



Department for  
Business, Energy  
& Industrial Strategy

# Domestic Alternative Fuel Payment Scheme

Guidance for Electricity Suppliers in Great  
Britain

WITHDRAWN

January 2023

WITHDRAWN



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# 1 The Alternative Fuel Payment

- 1.1 The Alternative Fuel Payment (AFP) is a scheme which forms part of the government's cost of living assistance package for consumers over winter 2022 to 2023.
- 1.2 The AFP provides domestic users of alternative fuels with a £200 payment. For identified eligible customers with a relationship with a domestic supplier, this will be delivered by electricity suppliers in February 2023. These eligible customers do not need to apply for this payment.
- 1.3 This Guidance is provided by the Department for Business Energy and Industrial Strategy (BEIS) to support electricity suppliers to deliver the AFP to eligible customers.
- 1.4 Households seeking more information on AFP 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 payment through the Northern Ireland Alternative Fuel Payment, details of which can be found here <https://www.gov.uk/guidance/getting-household-energy-bill-support-in-northern-ireland>.
- 1.6 Alternative funding will be available to provide the £200 payment to those households in Great Britain who will not be able to receive automatic payments under the scheme.

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## 2 Legal and regulatory framework

- 2.1 The Secretary of State for Business, Energy and Industrial Strategy will make a Direction under sections 7(3)(a) and 107 of the Electricity Act 1989 - the AFP Direction.
- 2.2 The Direction can be found at <https://www.gov.uk/government/publications/domestic-alternative-fuel-payment-gb-ministerial-direction>.
- 2.3 The Direction is issued pursuant to Condition 59 of the Standard Conditions of electricity supply licence and applies to any domestic electricity supplier. The purpose of the Direction is to require that a domestic electricity supplier provides and delivers AFP to its eligible customers and submits to the reporting, audit and financial management requirements of the scheme.
- 2.4 The Direction comes into force on 25 January 2023 and has effect for one year, with the period for all payments to be completed finishing on 30 June 2023.
- 2.5 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 AFP

- 2.6 To facilitate the implementation of the AFP, Ofgem will provide enforcement action where deemed appropriate and in-light of compliance evidence and rationale provided by BEIS. Any action would be assessed against supplier obligations introduced via Standard Licence Conditions (SLCs) and the SoS Direction, and considered in the context of broader Ofgem enforcement activities and policies.

### Contact

- 2.7 The BEIS AFP team can be contacted at [supplier.ebss@beis.gov.uk](mailto:supplier.ebss@beis.gov.uk).

### Data sharing and data privacy

- 2.8 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.

- 2.9 As part of the scheme BEIS will collect Personal Data in the form of Meter Point Administration Number (MPAN) information from suppliers. Paragraphs 8.23-8.25 below discuss the sharing and processing of these data.
- 2.10 The AFP scheme data privacy notice will be published on GOV.UK. It will set out how BEIS will use the personal data collected from electricity suppliers, and the rights of suppliers and consumers. It is made with reference to Articles 13 and 14 of the UK General Data Protection Regulation (UK GDPR).

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## 3 Customer eligibility

- 3.1 BEIS produce a list of Meter Point Access Numbers (MPANs) which BEIS has determined (see paragraphs 3.5-3.6 below) correspond to households who – if otherwise eligible – should be paid the Alternative Fuel Payment automatically through their electricity supplier.
- 3.2 BEIS will in early February provide to each electricity supplier a subset of MPANs for which each supplier is responsible. Suppliers will receive MPANs for consumers with whom they have an existing relationship. Each MPAN will be provided to only one supplier.
- 3.3 Suppliers are responsible for determining which MPANs correspond to an eligible customer, where eligible customer means a domestic customer who is party to a Domestic Supply Contract or a Deemed Contract for electricity supply which relates to a domestic premises at 00:00 hours on 1 February (the qualifying date), with only one Domestic Customer per Domestic Supply Contract or Deemed Contract per Domestic Premises being an eligible customer.
- 3.4 Suppliers are not responsible for paying any customer who does not correspond to a provided MPAN, regardless of their relationship with this customer.

### Data matching

- 3.5 The following sets out the basic approach followed by BEIS in matching the various data sets and extracting the relevant list of MPANs for each supplier, identifying consumers to receive automatic payments for the AFP:
  - a. **Off gas grid postcodes.** Xoserve have published a list of GB postcodes where there is no active gas meter point connection. Gas connection record as of 13 December 2022<sup>1</sup>.
  - b. **Postcode look-up.** ONS's National Statistics Postcode Lookup is used to map active GB postcodes to Lower layer Super Output Areas (LSOA). Data published on 24 November 2022<sup>2</sup>.
  - c. **Census data on heating type.** Provided by ONS and is used to identify the LSOAs that are eligible for automatic payments. BEIS will use this data to eliminate LSOAs that have been identified as predominantly having houses which heat their homes via electricity, as houses which are primarily electrically heated are not in scope of the Alternative Fuel Payment. Households which are primarily alternatively fuelled but have

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<sup>1</sup> Xoserve Off gas live postcodes - <https://www.xoserve.com/media/fadn4tnc/off-gas-live-postcodes-2022.xlsx?term=Off-gas>

<sup>2</sup> ONS Postcode look-up - <https://geoportal.statistics.gov.uk/datasets/national-statistics-postcode-lookup-2021-census-november-2022/about>



been eliminated through this process are eligible for the AFP Alternative Fund (see paragraph 1.6). The estimates are as at Census Day, 21 March 2021 for England and Wales<sup>3</sup>; 27 March 2011 for Scotland<sup>4</sup>.

- d. **MPAN report.** Provided by the Retail Energy Code (REC), the data contains GB MPANs, the postcode in which the MPAN resides, with which electricity supplier each MPAN is associated and whether each MPAN is associated with a domestic or non-domestic supplier. Since the Domestic AFP is only for domestic consumers, therefore domestic MPANs, BEIS will remove non-domestic meters at this stage. This report contains personal data and will not be published. Accurate as of close of business 31 January 2023.
- 3.6 BEIS will combine these datasets to extract a list of MPANs which correspond to households who – if otherwise eligible – should be paid the AFP automatically through their electricity supplier. BEIS will divide the list of MPANs into a series of separate spreadsheets, so each supplier receives the data relevant only to them via Egress.

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<sup>3</sup> England & Wales 2021 Central Heating Census Data - <https://www.ons.gov.uk/datasets/TS046/editions/2021/versions/1>

<sup>4</sup> Scotland 2011 Central Heating Census Data - <https://www.nomisweb.co.uk/default.asp> - Use the link to navigate through the following: home > Data downloads > Query > Select dataset by source > Census 2011 > UK Quick Statistics > QS415UK - Central heating.

## 4 Operations and readiness

- 4.1 Suppliers are required to provide administrative and readiness information prior to the delivery of the scheme.
- 4.2 Suppliers must also evidence their readiness to deliver the scheme (see paragraph 4.17).

### Deed

- 4.3 The BEIS Terms of AFP Scheme Deed sets out the terms under which BEIS will make payments pursuant to the Direction.
- 4.4 The Deed should 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.
- 4.5 The signed Deed must be returned to BEIS by email to [supplier.ebss@beis.gov.uk](mailto:supplier.ebss@beis.gov.uk) by Wednesday 25 January 2023.

### Supplier information

- 4.6 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 20 January 2023.
- 4.7 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 – a person at a senior level who has significant responsibility for ensuring that the supplier delivers the scheme as required by the Direction. This should be someone in the company with sufficient understanding of and authority over relevant supplier systems and processes to ensure delivery of AFP.
  - c. The Senior Compliance Officer – who is required to complete internal assurance and should be independent and must not be under the direction of the Responsible Person.
    - They could 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 should 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 AFP, and who understands the AFP 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 – suppliers are requested to provide details of this person, who can be any person chosen to receive and be responsible for all correspondence with BEIS on scheme delivery.
- 4.8 Suppliers should also provide details of those persons who will require access to the Data Management System (DMS) to submit scheme reporting.
- 4.9 Suppliers should inform BEIS if their supplier information changes at any time.

### Supplier bank account

- 4.10 Suppliers are required to hold a qualifying bank account to receive and administer AFP funding. This may be a new account or an existing one solely dedicated to AFP.
- 4.11 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 AFP monies will be paid.
- 4.12 Ahead of the payment, suppliers should provide a letter signed by their Finance Director (see paragraph 4.7a) confirming their bank account details. This should be returned to BEIS with the solvency statement (see from paragraph 5.6). A template declaration can be found at Annex B.
- 4.13 Suppliers must not release or transfer monies out of the qualifying bank account for any purpose other than providing an AFP to an eligible customer or returning funds to BEIS when requested.
- 4.14 Any interest accrued or balance held must be returned to BEIS as part of the scheme reconciliation.
- 4.15 This account must remain active until the final scheme reconciliation has been completed and this has been confirmed in writing by BEIS.
- 4.16 Suppliers must take measures to ensure the swift and direct disbursement of AFP funds from this account to customers as provided for in the Direction. Where it is necessary for a supplier to transfer funds through another business account as part of a process of

making an AFP, 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 AFP 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 AFP monies have transferred, reflected proportionately against the AFP fund figures.

## Supplier information notifications

4.17 Suppliers are required to submit the following information to BEIS via [supplier.ebss@beis.gov.uk](mailto:supplier.ebss@beis.gov.uk) by 28 February:

- a. A description of how they intend to provide or have provided an AFP to its eligible customers who are traditional prepayment customers, smart prepayment customers, direct debit customers and credit customers
- b. A description of how they intend to identify and record or have identified and recorded the number of its eligible customers to whom it has not provided an AFP before or on the cut-off date
- c. A description of how they intend to comply or have complied with their obligation to notify its eligible customers who are traditional prepayment customers, smart prepayment customers, direct debit customers and credit customers in relation to the provision of AFP
- d. A description of any systems or other testing they intend to use or carry out or have carried out in relation to its performance of its obligations for this scheme
- e. A description of any management processes they put in place to oversee their compliance with their obligations for this scheme
- f. A description of the measures they have taken to prevent fraud, misuse or abuse in relation to its provision of an AFP to its eligible customers

- g. a description of how they intend to carry out or have carried out the internal assurance for the purpose of compiling the internal assurance declaration (see paragraphs 7.19-7.26).
- 4.18 If any of the above information is the same information as was provided by suppliers under the Energy Bills Support Scheme (EBSS), then suppliers may inform BEIS of this and do not have to submit the same information.
- 4.19 If at any time during scheme delivery period any of the above information changes, this must be submitted to [supplier.ebss@beis.gov.uk](mailto:supplier.ebss@beis.gov.uk).

## Managing the risks of fraud

- 4.20 The government will not accept any manipulation or fraud within this Scheme. Any allegation or suspicion of fraud, misuse or abuse will be treated seriously.
- 4.21 Suppliers must maintain business as usual fraud detection, prevention, reporting and recovery processes and procedures that are proportionate to and appropriate for AFP scheme delivery.
- 4.22 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](mailto:supplier.ebss@beis.gov.uk) to ensure this intelligence can be signposted appropriately for the development of control measures.
- 4.23 Suppliers should follow the Guidance on issuing vouchers securely (see from paragraph 6.39).
- 4.24 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 AFP grant funding will be paid into (see paragraph 4.12).

## 5 Providing the AFP grant to suppliers

- 5.1 BEIS will provide each supplier with the funding required to provide AFP payments to all eligible customers.
- 5.2 Funding will be paid to suppliers as soon as possible in February, provided the supplier has provided the required information.
- 5.3 The supplier is responsible for ensuring that this payment is used for the sole purpose of providing AFP to eligible customers. Suppliers must not retain any grant funding to reimburse costs incurred in delivering the AFP or for any other purpose.
- 5.4 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 BEIS with information on any cost benefit analysis, highlighting any systematic and material net cost increases resulting from active government schemes. BEIS will monitor the information and will consider the appropriate course of action if and when required.
- 5.5 The AFP 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 in accordance with the process in the Direction (see paragraph 14 of the Direction on overpayments).

### Solvency statement

- 5.6 To receive the AFP grant 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.
- 5.7 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.
- 5.8 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.
- 5.9 The declaration must be dated no later than Wednesday 25 January 2023.
- 5.10 The declaration must be provided by no later than 12:00 hours on Wednesday 25 January 2023 or there is a risk of not receiving the AFP grant payment. The declaration must be submitted to [supplier.ebss@beis.gov.uk](mailto:supplier.ebss@beis.gov.uk). A template declaration can be found at Annex B.

## Calculating payments to suppliers

- 5.11 The AFP grant payment will be based on the estimated number of eligible MPANs based on data matching described in section 3.
- 5.12 Suppliers will receive 101.5% of the estimated funds for paying the AFP, to provide contingency for any adjustments such as customer switching or exceptions. 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 grant payment. Suppliers requesting the additional contingency should contact BEIS to discuss evidence and the quantum requested.
- 5.13 The grant figure will be communicated by BEIS to individual suppliers in advance of the payment date.

## Payment reconciliation

- 5.14 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.
- 5.15 To complete the scheme reconciliation, an end of scheme report must be submitted to BEIS by Monday 31 July 2023 (see from paragraph 8.29).
- 5.16 The information provided in the report will be used by BEIS to fully reconcile actual payments made under the scheme against estimated allocations provided to suppliers.
- 5.17 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 payments delivered
  - c. The balancing figure for remittance or recovery
- 5.18 Any undispersed funding resulting from monies which exceed the payment 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.
- 5.19 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.

## 6 Providing the AFP to customers

- 6.1 Suppliers are responsible for paying all eligible customers (see section 3).
- 6.2 Customers must be paid during February. If a customer has not been paid by Wednesday 1 March, suppliers should follow the process for outstanding customers.
- 6.3 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 AFP; or
  - b. Applying a sum to the customer energy account of an amount equal to the amount of the AFP; or
  - c. Refunding the customer an amount equal to the AFP or paying to the customer an amount equal to the AFP.
- 6.4 Where a supplier provides other services to a customer alongside energy as part of a bundled account, they may apply the AFP to the bundled account, provided the customer has not elected otherwise.
- 6.5 For all customer and payment types, suppliers must retain sufficient records to evidence each AFP being provided, as per the compliance, audit and assurance requirements of the Direction and must report on these payments by customer and payment type (see Section 8 below).
- 6.6 Where a customer uses a combination of payment types the supplier should provide the AFP once only, applying it to the primary method of payment.
- 6.7 Where a customer's payment type changes mid-month, and before an AFP is provided, the supplier should provide the AFP in accordance with the new method of payment.

### AFP by customer payment type

#### Standard credit

- 6.8 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.
- 6.9 For credit customers the supplier should provide the AFP by one of the following methods:
  - a. Crediting the energy account by an amount equal to the AFP; or



- b. Reducing the amount (including Value Added Tax) charged to the energy account by an amount equal to the AFP.
- 6.10 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 AFP amount will be added to the credit balance. Where a customer account is in debit the AFP can be used against this.

## Direct Debit

- 6.11 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.
- 6.12 For fixed Direct Debit customers, the supplier should provide the AFP by one of the following methods:
- a. Reducing the amount (including Value Added Tax) collected from the customer by an amount equal to the AFP; or
  - b. Providing a refund to the customer equal to the AFP, following the normal collection of a Direct Debit payment; or
  - c. Providing a payment to the customer or credit to the customer's energy account equal to the AFP.
- 6.13 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.
- 6.14 Where it is not possible to provide the refund within February 2023 the supplier must follow the process for outstanding customer (see paragraph 6.67) and provide any outstanding AFP to the customer as soon as possible.
- 6.15 Where a refund or reduction equivalent to the full value of the AFP is not possible because the AFP 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 AFP 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 AFP amount.
- 6.16 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.
- 6.17 For variable Direct Debit customers, the supplier should provide the AFP by one of the following methods:

- a. Crediting the energy account by an amount equal to the AFP; or
  - b. Reducing the amount (including Value Added Tax) charged to the customer by an amount equal to the AFP; or
  - c. Providing a payment to the customer or credit to the customer's energy account equal to the AFP.
- 6.18 For all Direct Debit customers, the date the AFP is provided should be in line with the customer's established Direct Debit collection schedule (see paragraph 6.68), unless providing a payment to the customer or credit to the customer's energy account sooner.
- 6.19 If a customer does not pay their Direct Debit the supplier should follow business-as-usual processes.
- 6.20 Where a supplier is crediting the account (in the case of a Direct Debit customer), this may include making the AFP despite the Direct Debit failure.
- 6.21 Where a supplier is providing a refund or reducing the amount this may include making further attempts to process the Direct Debit transaction.
- 6.22 Where agreed Direct Debit collection has broken down, and suppliers move customers on to different payment methods, AFP should continue in line with the approach for the new payment method.
- 6.23 Where a supplier is unable to re-establish Direct Debit transactions with a customer and has consequently not made the AFP, as part of their usual processes to collect missed payments, suppliers should signpost their customers to information on what this means for them in relation to their AFP.

## Smart prepayment

- 6.24 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).
- 6.25 For smart prepayment meter customers, the supplier should provide the AFP by providing the customer with credit in an amount equal to the AFP.
- 6.26 The supplier should provide the AFP by automatically providing a remote credit to the meter, or a reduce debt message where there is a debt balance.
- 6.27 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).

- 6.28 Suppliers should apply smart pre-payment credits for all customers across a period 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

- 6.29 A traditional prepayment customer is a prepayment customer supplied by a Prepayment Meter which is not part of a Smart Metering System.
- 6.30 For traditional prepayment meter customers, the supplier should provide the AFP by providing the customer with either credit or a cash voucher in an amount equal to the AFP.
- 6.31 In the case of credit, the supplier should provide the AFP by:
- Issuing a secure voucher addressed to the account holder; or
  - Issuing a Special Action Message (SAM).
- 6.32 Credit or cash 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.
- 6.33 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. In limited circumstances, such as where a responsible relative's address has been nominated for receipt of energy correspondence, a supplier may issue the voucher to the correspondence address if they deem it appropriate.
- 6.34 Suppliers should seek to ensure that vouchers reach customers during February 2023, where a voucher is the primary delivery mechanism.
- 6.35 Vouchers should be issued with a validity period of at least three months and an expiry date no later than 30 June 2023.
- 6.36 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.
- 6.37 Where the payment has been provided by SAM or voucher, but where customers have not redeemed the AFP is considered provided but not delivered.
- 6.38 Suppliers should take action to encourage all traditional pre-payment customers to redeem their AFP during February 2023, recognising that not all payments will be

redeemed and that suppliers will be unable to guarantee that the customer redeems the payment within February 2023.

### Voucher security

- 6.39 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.
- 6.40 Where suppliers are unable to identify the name of an account holder the voucher should, 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.
- 6.41 ID checks will be carried out by voucher providers at redemption points. Suppliers should communicate to customers that ID checks will be conducted (see paragraph 6.92).
- 6.42 Where an unredeemed AFP has expired or been lost a replacement credit can be issued.
- 6.43 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.
- 6.44 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.
- 6.45 Where an AFP 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.
- 6.46 Where these criteria are satisfied the supplier has met their obligation to provide the AFP to the eligible customer.
- 6.47 Where these criteria have not been met the supplier will be required to reissue the AFP to the customer at their own cost.

- 6.48 Suppliers will not be held responsible for customer or third-party misuse of vouchers where they have met the requirements of paragraphs 6.44-6.47.

### Payment by cheque or bank transfer

- 6.49 Where, having exercised reasonable endeavours, suppliers are unable to provide an AFP 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, unless permitted above for a particular customer type.
- 6.50 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 6.83).

### Fuel direct

- 6.51 Where households pay for their energy costs directly from their income-related benefits through Fuel Direct, suppliers should aim to deliver AFP as similarly as possible to non-Fuel Direct customers, depending upon the specific payment arrangements that have been set up.
- 6.52 For those customers who are solely using Fuel Direct to pay off debts, the AFP should be delivered according to the means by which the customer pays for their ongoing consumption.
- 6.53 For those customers who pay towards their ongoing energy consumption partially through Fuel Direct and partially through other means (e.g., Direct Debit), the AFP should be delivered through the process set out according to the payment method used.
- 6.54 For those customers whose contribution towards ongoing energy consumption is solely from Fuel Direct, the AFP 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

- 6.55 While the principal aim of AFP is to support people with ongoing energy costs, AFP 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.
- 6.56 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 AFP can reduce these arrears, where an AFP is applied or partially applied to an energy account.

- 6.57 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.
- 6.58 The AFP can be used against arrears or debt for all customers using all method of payment:
- a. Direct Debit - the AFP can be used against arrears or debt where the AFP 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 AFP to the customer account.
  - b. Credit – the AFP 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 AFP to pay arrears and debt before new energy, whether or not a repayment plan is in place.
  - c. Smart prepayment – the AFP can be used against arrears or debt. AFP 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 AFP can be used against arrears or debt. AFP 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

- 6.59 Suppliers are expected to take all reasonable steps to ensure the AFP is both provided and delivered. The AFP is provided when a supplier applies a credit, sends a refund or provides payment of the AFP to an eligible customer. Delivery of the AFP 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).
- 6.60 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 the AFP will be considered provided but not delivered.
- 6.61 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.

- 6.62 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.
- 6.63 One of the three attempts should include contacting the customer at least one month before the expiry of the specific unredeemed AFP, highlighting the expiry date and encouraging redemption.
- 6.64 Additional attempts may include but are not limited to:
- a. Contacting the customer 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 6.49).
  - d. Alongside the issue of new vouchers, providing a reminder to customers on how to redeem or request the replacement of previously unredeemed AFP vouchers, SAMs or cheques.
- 6.65 Where a supplier can demonstrate the minimum three steps have been taken before voucher expiry and the AFP 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.
- 6.66 Suppliers should report on the number of delivered payments as part of their data reporting (see section 8).

## Outstanding customers

- 6.67 Suppliers must take all reasonable steps to provide the AFP to all eligible customers during February 2023.
- 6.68 It may not always be reasonably practical to provide the AFP to an eligible customer before Wednesday 1 March. 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 February 2023 and payment then takes place in March 2023.
  - c. Where a supplier is continuing to follow steps to make a reasonable attempt to pay in relation to a possible exception case.
- 6.69 The supplier must endeavour to provide an outstanding AFP to the customer as soon as possible, and in all cases before the scheme closure date of 30 June 2023.
- 6.70 As part of the 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.
- 6.71 In the case of all outstanding customers the supplier should be prepared to evidence:
- a. Why it was not reasonably practical to provide the AFP during February 2023
  - b. The steps taken to attempt to provide the AFP during February 2023 and the additional steps planned to provide the payment.

## Exceptions

- 6.72 An exception case occurs where the supplier, having taken all reasonable attempts to pay, cannot provide the AFP to a person which it has determined to be an eligible customer where that person falls within a listed exception category.
- 6.73 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 AFP.
- 6.74 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
- 6.75 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 AFP.
- 6.76 Where a supplier has followed this Guidance and can evidence an exception case, BEIS will not deem such cases as a failure to meet supplier obligations.
- 6.77 Where a customer meets more than one exception case category the supplier may choose which exception to apply and report on.
- 6.78 Where a supplier identifies an exception case not covered by the exhaustive list, they should contact BEIS explaining their case for proposing an exception. BEIS will consider the case and, if necessary, update the Guidance and Direction, and will consider the case made from a compliance perspective.
- 6.79 Suppliers are required to report on the initial number and category of exception cases as part of their reconciliation and compliance report.
- 6.80 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

- 6.81 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 AFP was not delivered because a voucher or cheque was not cashed by 30 June 2023.
- 6.82 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.
- 6.83 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 AFP

#### Communicating that an AFP has been provided

- 6.84 Customers must be informed in writing (paper or electronic) when an AFP has been provided. This communication may be on the customer's next bill or statement of account or otherwise.

- 6.85 At a minimum, the communication must specify that the customer has been provided with an AFP by HM Government to reduce the customer's energy costs. This should be reflected by using the following wording:
- a. That an Alternative Fuel Payment has been provided to support households which use alternative fuels.
  - b. That the Alternative Fuel Payment is a payment funded by HM Government.
- 6.86 Suppliers are required to confirm that this communication has taken place or will take place in line with the existing frequency of providing a customer bill or statement, as part of the reconciliation and compliance report.
- 6.87 This communication should be provided using the most relevant and timely business as usual communication approach (including through App or In-Home Display), and/or in line with the existing frequency of providing a customer bill or statement, which will not always be monthly.
- 6.88 In customer communications the scheme should be referred to as the 'Alternative Fuel Payment'. The scheme name should not be abbreviated on bills or statements or in the communication referenced in paragraph 6.84. In wider communications once stated in full on the first occasion, it is then reasonable to abbreviate it subsequently.
- 6.89 In all references in customer communications the AFP should be described as a payment funded by HM Government.
- 6.90 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 AFP, as funded by HM Government, and of the expiry date.
- 6.91 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 AFP voucher.
  - c. The ID requirements for redemption.
  - d. Information, including links, on where to find a suitable top-up point.
- 6.92 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

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

- 6.94 The 'Help for Households' brand should be incorporated on websites and other communications wherever possible, and in as many different locations as possible.
- 6.95 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.

WITHDRAWN

## 7 Compliance, assurance, and audit

- 7.1 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
- 7.2 Suppliers should take care to ensure that the information contained in reports or assessments 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.
- 7.3 Suppliers should retain all documentary evidence for a minimum of 7 years from the date of the AFP. 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 AFP. These records may be subject to external audit.

### Control point compliance assessment

- 7.4 A control point is a step in the AFP delivery process against which **BEIS** will be measuring supplier's compliance. The control points inform the data requirements and reporting obligations for the scheme.
- 7.5 Control points differ depending on the process of providing the AFP (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.
- 7.6 In order to report a payment as delivered the Supplier should fulfil the control points set out in Annex D.
- 7.7 Although BEIS 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

- 7.8 BEIS will monitor supplier compliance in several ways, including:
- a. Regular engagement and bilateral meetings – during February 2023 to check-in on supplier progress and understand concerns or issues in delivery of the AFP.
  - b. Reconciliation and Compliance Report – BEIS will assess the reconciliation and compliance report submitted by suppliers.
  - c. Further assessments as necessary – these assessments, which may include further assessment of the outstanding customers reporting and a request for supplier remediation plan, will help BEIS 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 these assessments will be issued by BEIS directly and tailored to the nature of underperformance in delivering the AFP.
- 7.9 If and where required, suppliers will be notified that further compliance action is initiated, through receipt of a Remediation Letter, from BEIS.
- 7.10 Compliance assessments will be initiated where a supplier is underperforming in delivering the AFP to customers. BEIS will use the outstanding customers segment of the reconciliation and compliance report to understand gaps in delivery. BEIS may also request a remediation and recovery plan to understand how the supplier will catch-up on AFP delivery.
- 7.11 Where AFP delivery targets are not met over a sustained period or where a supplier is materially behind their target, it will be BEIS' 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. This may result in enforcement action being considered by Ofgem.
- 7.12 The exact information to be requested for compliance assessments 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 E. Suppliers should take care to ensure that the appropriate systems and processes are in place to accurately record and retain such data.
- 7.13 BEIS do not anticipate these compliance assessments to be a standard course of action and anticipate that most suppliers will meet delivery targets and obligations, as evidenced through the initial report.

## Audit and assurance programme

### Internal assurance

- 7.14 Suppliers must provide internal independent assurance on the accuracy of the information submitted in the initial 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 7.18).
- 7.15 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.
- 7.16 The purpose of the internal assurance is to provide assurance to BEIS of the accuracy of the information submitted in the reconciliation and compliance report 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.
- 7.17 If an internal assurance declaration is not submitted with the reconciliation and compliance report 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.
- 7.18 Each supplier declaration should contain assurances for each of the data points detailed in the reconciliation and compliance report 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 and is supported by source records.
  - b. Confirmation that the number of reported AFPs provided (e.g., voucher issued to customer) has been accurately reported and is supported by source records.
  - c. Confirmation that the number of reported AFPs delivered to (e.g., AFP applied to the customer account or refunded to bank account) or redeemed (e.g., prepayment voucher cashed) by customers has been accurately and is supported by source records.
  - d. Confirmation that the number of exceptions reported has been accurately and is supported by source records.
  - e. Any recommendations arising from the internal assurance process, including action owners and intended timescales for completion.
- 7.19 The name, designation and contact details of the individual authorising the internal assurance declaration should be clearly outlined.

- 7.20 The submission of the internal assurance declaration will be via the Data Management System (DMS), alongside the requested reconciliation and compliance report, on 14 March 2023.
- 7.21 On receipt of the internal assurance declaration as part of the reconciliation and compliance report, BEIS will complete a review of the information provided. This will inform the compliance assessment. As part of the assessment BEIS 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

- 7.22 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 AFP.
- 7.23 Suppliers are required to participate in a post payment sample-based assurance process, the purpose of which is to provide assurance that all AFPs have been delivered in line with the eligibility conditions for the scheme.
- 7.24 Appropriate evidence must be retained to evidence that all AFPs met all relevant criteria at the point of award.
- 7.25 For AFPs delivered, at a minimum suppliers must be able to evidence:
- a. The meter was an eligible meter (see section 3)
  - b. The customer eligibility on the qualifying date
  - c. The value of AFP delivered
  - d. The date the AFP was delivered
  - e. The AFP was clearly communicated to the customer as a payment funded by HM Government
  - f. The date the AFP was redeemed (where a cheque or voucher was issued)
- 7.26 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 AFP before classing the case as an exception (see Annex C).
- 7.27 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.

7.28 For each sampled meter, suppliers will be asked:

- a. To provide evidence that an AFP was successfully delivered in February 2023
- b. Or to provide evidence and explanation for why payment was not delivered

7.29 Suppliers are required to provide an account statement or other relevant evidence, such as a data file, demonstrating the payment delivered against the meter number. The statement or other evidence should show the record relating to the AFP.

7.30 Personal information such as customer name and address should be redacted, but the MPAN must be clearly visible.

7.31 Samples will be issued to suppliers in June 2023. Suppliers will have 30 days to submit the evidence requested to BEIS.

7.32 BEIS will review the evidence presented and confirm satisfactory receipt to suppliers. Where suppliers are unable to provide evidence required to support that AFPs have been delivered then recovery enforcement action may be instigated by BEIS.

### Audit programme

7.33 BEIS will appoint independent auditors to deliver an external audit programme and obtain audit assurances.

7.34 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 8.29), 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 BEIS end of scheme compliance assessment process to determine if a supplier has met their obligations.

7.35 The auditor will be expected to complete a report for each supplier. The audit will include:



- a. 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.
  - b. Securing assurance of compliance with this Guidance and with any processes and procedure that BEIS may have reviewed with the supplier.
  - c. Identifying any suspected fraud, either on the part of the supplier or those parties with whom they have a contract for the delivery of AFP in respect of the payments and reimbursement process.
  - d. 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.
  - e. Review the end of scheme report.
- 7.36 The above list is indicative, and suppliers may be subject to audit to obtain assurances other than those listed above.
- 7.37 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.
- 7.38 It is the responsibility of the supplier to retain sufficient management information on administering the AFP to be effectively audited.
- 7.39 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.
- 7.40 Suppliers refusing to participate or co-operate with the external audit programme may be found non-compliant and Ofgem may commence enforcement action.
- 7.41 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.
- 7.42 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

- 7.43 Following receipt of the end of scheme report and associated audit and assurance declarations, BEIS will assess submitted information for each Supplier. From this BEIS will determine whether the supplier is compliant with their AFP 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.
- 7.44 BEIS 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.
- 7.45 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.
- 7.46 BEIS 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.
- 7.47 If a supplier is found non-compliant Ofgem may open an investigation into the need to commence enforcement action.

## 8 Reporting

- 8.1 To minimise administrative burden, initial reporting and end of scheme reporting will be submitted by suppliers once and then shared by BEIS with Ofgem, where necessary.
- 8.2 A reporting calendar can be found at Annex F.

### Initial reporting

- 8.3 Suppliers are required to provide two initial reports, covering the scheme delivery period:
  - a. Reconciliation and compliance report – for the purposes of monitoring delivery progress, financial management and monitoring compliance.
  - b. MPAN-level delivery data report – for monitoring and evaluation purposes.
- 8.4 Suppliers are required to submit both reports using the BEIS Data Management System (DMS). The system, including login details, will be the same as that used for the Energy Bills Support Scheme (EBSS). Guidance on the data submission process, including login details, supporting material, use of the system, and training will be made available to suppliers.
- 8.5 Suppliers are also required to provide an end of scheme report, which includes an up to date view of the previously submitted initial report. This must be submitted by Monday 31 July 2023.

### Reconciliation and compliance report

- 8.6 Suppliers are required to complete a reconciliation and compliance report for the purposes of financial management, verifying delivery and monitoring compliance.
- 8.7 The reconciliation and compliance report includes the pre-disbursement information, a delivery progress update and the outstanding customers' snapshot.
- 8.8 The reconciliation and compliance report must be submitted by 14 March, and additionally by the scheme end date of Monday 31 July as part of the end of scheme report.
- 8.9 The report must be submitted using the Data Management System (DMS) and will be shared with and used by both BEIS and Ofgem.
- 8.10 The report is used by BEIS to monitor the financial position, confirm eligible customer estimates and payments, and to evidence the appropriate use of public funds.

8.11 The report is used by BEIS to inform in-scheme compliance reporting which determines supplier progress in delivering the scheme.

8.12 Each supplier is required to provide the following data fields:

Q1. Headline financial figures on the report date

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

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

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

Q3. Number of delivered AFPs split by payment type.

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

Q4. For traditional prepayment customers only, number of SAMS, voucher and cheque activities

- 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 for

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

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

- a. Direct Debit customers
  - b. Credit customers
  - c. Smart prepayment customers
  - d. Traditional prepayment customers
- 8.13 Where, as per paragraph 6.49, a voucher or cheque has been issued to a customer who is not a pre-payment customer, suppliers are not required to provide reporting on the status of these vouchers as delivered, expired or reissued. Q5 of para 8.12 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.
- 8.14 The reported figures should be checked and updated to include any catch-up activity where outstanding payments have been subsequently delivered outside of February 2023. Similarly, the reported figures 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.
- 8.15 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 AFP bank account on the report date.
  - 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 AFPs that will be or have been provided and that the supporting bank account screenshot submitted is a true and accurate position.
  - 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 AFP activity and is supported by source records.
- 8.16 Only where compliance assessment has been triggered (see paragraph 7.8), suppliers will also be required to provide:
- a. A plan for outstanding customers, describing how the supplier plans to provide an AFP to outstanding customers.
- 8.17 The format of the internal assurance declaration (8.15c) is not prescribed but must contain assurances for each of the data points detailed in the 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 and is supported by source records.
  - b. Confirmation that the number of reported AFPs provided has been accurately reported is supported by source records.
  - c. Confirmation that the number of reported AFPs delivered to or redeemed by customers has been accurately 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.
- 8.18 The name, designation and contact details of the individual authorising the internal assurance declaration must be clearly outlined as part of the declaration.

### MPAN-level delivery data

- 8.19 Suppliers are required to provide delivery data for monitoring, financial assurance and evaluation purposes.
- 8.20 Suppliers are required to submit meter level data reports using the BEIS Data Management System, capturing data for each meter.
- 8.21 The list below sets out the information required from suppliers for each eligible customer:
- a. Meter Point Administration Number (MPAN)
  - b. Customer type – traditional prepayment/ smart prepayment/ Direct Debit / Credit
  - c. If an AFP has been provided
  - d. For traditional prepayment customers only, the number of AFP SAMs/voucher/cheques delivered
  - e. Is the account in arrears? – yes/no/unknown
  - f. Billing cycle – monthly/quarterly/biannually/annually/irregular/other
- 8.22 The MPAN delivery data report should be submitted on 21 March and with the end of scheme report.
- 8.23 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.
- 8.24 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 Alternative Fuel Payment (AFP) scheme. These data consist of your meter point number, whether you have received and redeemed the AFP 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 Alternative Fuel Payment 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/use-of-electricity-meter-data-collected-through-the-alternative-fuel-payment-scheme-privacy-notice>.”*
- 8.25 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.
- 8.26 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 AFPs 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.
- 8.27 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 AFP work that BEIS

has contracted out, for example of assurance or evaluation. 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.

8.28 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

8.29 The end of scheme report will give an up-to-date view of the position of the supplier at the end of the scheme.

8.30 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.

8.31 BEIS will also use this report to assess overall compliance in a supplier meeting its obligations and may look to validate the initial reconciliation and compliance report information submitted against the end of scheme report submission.

8.32 The end of scheme report must be submitted by Monday 31 July 2023. Suppliers are required to submit the final report to BEIS and it may be shared with Ofgem to support their role in enforcement.

8.33 The reconciliation and compliance report must be submitted by the scheme end date of Monday 31 July 2023 as part of the end of scheme report. As with the initial report, the reported figures should be checked and updated to bring the reporting up to date for the end of scheme.

8.34 BEIS will use the data provided to update the figure provided in the initial report.

8.35 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.

8.36 An MPAN-level delivery report must be submitted on the scheme end date of Monday 31 July 2023 as part of the end of scheme report. Data contained in this report can be generated anytime within July.

8.37 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 initial reconciliation and compliance report.



8.38 The end of scheme report will be subject to independent external audit.

## Other reporting

8.39 In cases where suppliers are underperforming BEIS may request reporting (see from paragraph 7.8). This reporting will not be requested from all suppliers as standard.

8.40 Suppliers are required to participate in a post payment sample-based assurance process to be issued in June 2023 (see from paragraph 7.27).

8.41 Suppliers and customers 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 in evaluating the scheme more generally.

8.42 Suppliers may be asked to provide information to BEIS 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.

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## 9 Annexes

### Annex A: Supplier Information

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

|  |  |
|--|--|
| Email  |  |
| Telephone  |  |
| Address  |  |
| <b>Financial director (or equivalent):</b>   |  |
| Responsible for signing and submitting the solvency statement  |  |
| Name   |  |
| Position   |  |
| Email  |  |
| Telephone  |  |
| Address  |  |
| <b>Senior compliance officer:</b>  |  |
| 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 AFP bank accounts details:**

- Confirmation that Oracle SUPPLIER INFORMATION FORM AP1a has been submitted

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## Annex B: Solvency statement and bank account statement templates

### Solvency statement

From: [the relevant domestic electricity supplier]

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

Dated [ ] January 2023

Dear Sir

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

I acknowledge that the provision of this certificate is a requirement of the AFP Direction made by The Secretary of State for Business, Energy and Industrial Strategy on 23 January 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 the AFP grant 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

From: [the relevant domestic electricity supplier]

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

Dated [ ] January 2023

Dear Sir

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

I acknowledge that the provision of this information is a requirement of the AFP scheme and that officials will rely on this declaration to provide the AFP grant 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 AFP 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 AFP 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]

## Annex C: Exception cases

| Category  | Definition   |
|---|--|
| <p><b>Deceased customers</b></p>  | <p>A customer is deceased and their account is closed after the qualification date and before an AFP has been provided. The supplier has not been able to contact a relative / executor in order to provide the AFP to the deceased’s estate.</p> <p>Where an account is closed before qualification the AFP is not payable and the account should not be included as an eligible customer in estimates.</p> |
| <p>Reasonable steps to make payment:</p>  |  |
| <p>The supplier writes to the deceased’s last known address advising of the entitlement to the AFP 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 AFP. 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 in the end of scheme report.</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   |
| <p><b>No forwarding address</b></p>   | <p>A customer is no longer living at that property and has closed their account after the qualification date and before the AFP was provided. The customer has left no forwarding address.</p>   |
| <p>Reasonable steps to make payment:</p>  |  |
| <p>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 AFP and to arrange for the most suitable method of AFP provision. If the supplier retains bank details for the individual then they should provide a credit to that bank account via BACS etc.</p> <p>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.</p>   |  |

| <p>After contacting the individual, suppliers should allow time to receive a response before the case can be classed as exception. Exceptions for no forwarding address can be reported in the end of scheme report.</p>   |   |
|--|---|
| Category   | Definition  |
| <b>Occupier Accounts</b>   | Where a household was captured on the qualification date though named details of the account holder were not available.   |
| <p>Reasonable steps to make payment:</p>   |   |
| <p>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.</p> <p>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 the AFP to “Owner/Occupier” accounts by crediting the account with the AFP on the customer bill for Direct Debit, credit customers and smart PPM customers.</p> <p>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 6.49).</p> <p>If the supplier cannot establish sufficient details to allow provision of the AFP – for example:</p> <ul style="list-style-type: none"> <li>• 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]’</li> <li>• only a non-transferable cheque could be issued</li> </ul> <p>then the supplier may class this case as an exception in the initial report and/or end of scheme report.</p> |   |
| Category   | Definition  |
| <b>Vacant Properties</b>   | Where a household was captured as having a domestic electricity supply on the qualification date, but further investigation revealed that the property was empty and no eligible customer could be established. |
| <p>Reasonable steps to make payment:</p>   |   |
| <p>Investigation of the household reveals to a supplier that whilst they supplied a household on the qualification 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 qualification</p>   |   |



date. If no response is received or confirmation is received that the property was vacant on the qualification date, then the case may be classed as an exception in either the initial report or end of scheme report.

The main reasons for a property being vacant without a named account holder include, but are not limited to:

- 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

Where a property account holder is known, the supplier must pay the AFP.

Where a supplier is aware that a property is vacant due to ill health, caring responsibilities or some other vulnerability, the supplier must pay the AFP.

| Category                       | Definition   |
|--------------------------------|--|
| <b>Disconnected properties</b> | Where a household was captured on the 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:

Investigation by the supplier of the household reveals that whilst they supplied a house on the qualifying date, there was no actual “house” on the qualifying date, albeit an MPAN remained connected etc.

Should any doubt exist, suppliers should write to addresses to ascertain if an eligible customer was in the premises on the qualifying date. Should no response be received or confirmation be provided that the household is no longer operational then the case may be classed as an exception in the initial report and/or end of scheme report.

| Category                 | Definition  |
|--------------------------|---|
| <b>Change of Tenancy</b> | A customer account was captured on the qualifying date on a supplier’s customer database, but it transpires a different customer was actually in the property on the qualifying date. |

Reasonable steps to make payment:

On becoming aware of the change of tenancy the supplier should attempt to reverse the AFP provided to the presumed eligible customer (if already provided) and re-apply this to the customer actually present in the property on the qualification date.

For Direct Debit and credit customers, suppliers should reverse the AFP provided to the presumed eligible customer by adding the AFP as a debit to the presumed eligible customer’s final bill. Suppliers should then apply the AFP as a credit to the first bill issued in the name of the customer actually present in the property on the qualification date.

For PPM customers with traditional meters, suppliers should cancel the voucher(s) issued for the presumed eligible customer and issue vouchers for the customer actually present on the qualifying date. A supplier may provide the AFP by other alternative method (e.g. cheque) where possible.

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 AFP. If a supplier cannot obtain sufficient information in order to provide the AFP by any means then the case may be classed as an exception.

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 AFP when it was applied to the smart meter.

Suppliers should follow BAU complaints and fraud processes where customers dispute the date of an end of tenancy.

| Category                   | Definition   |
|----------------------------|--|
| <b>Erroneous Transfers</b> | Where an eligible customer was erroneously transferred into the electricity supplier on the qualification 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. |

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 AFP. If the individual does not respond and there is insufficient information available to provide the AFP then the case may be classed as an exception in the initial report and/or end of scheme report.

| Category                              | Definition  |
|---------------------------------------|---|
| <b>Unredeemed prepayment vouchers</b> | Where an eligible customer has not redeemed their AFP voucher during the voucher validity period. |

Reasonable steps to make payment

Suppliers must follow the Guidance from paragraph 6.61 to support customers to redeem their AFP vouchers within the validity period.

Where a supplier has followed the guidelines and the AFP vouchers remain unredeemed until they expire, the supplier may class that/those AFP voucher(s) as an exception in the end of scheme report.

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## Annex D: Control Points

### Control points for Direct Debit customers

| Process Step   | Control Points Description   |
|--|--|
| Suppliers to reduce customers monthly Direct Debit by the AFP value.   | Supplier will report how many Direct Debit customers they have provided the AFP to via a reduction in their monthly Direct Debit payment. Evidence of Direct Debit collected in February 2023.   |
| Suppliers to issue refund to eligible customers' registered bank account   | Supplier will report how many Direct Debit customers they have provided the AFP to via a refund to their registered bank account. Bank and transfer statements will serve as evidence.   |
| Customers to receive credit balance adjustment if their monthly Direct Debit value is less than the AFP value.   | Where applicable (i.e., where the AFP 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 AFP value and Direct Debit amount. Evidence in the form of customer account statement. |
| Suppliers to provide a payment to the customer or credit to the customer's energy account equal to the AFP value.  | Supplier will report how many Direct Debit customers they have provided the AFP to via a payment to their registered bank account or credit to their energy account. Customer account statement or bank and transfer statements will serve as evidence.  |
| Suppliers to specify on a customer's next Bill or statement of account or otherwise that an AFP has been provided that the AFP is a payment funded by HM Government. | A supplier will be able to report a fully 'delivered' AFP for a customer account if they have communicated delivery of the AFP to the customer.  |

### Control Points for credit customers

| Process Step | Control Points Description |
|--------------|----------------------------|
|--------------|----------------------------|

|  |   |
|--|---|
| Suppliers to apply AFP value, as a credit, to their eligible customer's account.   | Suppliers will report how many credit customer accounts have successfully provided with the AFP. 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 or otherwise that an AFP has been provided that the AFP is a payment funded by HM Government. | A supplier will be able to report a fully 'delivered' AFP for a customer account if they have communicated delivery of the AFP to the customer.   |

### Control Points for Smart Prepayment customers

| Process Step   | Control Points Description  |
|--|---|
| Suppliers to apply AFP value as credit to eligible customer's Smart Meter (operating in prepayment mode).  | Suppliers will report how many of their eligible smart pre-payment customers have been provided with a top-up payment, to the value of the AFP.   |
| 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 or otherwise that an AFP has been provided that the AFP is a payment funded by HM Government. | A supplier will be able to report a fully 'delivered' AFP for a customer account if they have communicated a meter credit top-up to the value of an AFP to the customer.                      |

### Control Points for Traditional Prepayment customers

| Process Step   | Control Points Description  |
|--|---|
| Suppliers to send AFP as a voucher/SAM to eligible customers.                            | Supplier will report how many of their eligible traditional pre-payment customers have been sent an AFP as a voucher/SAM. |
| Suppliers to specify that the purpose of the voucher, SAMs, barcoded letter or cheque is | Suppliers will report that they have communicated distribution of the AFP, as a voucher/SAM to the customer.              |

|   |  |
|---|--|
| for provision of the AFP, as funded by HM Government and of the expiry date.                          |  |
| Eligible customers to credit their meter or cash out with the voucher/SAM provided by their supplier. | Suppliers to report how many AFP vouchers have been redeemed. Records from payment voucher issuer(s) are to be retained as evidence. |

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## Annex E: Control Points for Compliance Assessment: Deep-dive

| Customer Payment Type  | Types of information which may be requested as part of Compliance Assessment Deep-dives  |
|--|--|
| <p>Direct Debit customers<br/>(Option 1: Reduction to Bill)</p>                                    | <p>Proof of AFP 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 AFP delivery – this is applicable for all payment types</p> |
| <p>Direct Debit customers<br/>(Option 2: Refund to Bank Account)</p>                               | <p>Proof of payment of the AFP 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>Direct Debit customers<br/>(Option 3: Provide payment to Bank Account or credit to account)</p> | <p>Proof of payment of the AFP 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>Payment application to the account of an amount equal to the AFP</p>   |
| <p>Smart pre-payment meter customers</p>       | <p>Smart Communication or network provider (e.g. DCC) records of AFP 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 AFP to the account or meter</p> <p>Payment application to the account of an amount equal to the AFP</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 AFP</p> <p>Postal or communication records of vouchers or SAMs sent to customers with a value equal to the AFP</p> <p>Issues and outages reported by the voucher provider to the supplier, in reference to AFP vouchers to be issued</p>  |



## Annex F: Reporting calendar

| Date                    | Report/Action   | Purpose   |
|-------------------------|---|---|
| 20 January 2023         | Supplier bank account details submitted   | BEIS: supplier account set-up to receive BEIS payments                    |
| 20 January 2023         | Supplier information submitted  | BEIS: scheme administration   |
| 25 January 2023         | Solvency Statement and Bank Account Statement   | BEIS: secure release of payment   |
| 25 January 2023         | Signed Deed returned  | BEIS: secure release of scheme payment                                    |
| 14 March 2023           | Reconciliation and compliance report  | BEIS: Reconciliation of payment and check internal assurance has occurred |
| 21 March 2023           | MPAN-level delivery data report   | BEIS: MPAN level monitoring and evaluation                                |
| June 2023               | Assurance sample issued   | BEIS: scheme assurance  |
| 31 July 2023            | End of scheme report - including reconciliation and compliance report and MPAN-level delivery data report | BEIS: End of scheme reconciliation and compliance assessment              |
| August – September 2023 | Assessment of initial report and end of scheme report   | BEIS: Determining whether the supplier was compliant with AFP obligations |

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