

Businesses could be owed thousands of pounds for mis-sold energy deals

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Thousands of businesses could be owed compensation because of the way in which they were sold energy contracts.

Most businesses in the UK are required to have a business energy supply, as opposed to a typical domestic one, and most firms will secure these deals through an energy broker.



The role of the energy consultant is to negotiate with business energy suppliers on the firm's behalf, potentially securing a better contract than if they had gone to the provider directly. However, unlike energy suppliers, brokers in the commercial energy sector are not regulated and investigations have shown businesses have been mis-sold in recent years because of hidden commission deals.

This includes energy brokers hiding commission structures from customers - a structure that could have prevented them from recommending certain suppliers and others failing to carry out full-market comparison

Firms who used an energy broker to secure an energy deal between 1989 and 2023 could be owed tens of thousands of pounds as a result. In some cases, even though the broker's service might have appeared "free", the broker will have received a commission from the energy supplier which it recommended to the business.

Business owners making a claim for mis-sold business energy can seek compensation in these situations.