

Energy suppliers face crackdown for raising debit debits 'beyond what is required'

The business secretary has revealed that household energy suppliers are facing a crackdown on direct debit payment demands as customers grapple with record bills for gas and electricity.

Kwasi Kwarteng said via Twitter that "some" companies had been increasing direct debit payments "beyond what is required" and regulator Ofgem had launched a compliance review.

The issue came to a head in March, ahead of the near-£700 hike in the price cap, when the consumer campaigner Martin Lewis told MPs that some companies had doubled direct debits in some cases in a bid to improve their cash flow.

The founder of moneysavingexpert.com described the move as a breach of the rules and claimed it was happening across the board.

The price cap, which shielded households from the worst of unprecedented hikes in wholesale gas costs last year, was blamed for the failure of dozens of energy suppliers as they could not pass on the steep rises in costs they were being forced to swallow.

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