

TSI warns of dangerous energy saving scam targeting elderly

Trading Standards Institute is urging consumers to be aware of rogue telephone cold callers offering energy saving devices after trading standards up and down the country reported hundreds of complaints.

Trading standards are currently dealing with more than 200 complaints about people claiming to be their energy supplier or working in partnership with them, offering a plug in device which they say can save them 40 per cent off their energy bills.

Trading Standards have had a number of the items tested which not only failed to satisfy electrical safety standards but do not deliver any tangible energy savings.

Ron Gainsford from the Trading Standards Institute said: “Consumers are warned not to use the product as they pose a risk of fire and electrocution and a safety recall has been issued for the items traced so far.

“Unscrupulous criminals are using the rising energy prices as an opportunity to lure in cash strapped consumers – elderly people seem to have been deliberately targeted.

“The number of complaints we are currently dealing with is bound to be only the tip of the iceberg.”

Westminster trading standards have been investigating the scam as the caller gives a London W1 Oxford Street address for the company.

Sue Jones from Westminster trading standards said: “The address they give is that of a virtual office provider, the companies involved in these scams are not actually situated there - we believe the call centre they use is based abroad and the appliances appear to be distributed by a number of individuals in the UK. We know that these fraudsters have been duping consumers across the country into paying £99 for the energy saving device and have been told the caller always appears to be very credible by already knowing the consumers’ details, their energy supplier and sometimes some or all of the digits of their credit/ debit card. Often consumers do not realise that they have been defrauded until they receive the dodgy looking device with instructions in broken English and the accompanying invoice which names an unknown supplier and often gives an American address.”

So far four different suppliers have been named, 1 Stop Marketing Solutions, ITC Development Corp, Power Saver and Athico Ltd. but the fraudsters could be operating under other names too. Some of these names could be very similar to genuine companies – for example Power Saver Ltd, based in Tonbridge, Kent is not involved in this fraud. The director of Athico Ltd appears to have been a victim of the scam himself. He fully cooperated with trading standards and the company has now ceased trading.

Advice to consumers

If consumers have responded to one of these cold calls they should report the matter to Action Fraud on www.actionfraud.org.uk, 03001232040 or Consumer Direct on 08454040506 . They should also contact their bank to stop their debit/ credit card. If a device has been received they should not use it and dispose of it carefully.

Consumers should be cautious about giving out any personal or financial information. They should independently verify a caller's identity before agreeing to purchase any goods or services.