- 5.12 If a supplier has no domestic electricity customers on the qualifying date, they must provide a nil return.

Providing the payment to eligible customers

- 5.13 Eligible customers must receive the following EBSS payments for each scheme month:
- £66 in October 2022
 - £66 in November 2022
 - £67 in December 2022
 - £67 in January 2023
 - £67 in February 2023

- £67 in March 2023.
- 5.14 The payment should be provided in one of the following ways, by:
- a. Reducing the amount collected from the customer by an amount equal to the EBSS payment; or
 - b. Applying a sum to the customer account of an amount equal to the amount of the EBSS payment; or
 - c. Refunding the customer an amount equal to the EBSS payment or paying to the customer an amount equal to the EBSS payment.
- 5.15 Suppliers should provide the EBSS payment to all eligible customers as soon as possible within the scheme month and must have provided the EBSS payment by the end of the month cut-off date. Where this has not occurred suppliers should follow the process for outstanding customers.
- 5.16 As the principal aim of EBSS is to support people with ongoing energy costs, where a supplier is also licenced as a domestic gas supplier and provides both electricity and gas to an eligible customer, they may apply the EBSS payment to reduce or refund the customer's charges for both electricity and/or gas.
- 5.17 Where a supplier provides other services to a customer alongside energy as part of a bundled account, they may apply the EBSS payment to the bundled account, provided the customer has not elected otherwise.
- 5.18 For all customer and payment types suppliers must retain sufficient records to evidence each EBSS payment being provided, as per the compliance, audit and assurance requirements of this Guidance and must report on these payments by customer and payment type.
- 5.19 Where a customer uses a combination of payment types the supplier should provide the EBSS payment once only, applying it to the primary method of payment.
- 5.20 Where a customer's payment type changes mid-month, and before an EBSS payment is provided, the supplier should provide the EBSS payment in accordance with the new method of payment.

EBSS payment by payment type

Standard credit

- 5.21 A credit customer is a customer who pays on receipt, including customers that pay by debit or credit card, BACs transfer or cheque, and is neither a prepayment customer nor a Direct Debit customer.
- 5.22 For credit customers the supplier should provide the EBSS payment by one of the following methods:

- a. Crediting the account by an amount equal to the EBSS payment; or
 - b. Reducing the amount (including Value Added Tax) charged to the account by an amount equal to the EBSS payment.
- 5.23 The credit should appear as it would if the customer had made a credit payment. Where the customer account is in credit or at zero balance, the EBSS payment amount will be added to the credit balance. Where a customer account is in debit the EBSS payment can be used against this.
- 5.24 The credit or reduction should be provided in the first five working days of each delivery month. The EBSS payment must be provided on a monthly basis, regardless of whether the account is paid monthly, quarterly or has an associated payment card.

Direct Debit

- 5.25 A fixed Direct Debit customer is a customer who agrees to pay by way of regular Direct Debit payments of a fixed amount (which amount may be varied from time to time), in order to spread the cost of uneven monthly consumption over 12 equal payments.
- 5.26 For fixed Direct Debit customers, the supplier should provide the EBSS payment by one of the following methods:
- a. Reducing the amount (including Value Added Tax) collected from the customer by an amount equal to the EBSS payment; or
 - b. Providing a refund to the customer equal to the EBSS payment, following the normal collection of a Direct Debit payment.
- 5.27 Where a supplier chooses to provide a refund, this should be provided as soon as reasonably practicable. Where it is possible, the refund should be provided immediately, and in all cases, suppliers should endeavour to provide the refund as soon as possible after the Direct Debit is collected from the customer.
- 5.28 Where it is not possible to provide the refund within the scheme month the supplier must follow the process for outstanding customer (see paragraph 5.81) and provide any outstanding EBSS payment to the customer as soon as possible.
- 5.29 Where a refund or reduction of the full value of the EBSS payment is not possible because the EBSS payment is greater than the amount of the customer's Direct Debit, a credit should be made to the energy account of an amount equal to the balance between the EBSS payment and the amount reduced or refunded. This could include putting the customer on payment holiday (by reducing the Direct Debit to £0) and crediting the account by the balance of the EBSS amount.
- 5.30 Where a reduction of the full value of the EBSS payment is not possible because the customer voluntarily requests to make an overpayment and keep their Direct Debit payment at its previous value a credit should be made to the energy account of an amount equal to the EBSS.

- 5.31 A variable Direct Debit customer is a customer who pays by way of regular Direct Debit payments of a variable amount, paying outstanding charges to their account in full.
- 5.32 For variable Direct Debit customers, the supplier should provide the EBSS payment by one of the following methods:
- a. Crediting the energy account by an amount equal to the EBSS payment; or
 - b. Reducing the amount (including Value Added Tax) charged to the customer by an amount equal to the EBSS payment.
- 5.33 For all Direct Debit customers, the date the EBSS payment is provided should be in line with the customer's established Direct Debit collection schedule.
- 5.34 If a customer does not pay their Direct Debit the supplier should follow business-as-usual processes.
- 5.35 Where a supplier is crediting the account (in the case of a Direct Debit customer), this may include making the EBSS payment despite the Direct Debit failure.
- 5.36 Where a supplier is providing a refund or reducing the amount this may include making further attempts to process the Direct Debit transaction.
- 5.37 Where agreed Direct Debit collection has broken down, and suppliers move customers on to different payment methods, EBSS payments should continue in line with the approach for the new payment method.
- 5.38 Where a supplier is unable to re-establish Direct Debit transactions with a customer and has consequently not made the EBSS payment, as part of their usual processes to collect missed payments, suppliers should signpost their customers to information on what this means to them in relation to their EBSS payment.

Smart prepayment

- 5.39 A smart prepayment customer is a prepayment customer supplied by a Smart Metering System operating in prepayment mode, or a customer supplied by a non-SMETS Smart Meter (NSS).
- 5.40 For smart prepayment meter customers, the supplier should provide the EBSS payment by providing the customer with credit in an amount equal to the EBSS payment. The credit should be applied in the first five working days of each month of EBSS delivery.
- 5.41 The supplier should provide the EBSS payment by automatically providing a remote credit to the meter, or a reduce debt message where there is a debt balance.
- 5.42 If a remote credit is not possible a second attempt should be made to provide payment (either by using the same or an alternative route, such a keying in a unique code to the meter).

- 5.43 The DCC has asked suppliers to apply smart pre-payment credits across the week or distributed across the day, rather than in a single batch (in order to limit simultaneous traffic on DCC systems, to the extent possible).

Traditional prepayment

- 5.44 A traditional prepayment customer is a prepayment customer supplied by a Prepayment Meter which is not part of a Smart Metering System.
- 5.45 For traditional prepayment meter customers, the supplier should provide the EBSS payment by providing the customer with credit in an amount equal to the EBSS payment. The supplier should provide the EBSS by:
- a. Issuing a secure voucher addressed to the account holder; or
 - b. Issuing a Special Action Message (SAM).
- 5.46 Vouchers can be issued via SMS text, email or post and can be provided, for example, as a double-barcoded letter or vouchers. Suppliers may determine the most appropriate method and must clearly communicate this method to customers.
- 5.47 Where a customer's correspondence address differs from the supply address the voucher should be issued to the supply address as standard. Where a customer has made a specific request to issue the voucher to the correspondence address a supplier may choose to do so.
- 5.48 Suppliers should issue funds to voucher providers within three working days of the start of the scheme month. Suppliers may as required withdraw sufficient monies to fund all voucher provision across the scheme month in a single transaction to pay a voucher provider. Where funds are available and, where suppliers choose to do so, they may issue funds to voucher providers before the scheme month.
- 5.49 This may include a contingency payment for estimated changes in the month where customers other than traditional prepayment customers are issued with a voucher. Any balance held by voucher providers must be returned to the supplier and subsequently to BEIS as part of the scheme reconciliation.
- 5.50 Suppliers should seek to ensure that vouchers reach customers within 11 working days of the start of the scheme month.
- 5.51 Vouchers should be issued with a 3-month validity period as standard, beginning on the date the voucher is issued, with an expiry date of 30 June 2023 at the latest. Any voucher issued after 31 March 2023 must have an expiry of 23:59 on 30 June 2023, which may result in a voucher having a validity period of less than 3 months.
- 5.52 In all cases payments provided must be redeemed by the scheme closing date of 30 June 2023 as no payments can be made after this date. Payments for unredeemed or expired vouchers must be returned by the voucher provider to suppliers as soon as

possible after the scheme closing date, and subsequently returned to BEIS in full through the reconciliation process.

- 5.53 Where the payment has been provided by SAM or voucher, but where customers have not redeemed the payment the EBSS is considered provided but not delivered.
- 5.54 Suppliers should take action to encourage all traditional pre-payment customers to redeem their EBSS payment during the scheme month, recognising that not all payments will be redeemed and that suppliers will be unable to guarantee that the customer redeems the payment within the scheme month.

Voucher security

- 5.55 Vouchers must be addressed to the named account holder(s) as ID checks will be required when vouchers are redeemed. As part of their readiness preparations, suppliers should ensure they have accurate and up to date information for account holders to ensure the account holder can be named.
- 5.56 Where suppliers are unable to identify the name of an account holder the voucher must, as a last resort, be addressed to the occupier and an address check will be used for verification. Suppliers must retain evidence of the actions taken to identify the named account holder(s) before issuing vouchers addressed to the occupier.
- 5.57 ID checks will be carried out by voucher providers at redemption points. Suppliers should communicate that ID checks will be conducted to customers (see paragraph 5.106).
- 5.58 Where an unredeemed EBSS payment has expired or been lost a replacement credit can be issued.
- 5.59 Replacement credit can be issued up until the scheme closing date of 30 June 2023. When providing replacement credit close to the scheme closing date suppliers should account for the time taken for a customer to receive and redeem a payment and therefore should consider the use of SAMs or cheques as necessary.
- 5.60 Where a supplier identifies that a voucher has been incorrectly issued, for example in the case of a change of tenancy, they should cancel the voucher(s) issued incorrectly and reissue to the correct recipient.
- 5.61 Where an EBSS payment has been redeemed but the account holder seeks to claim a replacement credit the supplier must be able to:
 - a. Provide evidence of the original voucher's redemption
 - b. Evidence that the voucher was addressed to the named account holder(s) or present the evidence of the actions taken to identify the named account holder(s) before issuing a voucher addressed to the occupier.

- c. Be able to evidence that their agreement with the voucher provider required ID checks at redemption.
- 5.62 Where these criteria are satisfied the supplier has met their obligation to provide the EBSS payment to the eligible customer. The supplier must work with the customer to ensure that up-to-date customer details are available to allow future EBSS payments to be successfully received and redeemed by the account holder.
- 5.63 Where these criteria have not been met the supplier will be required to reissue the EBSS payment to the customer at their own cost.
- 5.64 Suppliers will not be held responsible for customer or third-party misuse of vouchers where they have met the requirements of paragraphs 5.58-5.60.

Payment by cheque or bank transfer

- 5.65 Where, having exercised reasonable endeavours, suppliers are unable to provide an EBSS payment using the methods set out for each of the customer types, they should provide the payment by non-transferable cheque, bank transfer or a secure voucher that may be exchanged for cash. Payment using these methods should be by exception.
- 5.66 Where a non-transferable cheque has been cashed after the scheme closing date of 30 June 2023, suppliers may submit a supplementary reconciliation claim for reimbursement (see paragraph 5.97).

Fuel Direct

- 5.67 Where households pay for their energy costs directly from their income-related benefits through Fuel Direct, suppliers should aim to deliver EBSS as similarly as possible to non-Fuel Direct customers, depending upon the specific payment arrangements that have been set up.
- 5.68 For those customers who are solely using Fuel Direct to pay off debts, the EBSS payments should be delivered according to the means by which the customer pays for their ongoing consumption.
- 5.69 For those customers who pay towards their ongoing energy consumption partially through Fuel Direct and partially through other means (e.g., Direct Debit), the EBSS payments should be delivered through the process set out according to the payment method used.
- 5.70 For those customers whose contribution towards ongoing energy consumption is solely from Fuel Direct, the EBSS payments should be credited to the customer's energy account balance and either be available for the customer to cash out credit balances or be reflected when the Fuel Direct payments are next reviewed.

Customers in arrears and debt

- 5.71 While the principal aim of EBSS is to support people with ongoing energy costs, EBSS payments may be used to reduce arrears and debt balances in certain circumstances, where customer accounts are in debt and arrears. This applies both where a customer has a debt repayment arrangement and where there is no repayment arrangement in place.
- 5.72 Customers in arrears are customers who have bills which remain outstanding for longer than 91 days or 13 weeks after they are issued, and who have not yet set up a debt repayment arrangement. Where a customer account is in arrears, the EBSS payment can reduce these arrears, where an EBSS payment is applied or partially applied to an energy account.
- 5.73 Suppliers should continue to comply with standard licence condition 27 of the electricity supply licence, including Ofgem's Ability to Pay Principles, and make it their priority to work actively to move customers with large arrears balances onto debt repayment plans wherever possible.
- 5.74 The EBSS payment can be used against arrears or debt for all customers using all method of payment:
- a. Direct Debit - the EBSS payment can be used against arrears or debt where the EBSS payment is greater than the amount the supplier can reduce or refund against a Direct Debit collection. The balance of such payments should be applied to the customer's energy account. Where a customer has separate Direct Debits for ongoing energy consumption and energy debt, suppliers can follow business-as-usual processes when applying any residual EBSS payment to the customer account.
 - b. Credit – the EBSS payment can be used against arrears or debt. Where a customer is not making payments and is accumulating debt, suppliers may follow business-as-usual policies, including by using EBSS to pay arrears and debt before new energy, whether or not a repayment plan is in place.
 - c. Smart prepayment – the EBSS payment can be used against arrears or debt. EBSS can contribute to paying any arrears and debt before new energy use as per business-as-usual processes, whether or not a repayment plan is in place.
 - d. Traditional prepayment - the EBSS payment can be used against arrears or debt. EBSS can contribute to paying any arrears and debt before new energy use, as per business-as-usual processes, whether or not a repayment plan is in place.

Ensuring payments are delivered

- 5.75 Suppliers are expected to take all reasonable steps to ensure the EBSS payment is both provided and delivered. The EBSS is provided when a supplier applies a credit, sends a refund or provides payment of the EBSS to an eligible customer. Delivery of the

EBSS is confirmed when the customer has received the financial benefit of the payment (e.g., when an account balance is credited, voucher/SAM redeemed, or cheque cashed).

- 5.76 In the case of traditional prepayment meter customers, or in a case where a cheque or secure voucher is issued, not all payments will be redeemed by customers. In these scenarios a EBSS will be considered provided but not delivered.
- 5.77 To demonstrate that reasonable steps have been taken to deliver the payment to traditional prepayment customers, or those who have been issued with a cheque, suppliers should make a minimum of three attempts to contact customers who have not redeemed their payment to encourage the customer to take action.
- 5.78 The supplier may determine the best method of contacting the customer for each attempt. Where possible the supplier should consider trying different approaches for each attempt to provide the best chance of reaching the customer – for example where they hold both a telephone number and email address if the first unsuccessful attempt is via email the supplier should consider using telephone for the second attempt.
- 5.79 One of the three attempts should include:
- a. Contacting the customer at least one-month before the expiry of the specific unredeemed EBSS payment, highlighting the expiry date and encouraging redemption.
- 5.80 Additional attempts may include but are not limited to:
- a. Contacting the customer at the end of each scheme month to encourage redemption.
 - b. Where a voucher has been provided but not redeemed instead providing a SAM, and vice versa.
 - c. Providing a cheque or alternative methods to provide cash to customers (see from paragraph 5.63).
 - d. Alongside the issue of new vouchers, providing a reminder to customers on how to redeem or request the replacement of previously unredeemed EBSS vouchers, SAMs or cheques.
- 5.81 Where a supplier can demonstrate the minimum three steps have been taken and the EBSS remains unredeemed by the customer, the supplier can consider that it has taken all reasonable steps to allow it to classify the payment as an exception case.
- 5.82 Suppliers should report on the number of delivered payments as part of their monthly data reporting.

Outstanding customers

- 5.83 Suppliers must take all reasonable steps to provide the EBSS payment to all eligible customers by the cut-off date, the last day of each scheme month.

- 5.84 It may not always be reasonably practical to provide the EBSS payment to an eligible customer by the cut-off date. Outstanding customers will occur where a supplier has not attempted to provide the payment or the supplier has attempted to provide the payment during the payment period but has been unable to do so, and where the payment has not been classified as an exception. This will include, for example:
- a. Where the customers established Direct Debit collection means a Direct Debit is collected early in the next month after a bill is issued.
 - b. Where a customer's Direct Debit payment fails in month and payment then takes place in a subsequent month.
 - c. Where a supplier is continuing to follow steps to make a reasonable attempt to pay in relation to a possible exception case.
- 5.85 The supplier must endeavour to provide any outstanding EBSS payment to the customer as soon as possible, and in all cases before the scheme closure date of 30 June 2023.
- 5.86 As part of the monthly reconciliation and compliance report, suppliers are required to state, for each payment type, the three most common reasons as to why customers have been reported as outstanding. A short description of each reason must also be included.
- 5.87 In the case of all outstanding customers the supplier should be prepared to evidence:
- a. Why it was not reasonably practical to provide the EBSS during the scheme month
 - b. The steps taken to attempt to provide the EBSS during the qualifying month and the additional steps planned to provide the payment.

Exceptions

- 5.88 An exception case occurs where the supplier, having taken all reasonable attempts to pay, cannot provide the EBSS to a person which it has determined to be an eligible customer where that person falls within a listed exception category.
- 5.89 In these cases, having demonstrated a reasonable attempt to pay, a supplier should classify the outstanding customer as an exception case. Once classified as an exception case the supplier is not required to continue to take steps to provide the EBSS payment.
- 5.90 An exhaustive list of exception cases, and details of actions constituting a reasonable attempt to pay, can be found at Annex C. These are:
- Deceased customer
 - No forwarding address
 - Occupier account

- Vacant properties
 - Disconnected properties
 - Change of tenancy
 - Erroneous transfers
 - Unredeemed prepayment voucher
- 5.91 Where a supplier has determined an exception case applies, they should be prepared to evidence:
- a. The reason why an exception was made
 - b. The reasonable steps taken to attempt to provide the EBSS.
- 5.92 Where a supplier has followed this Guidance and can evidence an exception case, Ofgem will not deem such cases as a failure to meet supplier obligations.
- 5.93 Where a customer meets more than one exception case category the supplier may choose which exception to apply and report on.
- 5.94 Where a supplier identifies an exception case not covered by the exhaustive list, they should contact BEIS and Ofgem explaining their case for proposing an exception. BEIS will consider the case and, if necessary, update the Guidance and Direction. Ofgem will consider the case made from a compliance perspective.
- 5.95 On a monthly basis, suppliers are required to report on the number and category of exception cases as part of their monthly reconciliation and compliance report.
- 5.96 As part of the end of scheme reporting suppliers will be required to document the total number and category of exception cases.

Final payment date

- 5.97 Any funding that does not reach a customer by 23:59 on 30 June 2023 for any reason must be returned to BEIS through the final reconciliation process. This includes returning funding where an exception was applied, where a customer remains outstanding on 30 June 2023, and where an EBSS was not delivered because a voucher or cheque was not cashed by 30 June 2023.
- 5.98 All monies must be fully defrayed from the supplier bank account by 23:59 on 30 June 2023. Any monies paid to customers after this date will not be reimbursed under this scheme and the supplier will be liable for this amount.
- 5.99 The only exclusion is where a non-transferable cheque has been cashed after the scheme closing date of 30 June 2023. In this case suppliers may submit a supplementary reconciliation claim for reimbursement. All claims for supplementary

reconciliation should be submitted by 5 January 2024. Vouchers are not eligible to be claimed for under the supplementary reconciliation.

Communicating the EBSS payment

Communicating that an EBSS payment has been provided

- 5.100 Customers must be informed in writing (paper or electronic) when an EBSS payment has been provided.
- 5.101 At a minimum, for each month that a customer receives an EBSS payment, the customer's next bill or statement of account must specify that the customer has been provided with an EBSS payment by HM Government to reduce the customer's energy costs. This should be reflected by using the following wording:
- a. That an Energy Bills Support Scheme discount has been provided.
 - b. That the Energy Bills Support Scheme is a discount funded by HM Government.
- 5.102 Suppliers are required to confirm that this communication has or will take place in line with the existing frequency of providing a customer bill or statement, as part of the monthly reconciliation and compliance report.
- 5.103 This communication should be provided using the most relevant and timely business as usual communication approach (including through App or In-Home Display), and in line with the existing frequency of providing a customer bill or statement, which will not always be monthly.
- 5.104 In customer communications the scheme should be referred to as the 'Energy Bills Support Scheme'. The scheme name should not be abbreviated on bills or statements. In wider communications once stated in full on the first occasion, it is then reasonable to abbreviate it subsequently.
- 5.105 In all references in customer communications the EBSS payment should be described as a discount funded by HM Government.
- 5.106 Where customers are provided with vouchers, SAMs, barcoded letters or cheques, customers should be informed that the purpose of these is for provision of the EBSS discount, as funded by HM Government, and of the expiry date.
- 5.107 In the case of vouchers and SAMs, customers should also be informed of:
- a. How the voucher or SAM will be sent.
 - b. How to redeem the EBSS voucher.
 - c. The ID requirements for redemption.
 - d. Information, including links, on where to find a suitable top-up point.

5.108 ID checks will be required when vouchers are redeemed. Suppliers should communicate to customers that ID will be required to cash the voucher and specify what ID will be acceptable. Where a third-party cashes the voucher, the person will need to produce evidence of both the customer's identity and their own.

Wider communications

5.109 Suppliers should use all available channels to communicate the scheme to customers, for example through bills, app, website, social media etc.

5.110 Information about the EBSS is considered to be intrinsically linked to pricing information and therefore can be included in or alongside a Contract Change Notice. Ofgem consider the provision of clear and transparent information, including joint EBSS and Price Cap messaging, to be in consumer's interests so that consumers can fully understand the potential implications of the price changes, and the options available to them.

5.111 The 'Help for Households' brand should be incorporated on websites and other communications wherever possible, and in as many different locations as possible.

5.112 Suppliers should not proactively contact customers suggesting they donate credit built up through EBSS payments, nor suggest this as an option in any communication. If a customer approaches the supplier to ask them to help the customer to donate the EBSS payment, suppliers may provide appropriate information, exclusively focused on benefiting those in fuel poverty.

5.113 Suppliers will be asked to report on the channels and regularity of communications they send to customers and to make an assessment of how far the scheme has been understood. This communications reporting does not form part of the regular reporting as set out in this Guidance. Further information on communications reporting, which will be collected on a monthly basis, will be provided to suppliers.

6 Compliance, assurance, and audit

- 6.1 To ensure compliance with the requirements of the scheme, suppliers are required to engage with the following compliance, assurance and audit processes:
- Control point compliance assessment
 - Audit and assurance programme
 - End of scheme compliance assessment
- 6.2 Suppliers should take care to ensure that the information contained is accurate, justifiable and supported by evidence. It is a supplier's responsibility to ensure it has appropriate systems, management controls and senior management oversight in place to ensure that eligible customers are accurately identified and recorded.
- 6.3 Suppliers should retain all documentary evidence for a minimum of 7 years from the date of the EBSS payment. This may include (but is not limited to); customer number reports and calculations, customer billing system records, individual customer bills, internal governance reports, reporting from third party service providers and copies of correspondence with customers. This is for the purposes of delivery, reconciliation, audit, assurance, compliance and enforcement, and monitoring and evaluation of the EBSS programme. These records may be subject to external audit.

Control point compliance assessment

- 6.4 A control point is a step in the EBSS payment delivery process against which Ofgem will be measuring supplier's compliance. The control points inform the data requirements and reporting obligations for the scheme.
- 6.5 Control points differ depending on the process of providing the EBSS payment (therefore by payment type). Suppliers are expected to retain evidence, at an individual customer account level, to be able to demonstrate having met each control point set out in Annex D.
- 6.6 In order to report a payment as delivered the Supplier must fulfil the control points set out in Annex D. Suppliers are expected to retain evidence, at an individual customer account level, to be able to demonstrate these control points.
- 6.7 Although Ofgem will not ask to see such evidence on a regular basis, it may require such evidence as part of scheme spot-checks or compliance deep-dives or as part of the end of scheme audit.

Compliance Assessment Levels

- 6.8 Ofgem will conduct several levels of EBSS compliance assessment:

- a. Regular engagement and bilateral meetings – during scheme delivery months to check-in on supplier progress and understand concerns or issues in delivery of the EBSS.
 - b. Level 0 (L0) – Monthly Reconciliation and Compliance Report. Ofgem will assess the monthly reconciliation and compliance reports submitted by suppliers.
 - c. Level 1 (L1) – Outstanding Customers Report & Supplier Remediation plan. Increased assessment of outstanding customers (part of the monthly reconciliation and compliance report) and a supplier remediation plan.
 - d. Level 2 (L2) – Deep-dive Assessments. These assessments will help Ofgem to understand the underlying cause(s) of supplier under performance or non-compliance and their mitigating actions and plans in further detail. Requests for information to support Level 2 assessments will be issued by Ofgem directly and tailored to the nature of underperformance in delivering the EBSS.
- 6.9 Annex E illustrates the compliance levels defined above and how they interact with the regular cadence of EBSS reports.
- 6.10 The monthly reconciliation and compliance report (Level 0) includes the pre-disbursement information, the suppliers' monthly progress report and the outstanding customers reported. It is the principal level of assessment, which all suppliers will undergo for each scheme month. Ofgem will use this data to build a view of how suppliers are meeting their EBSS obligations, and to inform whether further assessments or compliance and enforcement action is required.
- 6.11 The monthly reconciliation and compliance report will be submitted for each scheme month, on the 5th working day of the following month.
- 6.12 Where the monthly reconciliation and compliance report suggests that suppliers are not meeting their obligation in any given month, further compliance action may be initiated. In this case suppliers will be notified that follow-on action is required, and this will take the form of further assessment of the outstanding customers reporting and a request for supplier remediation plan (Level 1) or the Deep Dive assessment (Level 2), with associated requests for supporting information.
- 6.13 If and where required, suppliers will be notified that Level 1 or Level 2 compliance action is initiated, through receipt of a Remediation Letter, from Ofgem Retail Compliance Team.
- 6.14 Level 1 compliance assessment is not a prerequisite for Level 2 compliance. Ofgem may deem it necessary to proceed straight to Level 2 action depending on the levels of non-compliance observed through regular monthly reporting.
- 6.15 Level 1 increased compliance assessment will be initiated where a supplier is underperforming in delivering the EBSS to customers (defined per payment method, per month). Ofgem's Level 1 assessment will use the outstanding customers segment of the monthly reconciliation and compliance report to understand gaps in delivery. Ofgem will

also request a remediation and recovery plan to understand how the supplier will catch-up on EBSS delivery in subsequent scheme delivery months.

- 6.16 Level 2 (L2) compliance assessment will be initiated in cases where EBSS delivery targets are not met over a sustained period or where a supplier is materially behind their target. At this stage, it will be Ofgem's objective to understand and the supplier's obligation to set out what mitigation actions have been taken and what further action is planned to resolve non-compliance. Level 2 action may result in enforcement action being considered by Ofgem.
- 6.17 The exact information to be requested at the Level 2 compliance assessment will be informed by the nature of non-compliance observed, but an example of the types of evidence that may be required can be found in Annex F. Suppliers should take care to ensure that the appropriate systems and processes are in place to accurately record and retain such data.
- 6.18 Ofgem do not anticipate Level 2 deep dive assessments to be a standard course of action and anticipate that most suppliers will meet delivery targets and obligations, as evidenced through regular monthly reporting.

Audit and Assurance Programme

Internal Assurance

- 6.19 Suppliers must provide internal independent assurance on the accuracy of the information submitted in the monthly reconciliation and compliance report and the end of scheme report. Suppliers must submit a written internal assurance declaration as part of the submission of both documents, which will confirm that the assurance activity has been completed (see paragraph 6.23).
- 6.20 The internal assurance will be undertaken by an appointed Senior Compliance Officer, who can either be part of an internal audit or assurance function and/or an individual who is both independent (of scheme delivery) and capable (see paragraph 3.7).
- 6.21 The purpose of the internal assurance is to provide assurance to Ofgem of the accuracy of the information submitted in the monthly reconciliation and compliance reports and end of scheme report. This is used as evidence within the compliance assessment to determine if the supplier has delivered in line with their reporting obligations.
- 6.22 If an internal assurance declaration is not submitted with the monthly reconciliation and compliance reports or the end of scheme report the supplier will be contacted to arrange for the submission of the document. If the supplier continues to not provide this declaration and assurance the supplier may be found non-compliant and face possible enforcement action.

- 6.23 Each supplier declaration should contain assurances for each of the data points detailed in the monthly reconciliation and compliance reports definition including, but not limited to, the following assurances:
- a. Confirmation that the number of eligible customers on the qualifying date has been accurately reported for each of the scheme months and is supported by source records.
 - b. Confirmation that the number of reported EBSS payments provided (e.g., voucher issued to customer) has been accurately reported for each of the scheme months and is supported by source records.
 - c. Confirmation that the number of reported EBSS payments delivered to (e.g., EBSS payment applied to the customer account or refunded to bank account) or redeemed (e.g., prepayment voucher cashed) by customers has been accurately reported for each of the scheme months and is supported by source records.
 - d. Confirmation that the number of exceptions reported has been accurately reported for each of the scheme months and is supported by source records.
 - e. Any recommendations arising from the internal assurance process, including action owners and intended timescales for completion.
- 6.24 The name, designation and contact details of the individual authorising the internal assurance declaration should be clearly outlined.
- 6.25 The submission of the internal assurance declaration will be via the Data Management System (DMS), alongside the requested regular reporting, aligned to each scheme month submission date.
- 6.26 On receipt of the internal assurance declaration as part of the reconciliation and compliance report, Ofgem will complete a review of the information provided. This will inform the compliance assessment. As part of the assessment Ofgem may raise questions or concerns with the supplier and may seek clarity on the content and assurances provided by the author of the internal assurance declaration.

Post payment assurance

- 6.27 Post payment assurance will be carried out by BEIS to ensure the effective management of public money. BEIS will undertake detailed assurance checks on a subset of payments delivered to customers to assess whether appropriate and robust processes were in place to complete the minimum assurance for operating the EBSS.
- 6.28 Suppliers are required to participate in a post payment sample-based assurance process, the purpose of which is to provide assurance that all EBSS payments have been delivered in line with the eligibility conditions for the scheme.
- 6.29 Appropriate evidence must be retained to evidence that all EBSS payments met all relevant criteria at the point of award.
- 6.30 For EBSS payments delivered, at a minimum suppliers must be able to evidence:

- a. The meter was an eligible meter
 - b. The customer eligibility on the qualifying date
 - c. The value of EBSS payments delivered
 - d. The date of EBSS payments delivered
 - e. The EBSS payment was clearly itemised on the customer bill as a discount funded by HM Government
 - f. The date the EBSS payment redeemed (where a cheque or voucher was issued)
- 6.31 Where a payment was not delivered to an eligible customer the supplier must be able to evidence:
- a. The case falls within one of the categories of exception case set out in the Direction.
 - b. Reasonable steps were taken to provide the EBSS payment before classing the case as an exception (see Annex C).
- 6.32 The subset of payments selected to be assured will cover all payment periods and payment types and will be chosen proportionally to the number of payments delivered by a supplier and the potential risk BEIS identifies in the payments. Suppliers should anticipate the number of checks to be a few thousand, although this will be lower for smaller suppliers.
- 6.33 For each sampled meter, suppliers will be asked to provide evidence that:
- a. An EBSS payment was successfully delivered in each eligible month.
 - b. Or to provide evidence and explanation for any month a payment was not delivered.
- 6.34 Suppliers are required to provide an account statement or other relevant evidence, such as a data file, demonstrating the payments delivered against the meter number. The statement or other evidence should show the record relating to the EBSS payment.
- 6.35 Personal information such as customer name and address should be redacted, but the MPAN must be clearly visible.
- 6.36 The first samples will be issued to suppliers in January 2023, requesting evidence for qualifying months October, November and December 2022 and should be submitted within 30 days of being issued. Further requests will be made in April and late July.
- 6.37 April and July requests will relate to the same meter numbers, although BEIS reserves the right to request additional meter information if required.
- 6.38 Suppliers will have 30 days to submit the evidence requested to BEIS.
- 6.39 BEIS will review the evidence presented and confirm satisfactory receipt to suppliers. Where suppliers are unable to provide evidence required to support that EBSS

payments have been delivered then recovery enforcement action may be instigated by BEIS and/or Ofgem.

Audit Programme

- 6.40 BEIS and Ofgem will appoint independent auditors to deliver an external audit programme and obtain audit assurances.
- 6.41 Audit information will be shared between Ofgem and BEIS to assist both parties in undertaking their functions. The purpose of the audit is to:
- a. Ensure that the information provided, including the end of scheme report (see from paragraph 7.30), is correct.
 - b. Provide BEIS with assurance over the number and value of payments provided and delivered.
 - c. Ascertain whether the total value of advances that suppliers have claimed are reconciled against those payments delivered and ensure as far as reasonably practicable that payment figures are reported correctly.
 - d. Support the Ofgem end of scheme compliance assessment process to determine if a supplier has met their obligations.
 - e. The auditor will be expected to complete a report for each supplier. The audit will include:
 - f. Verifying the accuracy of data submissions to BEIS in line with the Direction and Guidance – test a sample of the data to ensure that information submitted to BEIS for compliance and for progress reporting is accurate.
 - g. Securing assurance of compliance with this Guidance and with any processes and procedure that BEIS may have reviewed with the supplier.
 - h. Identifying any suspected fraud, either on the part of the supplier or those parties with whom they have a contract for the delivery of EBSS in respect of the payments and reimbursement process; and
 - i. Identifying any irregular payments due to error or non-compliance, and detect departures from good practice that have resulted, or that may result, in suppliers requesting reimbursement for the incorrect amount.
 - j. Review the end of scheme report.
- 6.42 The above list is indicative, and suppliers may be subject to audit to obtain assurances other than those listed above.
- 6.43 The evidence of the external audit will be used, alongside the assurance and compliance assessment processes, to determine if a supplier has met its obligations.

- 6.44 It is the responsibility of the supplier to retain sufficient management information on administering the EBSS to be effectively audited.
- 6.45 Suppliers must make sufficient information, records and personnel available, at the time required, to enable the external auditor to effectively undertake the audit, co-operating with the auditor as required.
- 6.46 Suppliers refusing to participate or co-operate with the external audit programme may be found non-compliant and Ofgem may open an investigation into the need to commence enforcement action.
- 6.47 It is intended the audit programme will take place in August 2023. Suppliers will be provided with notification at least two weeks in advance of any site visit. The external auditor will seek a mutually agreeable date.
- 6.48 We will aim to provide suppliers with a copy of the draft report no later than eight weeks after the date of visit by auditors. Suppliers will be given four weeks to provide a management response.

End of scheme Compliance Assessment

- 6.49 Following receipt of the end of scheme report and associated audit and assurance declarations Ofgem will assess submitted information for each Supplier. From this Ofgem will determine whether the supplier is compliant with their EBSS obligations. In making this decision they will consider:
 - a. The content of the end of scheme report.
 - b. The assurances provided by the supplier internal assurance declaration.
 - c. The assurances provided by any external audit report.
 - d. Any relevant supplementary information.
- 6.50 Ofgem will give suppliers the opportunity to respond to their enquiries on notifications and end of scheme reports as well as providing management responses to audit recommendations. This will be undertaken before the decision is made regarding supplier compliance.
- 6.51 The compliance assessment is expected to take place from August to end September 2023. These timelines may be extended, for example if an audit report fails to provide adequate assurance and further examination is required prior to making a compliance assessment decision.
- 6.52 Ofgem will inform suppliers as soon as is reasonably practical after the compliance assessment notifying them of their decision. This may be that the:

- a. Supplier is compliant: The supplier is considered to be compliant based on the end of scheme report and satisfactory audit assurances obtained.
 - b. Supplier is compliant with minor contraventions: The supplier is considered mainly compliant. Some minor contraventions were reported however these were not considered significant and the supplier appears to have implemented a suitable response.
 - c. Supplier is non-compliant: The supplier is considered non-compliant based on the end of scheme report and/or lack of audit assurance (either internal and/or external). The information obtained highlights significant breaches and/or significant operational weaknesses.
- 6.53 If a supplier is found non-compliant Ofgem may open an investigation into the need to commence enforcement action.

WITHDRAWN

7 Reporting

- 7.1 To minimise administrative burden, regular monthly reporting and end of scheme reporting will be submitted by suppliers once and then shared by Ofgem and BEIS.
- 7.2 A reporting calendar can be found at Annex G.

Regular reporting

- 7.3 Suppliers are required to provide two monthly reports each month from October to July, covering the scheme delivery period:
- Monthly reconciliation and compliance report – for the purposes of monitoring delivery progress, financial management and monitoring compliance.
 - Monthly MPAN-level delivery data report – for monitoring and evaluation purposes.
- 7.4 Suppliers are required to submit both monthly reports using the BEIS Data Management System (DMS). Guidance on the data submission process, including login details, supporting material, use of the system, and training will be made available to suppliers.
- 7.5 Suppliers are also required to provide an end of scheme report, which includes a consolidation and up to date view of the previously submitted monthly reconciliation and compliance reports. This must be submitted by Monday 31 July 2023.

Monthly reconciliation and compliance report

- 7.6 Suppliers are required to complete a monthly reconciliation and compliance report in each month of the scheme delivery for the purposes of financial management, verifying delivery and monitoring compliance.
- 7.7 The regular monthly reconciliation and compliance report includes the pre-disbursement information, a delivery progress update and the outstanding customers snapshot and is required to be submitted for each scheme month.
- 7.8 The monthly reconciliation and compliance report must be submitted on the fifth working day of the month, and additionally on the scheme end date of Monday 31 July as part of the end of scheme report:
- Friday 7 October 2022
 - Monday 7 November 2022
 - Wednesday 7 December 2022
 - Tuesday 10 January 2023
 - Tuesday 7 February 2023

- Tuesday 7 March 2023
- Tuesday 11 April 2023
- Monday 8 May 2023
- Wednesday 7 June 2023
- Monday 31 July 2023

7.9 The report must be submitted using the Data Management System (DMS) and will be shared with and used by both BEIS and Ofgem.

7.10 The report is used by BEIS to monitor the financial position, confirm eligible customer estimates and payments, calculate the next monthly payment to be provided to the supplier and to evidence the appropriate use of public funds.

7.11 The report is used by Ofgem to inform their in-scheme compliance reporting which determines supplier progress in delivering the scheme.

7.12 On a monthly basis each supplier is required to provide the following data fields:

Q1. **Headline financial figures on the qualifying date**

- a. Total EBSS payments received to date (£)
- b. Balance remaining in EBSS account (£)

Q2. **Actual number of eligible EBSS customers on the qualifying date, split by payment type.**

- a. Direct Debit customers - reduction
- b. Direct Debit customers - refund
- c. Credit customers
- d. Smart prepayment customers
- e. Traditional prepayment customers

Q3. **Number of delivered EBSS payments split by payment type and month payment was due.**

[For October – March]:

- a. Direct Debit customers - reduction
- b. Direct Debit customers - refund
- c. Credit customers
- d. Smart prepayment customers
- e. Traditional prepayment customers (provided only)

Q4. For traditional prepayment customers only, number of SAMS, voucher and cheque activities in the reporting month

- a. SAMS, vouchers and cheques delivered
- b. SAMS, vouchers and cheques expired
- c. SAMS, vouchers and cheques re-issued

Q5. Top three reasons for outstanding payments in the reporting month for

- a. Direct Debit customers - reduction
- b. Direct Debit customers - refund
- c. Credit customers
- d. Smart prepayment customers
- e. Traditional prepayment customers

Q6. Total cumulative number of exceptions split by payment type up to qualifying date

- a. Direct Debit customers - reduction
- b. Direct Debit customers - refund
- c. Credit customers
- d. Smart prepayment customers
- e. Traditional prepayment customers

7.13 Where, as per paragraph 5.63, a voucher or cheque has been issued to a customer who is not a pre-payment customer, suppliers are not required to provide monthly reporting on the status of these vouchers as delivered, expired or reissued. Q4 of paragraph 7.12 should not record cheques or vouchers issued to these customers and should be used to report on traditional prepayment customers only. Suppliers should continue to follow all guidance in relation ensuring payments are delivered and must retain all specified records for compliance, audit and assurance purposes.

7.14 The numbers of eligible EBSS customers on the qualifying date, split by payment type will be used as the estimate for the number of customers at the next qualifying date to calculate the next payment due.

7.15 When completing each monthly reconciliation and compliance report (with the exclusion of the first monthly report due on 7 October 2022), the reported figures from previous months should be checked and updated to include any catch-up activity where outstanding payments have been subsequently delivered outside of the scheme month.

- 7.16 Similarly, the reported figures from previous months should be checked and updated to include any catch-up activity where all reasonable steps have been taken and outstanding payments can now be classed as exceptions. As part of the same report, each supplier is also required to provide the following evidence:
- a. Bank account statement – a screenshot or PDF evidence clearly showing the total funds held in the dedicated EBSS bank account on the report date.
 - o The bank account number
 - o The statement date
 - o The total account balance
 - o Details of all transactions made in the previous month
 - b. Responsible person declaration – A signed declaration by the responsible person certifying that to the best of his or her knowledge and belief the information provided in this report is a true and accurate reflection of the number of EBSS payments that will be or have been provided in each scheme month.
 - c. Internal assurance declaration - A signed declaration by the senior compliance officer certifying that to the best of his or her knowledge and belief the information provided in this report is a true and accurate reflection of EBSS payment activity and is supported by source records.
 - d. Confirmation of changes - confirmation that, if necessary, any changes to the readiness notification information has been communicated to BEIS.
 - e. Confirmation of supplier information change – confirmation that the supplier information (supplier name, contact details and bank account) has not changed.
- 7.17 Only where a Level 1 compliance assessment has been triggered (see paragraph 6.15), suppliers will also be required to provide:
- a. A plan for outstanding customers, describing how the supplier plans to provide an EBSS to outstanding customers.
- 7.18 The Responsible person declaration (7.16b) should take the following format:
- a. The estimate for the number of eligible customers is that which [Supplier Name] reasonably believes is the amount eligible for scheme funding in the following month, broken down by payment types;
 - b. The supporting bank account screenshot submitted is a true and accurate position; and
 - c. Confirmation that the figure presented is based on the number of eligible customers as at the last qualifying date in line with the terms and conditions for eligibility for the EBSS payment.

And once applicable:

- d. The figures presented for the previous month are a true and accurate account of payments dispersed as verified via internal assurance processes.

7.19 The format of the internal assurance declaration (7.15d) is not prescribed but must contain assurances for each of the data points detailed in the monthly reconciliation and compliance report including, but not limited to, the following assurances:

- a. Confirmation that the number of eligible customers on the qualifying date has been accurately reported for each of the scheme months and is supported by source records.
- b. Confirmation that the number of reported EBSS payments provided has been accurately reported for each of the scheme months and is supported by source records.
- c. Confirmation that the number of reported EBSS payments delivered to or redeemed by customers has been accurately reported for each of the scheme months and is supported by source records.
- d. Confirmation that the number of exceptions reported has been accurately reported and is supported by source records.
- e. Any recommendations arising from the internal assurance process, including action owners and intended timescales for completion.

7.20 The name, designation and contact details of the individual authorising the internal assurance declaration must be clearly outlined as part of the declaration.

Monthly MPAN-level delivery data

7.21 Throughout the scheme delivery suppliers are required to provide regular delivery data for monitoring, financial assurance and evaluation purposes.

7.22 Suppliers are required to submit monthly meter level data reports using the BEIS Data Management System, capturing data related to the previous month for each meter.

7.23 The list below sets out the information required from suppliers for each eligible customer:

On a monthly basis:

- a. Meter Point Administration Number (MPAN)
- b. Customer type – traditional prepayment/ smart prepayment/ Direct Debit / Credit
- c. Number of EBSS payment(s) provided in reporting month

- d. For traditional prepayment customers only, the number of EBSS SAMs/voucher/cheques delivered in reporting month
- e. Latest EBSS payment status – paid/outstanding/exception/unknown

In October, April and July only, the following data will also be requested:

- a. Is the account in arrears? – yes/no/unknown
- b. Billing cycle – monthly/quarterly/biannually/annually/irregular/other

7.24 The MPAN delivery data report should be submitted on the tenth working day of the month. The first report should contain EBSS eligible customers as of 1 October 2022, ahead of the first payments being made. The subsequent reports should contain EBSS eligible customers as of the 1st of the previous month, detailing the payments from the previous month

- Friday 14 October 2022
- Monday 14 November 2022
- Wednesday 14 December 2022
- Tuesday 17 January 2023
- Tuesday 14 February 2023
- Tuesday 14 March 2023
- Tuesday 18 April 2023
- Monday 15 May 2023
- Wednesday 14 June 2023
- Friday 14 July 2023

7.25 The MPAN-level report is personal data. In relation to this data suppliers must:

- a. Make customers aware that BEIS will be given access to these personal data and will store and securely process these data for the purposes laid out in the scheme privacy notice.
- b. Provide a link to customers to the BEIS privacy notice on GOV.UK.
- c. Provide evidence to BEIS, if requested, of execution of the above points.

7.26 We recommend the following text to be communicated to customers, this may be provided within your data privacy notice, or with other scheme communications:

“Your personal data will be shared with the Department for Business, Energy and Industrial Strategy (BEIS) to support administration of the Energy Bills Support Scheme (EBSS). These data consist of your meter point number, whether you have received and redeemed each EBSS payment and data about your meter point including your billing cycle and how you pay your bill.”

BEIS is collecting and processing this information under the ‘Public Task’ (UK GDPR, Article 6(1)(e)) legal basis. Processing is necessary for monitoring, assurance, fraud prevention and evaluation purposes of HM Government’s Energy Bills Support Scheme. This task is carried out in the public interest and in the exercise of official authority vested in the Secretary of State for BEIS.

You can find more information on how BEIS will use your personal data in the BEIS Privacy Notice available <https://www.gov.uk/government/publications/electricity-meter-data-collected-through-the-energy-bills-support-scheme-privacy-notice/use-of-electricity-meter-data-collected-through-the-energy-bills-support-scheme-privacy-notice>.”

7.27 The legal basis for collecting this data is in line with UK General Data Protection Regulation (GDPR) Article 6 (1) (e), that processing is necessary for the performance of a task carried out in the public interest or in the exercise of official authority vested in the controller.

7.28 Data provided will be used:

- a. To enable BEIS to monitor the progress of the scheme. This includes monitoring the reach of the scheme across regions and vulnerable groups.
- b. To conduct financial checks on EBSS payments including for assurance and the prevention, investigation, detection or prosecution of criminal offences including fraud.
- c. To allow BEIS to evaluate the scheme to understand its impact and to inform future government policy.
- d. To support the delivery of equivalent support to those households not eligible for this scheme.

7.29 These data are being used by BEIS and will be shared with BEIS contractors (and if applicable their sub-contractors) where required for the delivery of EBSS work that BEIS has contracted out. These personal data will be shared with BEIS’ data processors Microsoft and Amazon Web Services. BEIS do not allow third parties to use this data. BEIS will not:

- a. Sell or rent these data to third parties.
- b. Share these data with third parties for marketing purposes.

7.30 BEIS may share these data if required to do so by law, for example by court order or with other enforcement agencies for the prevention and detection of fraud or other crime.

End of scheme report

7.31 The end of scheme report will compile the information and data submitted through regular monthly reconciliation and compliance reporting for the duration of the scheme. It will give an up-to-date view of the position of the supplier at the end of the scheme.

- 7.32 BEIS will use this report to reconcile all payments made under the scheme. Final reconciliation will allow reimbursement to suppliers of any balance due or repayment of undispersed balance to BEIS.
- 7.33 Ofgem will use this report to assess overall compliance in a supplier meeting its obligations under standard licence condition 25E of the standard conditions of electricity supply licence and may look to validate past monthly reconciliation and compliance report information submitted against the end of scheme report submission.
- 7.34 The end of scheme report must be submitted by Monday 31 July 2023. Suppliers are required to submit the final report to BEIS and will be shared with Ofgem to support their role in monitoring and assessing supplier compliance.
- 7.35 The monthly reconciliation and compliance report must be submitted on the scheme end date of Monday 31 July 2023 as part of the end of scheme report. As with previous months the reported figures should be checked and updated to bring the reporting up to date for the end of scheme.
- 7.36 BEIS will use the data provided to aggregate the figures in respect of all scheme months.
- 7.37 To complete the end of scheme report suppliers must also provide the number of outstanding customers and the number and category of exception cases as of 1 July 2023. A specific reporting template will be circulated to complete this additional part of the report.
- 7.38 The end of scheme report must be signed by the Responsible Person and internally assured by the Senior Compliance Officer, following the process set out for the monthly reconciliation and compliance report.
- 7.39 The end of scheme report will be subject to independent external audit.

Other reporting

- 7.40 In cases where suppliers are underperforming Ofgem may request further Level 1 or Level 2 reporting (see from paragraph 6.8). Level 1 and Level 2 reporting will not be requested from all suppliers as standard.
- 7.41 Suppliers are required to participate in a post payment sample-based assurance process to be issued in January, April and July 2023 (see from paragraph 6.27).
- 7.42 Suppliers are asked to participate in monthly communications reporting (see paragraph 5.111).
- 7.43 Suppliers may be asked to provide information; participate in surveys or other opinion gathering; and engage in discussions in order to evaluate the outcomes of the scheme and/or assist BEIS and/or Ofgem in evaluating the scheme more generally.

- 7.44 Suppliers may be asked to provide information to BEIS and/or Ofgem in order to answer questions (including Parliamentary Questions and ministerial correspondence) on topics including, but not solely limited to, the operation of the scheme, and information that BEIS may require to support the development and monitoring of government policy.

WITHDRAWN

Annexes

Annex A: Supplier Information

Responsible Person:	
Supplier contact with overall responsibility for the administration of the scheme	
Name	
Position	
Email	
Telephone	
Address	
Primary Contact:	
Primary contact for day-to-day administration of the scheme – will receive all EBSS delivery correspondence	
Name	
Position	
Email	
Telephone	
Address	
Secondary Contact:	
Secondary contact for day-to-day administration of the scheme – will receive all EBSS delivery correspondence	
Name	
Position	
Email	
Telephone	
Address	

Financial director (or equivalent):	
Responsible for signing and submitting monthly solvency statement	
Name	
Position	
Email	
Telephone	
Address	
Senior compliance officer:	
Responsible for compiling and certifying the internal assurance declaration. Must not be under the direction of the responsible person	
Name	
Position	
Email	
Telephone	
Address	

Supplier contacts requiring access to Data Management System (DMS)		
For submission of reporting (up to 5 contacts)		
Name	Position	Email address

Supplier EBSS bank account details:

Confirmation that Oracle SUPPLIER INFORMATION FORM AP1a has been submitted

WITHDRAWN

Annex B: Solvency statement and bank account statement templates

Solvency statement – required each month

From: [the relevant domestic electricity supplier]

To: The Secretary of State for Business, Energy and Industrial Strategy

Dated [] 202[2/3]

Dear Sir

[name of the relevant domestic electricity supplier] (the “Company”)

I acknowledge that the provision of this certificate is a requirement of the EBSS Direction made by The Secretary of State for Business, Energy and Industrial Strategy on 22 September 2022 (the “Direction”) and that the Secretary of State for Business, Energy and Industrial Strategy and his officials will rely on this certificate in providing EBSS payments to the Company.

I am the [finance director/deputy finance director] of the Company and hereby declare that no insolvency event (as defined in the Direction) has occurred with respect to the Company and that having made reasonable enquiries I am not aware of any circumstances that could reasonably be expected to give rise to an insolvency event during the calendar month in which this declaration is given or in the immediately following calendar month.

This certificate and any non-contractual obligations arising out of or in connection with it are governed by English law.

Yours faithfully

[name of [finance director/deputy finance director]]

Finance Director/Deputy Finance Director

For and on behalf of

[name of the domestic electricity supplier]

Bank account statement – required in September only

From: [the relevant domestic electricity supplier]

To: The Finance Director, Department for Business, Energy and Industrial Strategy

Dated [23] September 2022

Dear Sir

[name of the relevant domestic electricity supplier] (the “Company”)

I acknowledge that the provision of this information is a requirement of the EBSS scheme and that officials will rely on this declaration to provide EBSS payments to the Company.

I am the [finance director/deputy finance director] of the Company and hereby declare that following bank account information is accurate.

The bank account is with a bank in Great Britain and will be maintained separately from other bank accounts. Only EBSS monies will be paid into the account and no monies will be released or transferred out of the qualifying bank account for any purpose other than providing an EBSS payment to an eligible customer or returning funds to BEIS when requested.

Name of company: [name]

Account holder name: [name]

Bank name: [name]

Account No: [number]

Sort code: [number]

Yours faithfully

[name of [finance director/deputy finance director]]

Finance Director/Deputy Finance Director

For and on behalf of

[name of the domestic electricity supplier]

WITHDRAWN

Annex C: Exception cases

Category	Definition
Deceased customers	<p>A customer is deceased and their account is closed after a monthly qualifying date and before an EBSS has been provided. The supplier has not been able to contact a relative / executor in order to provide the EBSS to the deceased's estate.</p> <p>Where an account is closed before the monthly qualifying date the EBSS is not payable and the account should not be included as an eligible customer in estimates.</p>
Reasonable steps to make payment:	
<p>The supplier writes to the deceased's last known address advising of the entitlement to the EBSS and provides contact details of who to contact at the supplier to arrange provision. If contact is received then the supplier arranges to provide the EBSS. If no contact is received or contact is received but relatives do not wish the payment to be provided then no further action is required and the case may be classed as an exception.</p> <p>Suppliers should give relatives three months from when the deceased's account was closed to respond. If no contact is received after three months, the case may be classed as an exception. Exceptions for deceased customers can be reported on a monthly basis, and by 30 June 2023.</p> <p>Alternatively, if the executor's address is known, the supplier should provide the payment directly to them (e.g., cheque payment to solicitor) outlining in correspondence what the payment is for and who it relates to.</p>	
Category	Definition
No forwarding address	A customer is no longer living at that property and has closed their account after a monthly qualifying date and before the EBSS was provided. The customer has left no forwarding address.
Reasonable steps to make payment:	
The supplier contacts the individual with any known contact details they may hold (e.g., email or telephone) to explain the customer has eligibility for the EBSS and to arrange for the most suitable method of EBSS provision. If the supplier retains bank details for the individual then they should provide a credit to that bank account via BACS etc.	

If the supplier has no bank details and has no details by which to contact the individual, or the individual does not respond to an information request then the supplier may class the case as an exception.

Exceptions for no forwarding address can be reported on a monthly basis. After contacting the individual, suppliers should allow time to receive a response before the case can be classed as exception in the following month’s submission.

Category	Definition
Occupier Accounts	<p>Where a household was captured on a monthly qualifying date though named details of the account holder were not available.</p> <p>Occupier accounts should be included in suppliers estimates of eligible customers.</p>

Reasonable steps to make payment:

Where the supplier identifies the “Owner/Occupier” account as an occupied dwelling, suppliers should write to the address on the “Owner/Occupier” account requesting a named contact. Where suppliers have an email address or phone number for the account, these can be used to request a named contact. Suppliers should also use other communications channels to prompt customers to provide a named contact.

Where a supplier has made reasonable attempts to obtain a named contact and this has not been provided, a supplier may as a last resort provide EBSS payments to “Owner/Occupier” accounts by crediting the account with the EBSS payment on the customer bill for Direct Debit, credit customers and smart PPM customers.

For traditional PPM customers, where a supplier has made reasonable attempts to obtain a named contact and this has not been provided, a supplier should, as a last resort, issue vouchers addressed to the occupant (as per paragraph 5.56).

If the supplier cannot establish sufficient details to allow provision of the EBSS payment – for example:

- where there is insufficient address quality to allow for a valid address ID check, e.g., where an account is listed as ‘flat [number blank]’
- only a non-transferable cheque could be issued

then the supplier may class this case as an exception for that month.

Category	Definition
Vacant Properties	<p>Where a household was captured as having a domestic electricity supply on a monthly qualifying date but further investigation revealed that the</p>

	property was empty and no eligible customer could be established.
Reasonable steps to make payment:	
<p>Investigation of the household reveals to a supplier that whilst they supplied a household on a monthly qualifying date there appears to be no customer resident in the property at present and furthermore no eligible property account holder could be established. The supplier writes to the address to clarify if anyone was present in the property on the monthly qualifying date. If no response is received or confirmation is received that the property was vacant on the qualifying date then the case may be classed as an exception for that month.</p> <p>The main reasons for a property being vacant without a named account holder include, but are not limited to:</p> <ul style="list-style-type: none"> • Newly constructed properties where the MPAN has been registered with a supplier and the account holder has not yet moved in • Rental properties that are vacant following the departure of the old tenant and prior to a new tenant moving in • Properties that are newly occupied and there has been a delay in the occupier registering their details with their supplier • Properties that are unoccupied for all or part of the EBSS period from October 2022 to March 2023. <p>Where a property account holder is known, the supplier must continue to pay the EBSS for the duration of the scheme.</p> <p>Where a supplier is aware that a property is vacant due to ill health, caring responsibilities or some other vulnerability, the supplier must continue to pay the EBSS.</p>	
Category	Definition
Disconnected properties	Where a household was captured on a monthly qualifying date but further investigation revealed that there was no household or eligible customer (e.g. house demolished, destroyed by fire, empty for renovation, etc).
Reasonable steps to make payment:	
<p>Investigation by the supplier of the household reveals that whilst they supplied a house on a monthly qualifying date, there was no actual “house” on the qualifying date, albeit an MPAN remained connected etc.</p> <p>Should any doubt exist, suppliers should write to addresses to ascertain if an eligible customer was in the premises on a monthly qualifying date. Should no response be received</p>	

<p>or confirmation be provided that the household is no longer operational then the case may be classed as an exception.</p>	
Category	Definition
Change of Tenancy	<p>A customer account was captured on a monthly qualifying date on a supplier’s customer database, but it transpires a different customer was actually in the property on the monthly qualifying date.</p>
<p>Reasonable steps to make payment:</p>	
<p>On becoming aware of the change of tenancy the supplier should attempt to reverse the EBSS provided to the presumed eligible customer (if already provided) and re-apply this to the customer actually present in the property on the monthly qualifying date.</p> <p>For Direct Debit and credit customers, suppliers should reverse the EBSS provided to the presumed eligible customer by adding the EBSS as a debit to the presumed eligible customer’s final bill. Suppliers should then apply the EBSS as a credit to the first bill issued in the name of the customer actually present in the property on the monthly qualifying date.</p> <p>For PPM customers with traditional meters, suppliers should cancel the voucher(s) issued for the monthly qualifying date and issue vouchers for the customer actually present on the monthly qualifying date. A supplier may provide the EBSS by other alternative method (e.g. cheque) where possible.</p> <p>If insufficient details exist about the customer actually present in the property a supplier should write to the property requesting customer details to allow provision of the EBSS. If a supplier cannot obtain sufficient information in order to provide the EBSS by any means then the case may be classed as an exception for that month.</p> <p>For PPM customers with smart meters, no action is needed because the customer present in the property on the qualifying date will have received the EBSS when it was applied to the smart meter.</p> <p>Suppliers should follow BAU complaints and fraud processes where customers dispute the date of an end of tenancy.</p>	
Category	Definition
Erroneous Transfers	<p>Where an eligible customer was erroneously transferred into the electricity supplier on a monthly qualifying date but was returned to another supplier shortly thereafter. The electricity supplier could not establish contact details for this customer or the customer did not respond to contact detail information requests.</p>

Reasonable steps to make payment:	
Using contact details that were provided when the individual was erroneously transferred, the recipient supplier should write to the transferred customer to attempt to provide the EBSS. If the individual does not respond and there is insufficient information available to provide the EBSS then the case may be classed as an exception for that month.	
Category	Definition
Unredeemed prepayment vouchers	Where an eligible customer has not redeemed their EBSS voucher during the voucher validity period of three months.
Reasonable steps to make payment	
Suppliers must follow the Guidance from paragraph 5.73 to support customers to redeem their EBSS vouchers within the validity period.	
Where a supplier has followed the guidelines and the EBSS vouchers remain unredeemed until they expire, the supplier may class that/those EBSS voucher(s) as an exception.	

WITHDRAWN

Annex D: Control Points

Control points for Direct Debit customers

Process Step	Control Points Description
Suppliers to reduce customers monthly Direct Debit by the EBSS value.	Supplier will report how many Direct Debit customers they have provided the EBSS to via a reduction in their monthly Direct Debit payment, for every scheme month. Evidence of Direct Debit collected in scheme month.
Suppliers to issue refund to eligible customers' registered bank account	Supplier will report how many Direct Debit customers they have provided the EBSS to via a refund to their registered bank account, for every scheme month. Bank and transfer statements will serve as evidence.
Customers to receive credit balance adjustment if their monthly Direct Debit value is less than the EBSS value.	Where applicable (i.e., where the EBSS value in a given month exceeds that of the customer's Direct Debit payment), a customer account is deemed to have been successfully 'delivered' to if the supplier is also able to confirm the customer has also received a credit balance adjustment, equivalent to the delta between the EBSS value and Direct Debit amount in the given scheme month. Evidence in the form of customer account statement.
Suppliers to specify on a customer's next Bill or statement of account that an EBSS payment(s) has been provided that the EBSS is a discount funded by HM Government.	A supplier will be able to report a fully 'delivered' EBSS in month for a customer account if they have communicated delivery of the EBSS support payment to the customer.

Control Points for credit customers

Process Step	Control Points Description
Suppliers to apply EBSS value, as a credit, to their eligible	Suppliers will report how many credit customer accounts have successfully provided with the EBSS payment, for

customers account, for every scheme month.	each scheme month. Customer account bill or other statement, indicating a positive account credit adjustment will serve as evidence of this step.
Suppliers to specify on a customer's next Bill or statement of account that an EBSS payment(s) has been provided that the EBSS is a discount funded by HM Government.	A supplier will be able to report a fully 'delivered' EBSS in month for a customer account if they have communicated delivery of the EBSS support payment to the customer.

Control points for Smart Prepayment customers

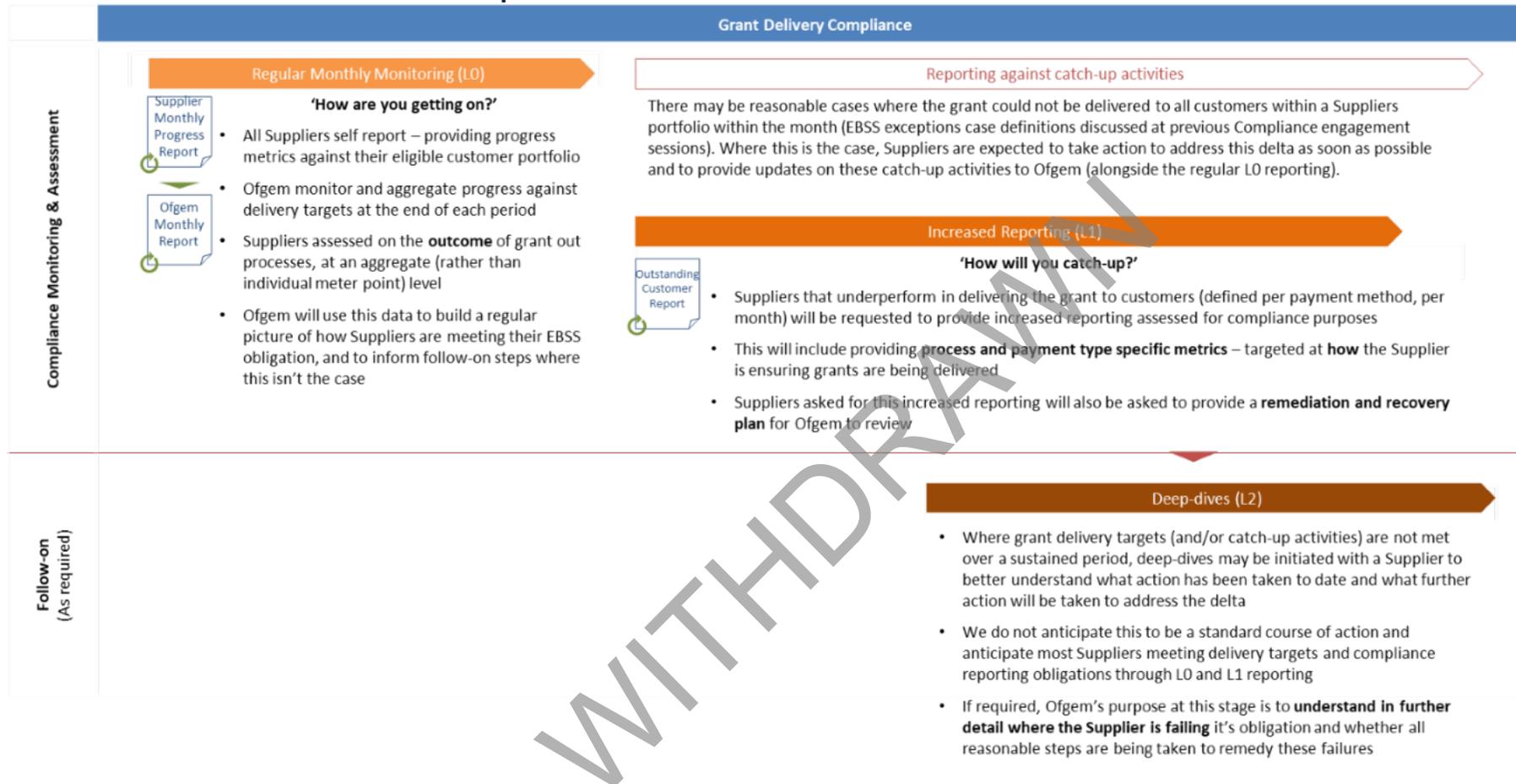
Process Step	Control Points Description
Suppliers to apply EBSS value as credit to Eligible Customer's Smart Meter (operating in prepayment mode), for every scheme month.	Suppliers will report how many of their eligible smart prepayment customers have been provided with a top-up payment, to the value of the EBSS for each scheme month.
Smart communications provider confirms the suppliers has successfully sent the credit to their Eligible Customer(s)	Suppliers will retain evidence in the form of a positive confirmation, from the DCC or alternative smart communications provider, that the top-up has been successfully applied to the meter.
Suppliers to specify on a customer's next Bill or statement of account that an EBSS payment(s) has been provided that the EBSS is a discount funded by HM Government.	A supplier will be able to report a fully 'delivered' EBSS in month for a customer account if they have communicated a meter credit top-up to the value of an EBSS payment to the customer.

Control points for Traditional Prepayment customers

Process Step	Control Points Description
Suppliers to send EBSS payment as a voucher/SAM to eligible customers, for every scheme month.	Supplier will report how many of their eligible traditional pre-payment customers have been sent an EBSS payment as a voucher/SAM.
Suppliers to specify that the purpose of the voucher, SAMs, barcoded letter or cheque is for provision of the EBSS grant, as funded by HM Government and of the expiry date.	Suppliers will report that they have communicated distribution of the EBSS, as a voucher/SAM to the customer.
Eligible customers to credit their meter with the voucher/SAM provided by their supplier every scheme month.	Suppliers to report how many EBSS prepayment vouchers have been redeemed. Records from the post office or other payment voucher issuer are to be retained as evidence.

WITHDRAWN

Annex E: Illustration of compliance levels



Annex F: Control Points for Level 2 Compliance Assessment: Deep-dive

Customer Payment Type	Types of information which may be requested as part of Level 2 Compliance Assessment Deep-dives
<p>Direct Debit customers (Option 1: Reduction to Bill)</p>	<p>Proof of EBSS payment application to account or bill such as example line item on customer statement (online or paper copy)</p> <p>Supplier platform (e.g., Kraken, SAP or other) excerpt or equivalent showing adjustment has taken place on customer account</p> <p>Evidence and details of Root Cause Analysis (RCA) type investigation undertaken by the Supplier to understand process or systems faults and identify remedial action(s) – this is applicable for all payment types</p> <p>Change requests initiated to remediate underlying process, systems or capacity issues uncovered during EBSS delivery – this is applicable for all payment types</p>
<p>Direct Debit customers (Option 2: Refund to Bank Account)</p>	<p>Proof of payment of the EBSS such as a receipt, or proof of BACs/Faster Payments transfer</p> <p>Supplier platform (e.g., Kraken, SAP or other) excerpt or equivalent showing adjustment has taken place on customer account</p>
<p>Credit customers (pay on receipt)</p>	<p>Voucher numbers and/or values of vouchers issued for the EBSS</p> <p>Postal or other communication records of payment card sent to customers with a value equal to the EBSS</p> <p>Application of EBSS to account</p>
<p>Smart pre-payment meter customers</p>	<p>Smart Communication or network provider (e.g. DCC) records of EBSS top-up flows to the meter point associated with the customer account (this may evidence both successes and failures)</p>

	<p>Communication records (e.g. text message or email) of application of the EBSS to the account or meter</p> <p>Payment application to the account of an amount equal to the EBSS</p> <p>Relevant Smart communications or network provider outage statements (with impacted meter point references)</p>
<p>Traditional pre-payment meter customers</p>	<p>Voucher numbers and/or values of vouchers issued for the EBSS</p> <p>Postal or communication records of vouchers or SAMs sent to customers with a value equal to the EBSS</p> <p>Issues and outages reported by the voucher provider to the supplier, in reference to EBSS vouchers to be issued</p>

WITHDRAWN

Annex G: Reporting calendar

Date	Report / Action	Purpose
Wednesday 31 August 2022	Supplier bank account details submitted	BEIS: supplier account set-up to receive BEIS payments
Wednesday 7 September 2022	Supplier information submitted	BEIS: scheme administration
Wednesday 7 September 2022	October estimate of eligible customers	BEIS: calculation of October payment
Friday 23 September 2022	Solvency Statement and Bank Account Statement	BEIS: secure release of October payment
Friday 23 September 2022	Signed Deed returned	BEIS: secure release of scheme payments
Friday 7 October 2022	Reconciliation and compliance report	BEIS: calculation of November payment
Thursday 20 October 2022 (approximate date)	Publication to gov.uk	BEIS: For transparency of funding provided to suppliers, and their progress in delivering payments to customers
Friday 14 October 2022	MPAN-level delivery data report	BEIS: MPAN level monitoring and evaluation
Tuesday 25 October 2022	Solvency Statement	BEIS: secure release of November payment
Monday 7 November 2022	Reconciliation and compliance report	BEIS: reconciliation of November payment BEIS: calculation of December payment Ofgem: Pre-disbursement Information, Aggregate Progress Report and Outstanding Customers report

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Date	Report / Action	Purpose
		Ofgem: Check internal assurance has occurred
Monday 14 November 2022	MPAN-level delivery data report	BEIS: MPAN level monitoring and evaluation
Friday 18 November 2022 (approximate date)	Publication on gov.uk	BEIS: For transparency of funding, provided to suppliers, and their progress in delivering payments to consumers
Friday 25 November 2022	Solvency Statement	BEIS: Secure release of December payment
Wednesday 7 December 2022	Reconciliation and compliance report	BEIS: Reconciliation of December payment BEIS: Calculation of January payment Ofgem: Pre-disbursement Information, Aggregate Progress Report and Outstanding Customers report Ofgem: Check internal assurance has occurred
Wednesday 14 December 2022	MPAN-level delivery data report	BEIS: MPAN level monitoring and evaluation
Tuesday 20 December 2022 (approximate date)	Publication to gov.uk	BEIS: For transparency of funding provided to suppliers, and their progress in delivering payments to consumers
Tuesday 20 December 2022	Solvency Statement	BEIS: Release of January payment
Tuesday 10 January 2023	Reconciliation and compliance report	BEIS: reconciliation of January payment BEIS: calculation of February payment Ofgem: Pre-disbursement Information, Aggregate Progress Report and Outstanding Customers report Ofgem: Check internal assurance has occurred

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Date	Report / Action	Purpose
Tuesday 17 January 2023	MPAN-level delivery data report	BEIS: MPAN level monitoring and evaluation
Friday 20 January 2023 (approximate date)	Publication to gov.uk	BEIS: For transparency of funding provided to suppliers, and their progress in delivering payments to consumers
Wednesday 25 January 2023	Solvency Statement	BEIS: Release of February payment
January 2023	Assurance sample 1 issued	BEIS: scheme assurance part 1
Tuesday 7 February 2023	Reconciliation and compliance report	BEIS: reconciliation of February payment BEIS: calculation of March payment Ofgem: Pre-disbursement Information, Aggregate Progress Report and Outstanding Customers report Ofgem: Check internal assurance has occurred
Tuesday 14 February 2023	MPAN-level delivery data report	MPAN level monitoring and evaluation
Monday 20 February 2023 (approximate date)	Publication to gov.uk	BEIS: For transparency of funding provided to suppliers, and their progress in delivering payments to consumers
Friday 24 February 2023	Solvency Statement	BEIS: Release of March payment
Tuesday 7 March 2023	Reconciliation and compliance report	BEIS: reconciliation of March payment BEIS: calculation of April payment Ofgem: Pre-disbursement Information, Aggregate Progress Report and Outstanding Customers report Ofgem: Check internal assurance has occurred

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Date	Report / Action	Purpose
Tuesday 14 March 2023	MPAN-level delivery data report	BEIS: MPAN level monitoring and evaluation
Monday 20 March 2023 (approximate date)	Publication to gov.uk	BEIS: For transparency of funding provided to suppliers, and their progress in delivering payments to consumers
Tuesday 11 April 2023	Reconciliation and compliance report	Ofgem: Pre-disbursement Information, Aggregate Progress Report and Outstanding Customers report Ofgem: Check internal assurance has occurred
Tuesday 18 April 2023	MPAN-level delivery data report	BEIS: MPAN level monitoring and evaluation
Monday 24 April 2023 (approximate date)	Publication to gov.uk	BEIS: For transparency of funding provided to suppliers, and their progress in delivering payments to consumers
April 2023	Assurance sample 2 issued	BEIS: scheme assurance part 2
Tuesday 9 May 2023	Reconciliation and compliance report	Ofgem: Pre-disbursement Information, Aggregate Progress Report and Outstanding Customers report
Tuesday 16 May 2023	MPAN-level delivery data report	BEIS: MPAN level monitoring and evaluation
Friday 19 May 2023 (approximate date)	Publication to gov.uk	BEIS: For transparency of funding provided to suppliers, and their progress in delivering payments to consumers
Wednesday 7 June 2023	Reconciliation and compliance report	Ofgem: Pre-disbursement Information, Aggregate Progress Report and Outstanding Customers report Ofgem: Check internal assurance has occurred
Wednesday 14 June 2023	MPAN-level delivery data report	BEIS: MPAN level monitoring and evaluation

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Date	Report / Action	Purpose
Tuesday 20 June 2023 (approximate date)	Publication to gov.uk	BEIS: For transparency of funding provided to suppliers, and their progress in delivering payments to consumers
Friday 7 July 2023	Reconciliation and compliance report	Ofgem: Pre-disbursement Information, Aggregate Progress Report and Outstanding Customers report Ofgem: Check internal assurance has occurred
Friday 14 July 2023	MPAN-level delivery data report	BEIS: MPAN level monitoring and evaluation
Thursday 20 July 2023 (approximate date)	Publication to gov.uk	BEIS: for transparency of funding provided to suppliers, and their progress in delivering payments to consumers
July 2023	Assurance sample 3 issued	BEIS: Final scheme assurance
31 July 2023	End of scheme report	BEIS: End of scheme reconciliation Ofgem: End of scheme compliance assessment
August – September 2023	Final publication to gov.uk	BEIS: For transparency of funding provided to suppliers, and their progress in delivering payments to consumers
August – September 2023	Assessment of Monthly Reconciliation and Compliance Reporting and End of Scheme Report	Ofgem: Determining whether the supplier was compliant with EBSS obligations.

WITHDRAWN

This publication is available from: www.gov.uk/government/publications/energy-bills-support-scheme-guidance-for-electricity-suppliers

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