Digital comparison tools for telephone, broadband and pay-TV

Proposed changes to Ofcom's voluntary accreditation scheme

Contents

1. Overview

Ofcom believes all telephone, broadband and pay-TV customers should get a fair deal. We want customers to shop around with confidence, make informed choices and get the right deal for their needs. Comparison tools, such as price comparison websites, provide a valuable service for people navigating the broad range of telephone, broadband and pay-TV products available today. Ofcom operates a voluntary accreditation scheme that comparison tools can join, provided they meet certain standards. We do this to help build trust in the service they offer to customers.

This document sets out changes we propose to make to the scheme so it continues to benefit customers and to ensure compliance with new European legislation.

What we are proposing – in brief

We are proposing changes to our accreditation scheme to make sure comparison tools continue to work for customers in the digital market. The new scheme will maintain the high standards of our current scheme, while allowing greater flexibility for accredited comparison tools to innovate. These changes will ensure the scheme continues to benefit customers as the market evolves.

The scheme will be aligned with the requirements of new European legislation. The European Electronic Communication Code (EECC) requires us to make sure the information provided by accredited comparison tools is trustworthy, impartial and transparent. To meet these requirements, we are proposing to make changes to the criteria we use to determine membership.

To be eligible for membership of the scheme, we propose that comparison tools must:

- provide users with information on the quality of services they compare;
- make clear who owns them and be independent from the providers whose services are being compared, to ensure unbiased search results;
- set out clear and objective criteria on which comparisons are based;
- deliver services to a high standard and comply with relevant legislation;
- provide information that is accurate, accessible and up to date, and present that information in plain and clear language;
- show offers covering a significant proportion of the market and be open to any provider that wishes to make their products available for comparison; and
- have an effective procedure in place for users to report incorrect information.

Our new proposals will simplify the existing accreditation process by removing some of the more prescriptive requirements. Our new approach will help the scheme to adapt to a changing digital market and allow accredited tools to innovate, for example by allowing new ways of presenting search results to users.

We will consider responses to our consultation before publishing a final decision in spring 2020. From that point, we propose to assess new applications for accreditation against the new scheme rules. We will require existing members to be compliant with the new scheme by December 2020.

Comparison tools can help customers navigate the communications market and get a deal that meets their needs

1.1   Comparison tools, such as price comparison websites (PCWs), are an important way for customers to navigate the market. They can help customers compare different products quickly and easily. This can help them to find the right deal for their needs, and often save money in the process.

1.2   We want customers to be confident that the comparison tools they use provide transparent, impartial and accurate information. This is important in building customer trust in these tools.

1.3   We operate a voluntary price comparison accreditation scheme that currently accredits seven comparison tools. Accredited members must pass regular audits that include assessments of their transparency, accuracy and accessibility, to ensure they adhere to a high standard of conduct and present reliable and trustworthy comparisons.

We have reviewed the accreditation scheme to ensure it continues to benefit customers as the market evolves

1.4   Our accreditation scheme was last reviewed in 2013. Since then both the use of digital comparison tools and the range of communications services offered to customers has evolved. We are now consulting on proposed changes to the scheme, to make sure it remains relevant and continues to benefit customers.

1.5   In 2018 new European legislation, the European Electronic Communications Code (EECC), introduced requirements on Ofcom regarding how our scheme operates. The EECC reflects the core principle of our existing accreditation scheme, to build customer trust by ensuring comparison tools present independent and reliable information.

1.6   The EECC requires that, in each EU member state, there is at least one independent comparison tool available to customers that meets certain quality and operational standards. The EECC envisages that all comparison tools meeting these standards in the UK can, at their discretion, request to be certified by Ofcom. Our review is aimed at making sure our revised scheme meets the EECC requirements.

1.7   There are currently seven members in our scheme and many more comparison tools available in the wider market. One objective of the EECC is to ensure that consumers have access, free of charge, to at least one independent comparison tool that meets specified assessment criteria. Therefore, we would be satisfied that the consumer need would be met if such a tool existed in the market but did not choose to be certified, provided it would be eligible for certification if it so chose. If no such comparison tool existed, we would consider whether it would be appropriate to set up a comparison tool that met these requirements.

Our proposed changes to the scheme will maintain existing standards while allowing greater flexibility for accredited comparison tools to innovate

1.8 Our proposals are aimed at reforming the scheme so it continues to work for customers in the modern market and meets the requirements of the EECC.

1.9 We are proposing to simplify the scheme and adopt a more principles-based approach to the standards set through our accreditation criteria. This would mean replacing some of the more prescriptive elements of the scheme with higher-level rules. We expect these changes will give comparison tools more flexibility and encourage innovation, for example allowing the design of comparison tools that work well on a range of connected devices.

1.10 In revising the scheme, we have also taken account of the recommendations made by the Competition and Markets Authority (CMA) in its 2017 Market Study on Digital Comparison Tools.[1]

What we will do next

1.11 The EECC requires all changes to come into effect from December 2020. We expect to publish a final decision in spring 2020. From that point, we propose to assess new applications for accreditation against the revised scheme rules, while existing members would be required to comply with the new scheme rules by December 2020.

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[1] CMA: Digital comparison tools market study 2017. Available at: https://www.gov.uk/cma-cases/digital-comparison-tools-market-study

2. Background to the accreditation scheme

We are reviewing the scheme to ensure it keeps pace with a changing digital market

2.1   Ofcom introduced an accreditation scheme (the scheme) in 2006 with the objective of building customer trust in comparison tools in communications markets. The scheme aims to provide assurance that the price comparison calculations of fixed-line, mobile, broadband and television services offered by accredited providers are accessible, accurate, transparent and comprehensive.

2.2   Comparison tools can voluntarily apply to Ofcom for accreditation of their price comparison calculator. The current accreditation process involves: i) an independent technical audit of the company's price calculator and ii) a 'soft' operational audit by Ofcom which ensures the applicant's website meets certain accessibility, charging, and transparency requirements set by Ofcom. A comparison tool may be accredited if it passes these audits. Once accredited, comparison tools can display the scheme's logo on their websites and in publicity campaigns, assuring users they can be confident in the services on offer.

2.3   Our scheme was first introduced to raise awareness of comparison tools in the communications market and build trust among customers. Since then comparison tools have become an established way for customers to navigate different products and find a deal that is right for them.[2] Research from the CMA found that an increasing number of consumers are using digital comparison when shopping around, mainly to save time in comparing deals, get a better idea about prices and save money.[3]

2.4   Our most recent review of the scheme was in 2013. Since then the communications market has continued to evolve, with new technologies and an increasing range of products. At the same time, the introduction of EU legislation in 2018 sets new requirements for the accreditation of comparison tools in communications markets across EU member states. We think this is the right time to review the scheme and ensure it continues to work for customers in the modern market, while aligning with the requirements of new EU legislation.

Our voluntary accreditation scheme promotes comparison tools that meet a range of quality standards

2.5   Our accreditation scheme is voluntary and currently has seven members. Comparison tools can join by contacting Ofcom and completing a series of technical and qualitative audits,

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[2] CMA: Digital comparison tools market study 2017. Paragraph 3.12. Available at: https://www.gov.uk/cma-cases/digital-comparison-tools-market-study

[3] For example, in our Online Nations 2019 report we found that consumers have been using their mobile more than other devices to search for information about products (33% compared to 29% on laptop and 19% on desktop). Overall, consumers have been spending more time on their mobile since 2015 (up from 44% to 75% in 2019). Available at: https://www.ofcom.org.uk/__data/assets/pdf_file/0024/149253/online-nation-summary.pdf

both on initial application and then at 12 and 18 month intervals thereafter, with periodic spot checks in between.

2.6   We require that accredited members provide a service that is accessible, accurate, transparent and comprehensive. The current assessment criteria are:

- **Accessible**: PCWs must ensure their services are accessible to all users, including disabled users, for example by ensuring online services are designed to work with screen-readers.
- **Accurate**: PCWs are required to ensure the calculations used to generate price comparisons are updated no later than every two weeks and also state when data was last updated. We also require information about special offers, key features of the contract, and up-to broadband speeds are displayed on its results page.
- **Transparent**: PCWs must ensure comparison results are sorted by price by default. The PCW must also clearly explain additional details of the offers presented. For example, if the cost of the offer will increase at the end of the contract and an explanation that actual broadband speeds experienced may vary.
- **Comprehensive**: PCWs must ensure price comparison information is full and comprehensive. This includes offers from the key players in a relevant market and taking into account a user's location when presenting information on what services are available.

2.7   The full requirements of current audits and our interpretation of these criteria when implemented are available in our scheme documents.[4]

2.8   The scheme aims to promote customer awareness of accredited calculators, and Ofcom periodically publishes online news updates about the accreditation of member sites on our website.[5] Once accredited, PCWs can also publicise their membership and display the scheme logo in publicity campaigns.

2.9   In 2013 we reviewed the scheme to ensure it remained relevant to customers and provided benefits to its members.[6] We found the scheme was generally working effectively with a need for some minor revisions to ensure it kept pace with a changing market and customer expectations.[7]

New EU Regulations introduced in 2018 require that all member states adopt accreditation schemes for comparison tools

2.10   The European Electronic Communications Code (EECC) is a new EU Directive which replaces the four Directives that currently make up the EU Regulatory Framework for

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[4] Ofcom, Accreditation Scheme for Price Calculators. Available at: https://www.ofcom.org.uk/consultations-and-statements/category-2/price-calculator-accreditation
[5] See for example: https://www.ofcom.org.uk/about-ofcom/latest/features-and-news/ofcom-accredits-broadband-compared-price-comparison-service
[6] Ofcom, Accreditation Scheme for Price Calculators: a review of the scheme, 2013. Available at: https://www.ofcom.org.uk/__data/assets/pdf_file/0030/78348/accreditation-scheme.pdf
[7] Ofcom, Accreditation Scheme for Price Calculators: decision on changes to the scope and operation of the Scheme, 2013. Available at: https://www.ofcom.org.uk/__data/assets/pdf_file/0035/79676/accreditation_statement.pdf

Electronic Communications.[8] It entered into force on 20 December 2018 and Member States have until 21 December 2020 to transpose it into national law. One of the central aims of the EECC is to enable end-users to make well-informed choices. As stated in the EECC, independent comparison tools, such as PCWs, are an effective means for consumers to assess different providers and obtain impartial information about deals on the market.[9]

2.11   The EECC requires EU Member States to ensure that consumers have access, free of charge, to at least one independent comparison tool that meets certain criteria and which allows users to compare different communications services using comparisons of tariffs and quality of service (Article 103(2) EECC). In addition, the EECC requires Member States to ensure that any comparison tool that meets these criteria can be accredited by competent authorities upon request (Article 103(3) EECC).

2.12   More specifically, the criteria introduced by the EECC aim to ensure that the information provided by comparison tools is trustworthy, impartial and transparent.[10] To achieve that, the EECC requires, amongst other things, that these tools are operationally independent from service providers and that no provider is given favourable treatment in the results. The EECC also requires that these tools are transparent about their owners and operators and set out clear and objective criteria on which comparisons are based. Information should be accurate, clear, concise and complete and should cover the broadest possible range of offers.[11]

2.13   The end-user protections in the EECC are subject to full harmonisation. This means that, in the areas those protections cover, Member States may not maintain or introduce end-user protections in national law that diverge from those provisions of the EECC, including more or less stringent provisions which would provide a different level of protection for end-users.[12]

DCMS consultation on implementing the EECC

2.14   In July 2019, DCMS published a consultation setting out its approach to implementing the EECC. [13] Its consultation included proposals on the key legislative changes that will be

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[8] This included Directive 2002/22/EC of the European Parliament and of the Council of 7 March 2002 on universal service and users' rights relating to electronic communications networks and services as amended by Directive 2009/136/EC, available at: https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=celex%3A32002L0022

[9] The full EECC, its articles and recitals are available at: https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=OJ:L:2018:321:FULL&from=EN

[10] Recital 267 EECC.

[11] Recitals 267 and 268 and Article 103(3) EECC. The accreditation criteria set out in the EECC are considered in more detail in Section 3.

[12] Article 101, EECC. Recital 257 elaborates on the requirement for full harmonisation. It notes that divergent implementation of the rules on end-user protection has created significant internal market barriers affecting both providers and end-users. Those barriers should be reduced by the applicability of the same rules ensuring a high common level of protection across the EU. A calibrated full harmonisation of the end-user rights covered by the EECC should considerably increase legal certainty for both end-users and providers, and should significantly lower entry barriers and unnecessary compliance burden stemming from the fragmentation of the rules.

[13] Implementing the European Electronic Communications Code. DCMS. Available at: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/819964/EECC_Consultation_-_Publication_Version__4_Updated_.pdf

required to implement the EECC in the UK, including new requirements for Ofcom regarding the accreditation of comparison tools.

2.15   The consultation noted that, following the UK's withdrawal from the EU, there is expected to be a post-Exit implementation period during which the UK will remain under an obligation to transpose EU directives into domestic law.

2.16   There remains some uncertainty over the UK's future relationship with the European Union. Ofcom takes no view on the means or merits of Brexit. However, we need to consult now on our proposals to introduce the new protections in the EECC.[14] This will enable us to change our rules before the deadline for transposition of the EECC Directive of 21 December 2020, should the requirement to transpose Directives still apply to the UK at that time. If, however, the UK is no longer under an obligation to transpose the EECC, we still consider this an appropriate time at which to review and reform the accreditation scheme and we welcome stakeholder comments on our proposals below.

2.17   In the July consultation, DCMS proposed that Ofcom amend its accreditation scheme to fulfil the relevant requirements of the EECC. In the unlikely event that no comparison tool was eligible for membership in future, DCMS proposed that Ofcom should set one up to ensure compliance with the requirements of the EECC.

The CMA found that digital comparison tools provide valuable benefits to consumer choice, but more could be done

2.18   In September 2017, the Competition and Markets Authority (CMA) conducted a study of digital comparison tools (DCTs), which include PCWs.[15] The study examined whether such tools were working well for consumers and noted that although DCTs provide valuable benefits to consumer choice and affordability, there is room for improvement.

2.19   The CMA found a mostly positive picture of consumer use of and attitudes to DCTs, and how DCTs treat consumers. However, it identified opportunities to add to the benefits that consumers get from DCTs. The CMA put forward a range of recommendations to achieve this.

2.20   The CMA identified four high-level principles for how DCTs should behave to support consumer trust and informed choice between DCTs and between suppliers. These are that DCTs should treat people fairly, by being Clear, Accurate, Responsible and Easy to use (labelled as the CARE principles).[16] The CMA recommend that regulators have regard to the principles when assessing compliance with the general law by DCTs in their sectors.

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[14] Ofcom has also published a consultation, 'Fair treatment and easier switching for broadband and mobile customers', which sets out changes that we are proposing to make to the General Conditions of Entitlement in order to implement the end-user provisions in the EECC. The end-user rights provisions in the EECC cover wide ranging policy areas such as provision of information, contract duration and termination, switching and number portability, equivalent access and choice for disabled end-users and independent comparison tools and third-party access to data. Available at: https://www.ofcom.org.uk/__data/assets/pdf_file/0032/184757/consultation-proposals-to-implement-new-eecc.pdf
[15] CMA: Digital comparison tools market study 2017.
[16] CMA: Digital comparison tools market study 2017. Paragraph 1.18.

2.21   The CMA also recommended that Ofcom consider removing some of the more prescriptive requirements of the scheme, including rules on market coverage. The CMA recommended that accreditation schemes adopt a higher level of principle instead, to make them more applicable to likely future developments by comparison tools.

2.22   We have taken these recommendations into account during our review of the scheme.

The purpose of this consultation

2.23   In this document, we set out proposals for how the scheme can be reformed in a way which is consistent with the requirements and objectives of the EECC, while also taking account of the CMA's recommendations.

2.24   The scheme will only continue to benefit customers by remaining relevant in the context of an evolving digital market place. Since the scheme was established in 2006, comparison tools have become increasingly widespread and the way in which people use and access these tools has evolved. We are proposing to update the scheme to ensure it continues to serve the interests of customers in the modern market, while also affording accredited comparison tools greater flexibility to innovate for the benefit of their users.

2.25   To deliver a scheme that works for both comparison tools and customers, we propose to reduce the prescriptive nature of current membership requirements. We favour a more principles-based approach to accreditation, which will make the scheme more flexible and allow greater innovation among members. Section 3 sets out our proposals for the future of the scheme and details the proposed criteria upon which members will be assessed. Section 4 sets out the draft guide for applicants to the scheme under the new criteria.

Legal framework

2.26   Ofcom's principal duty under the Communications Act 2003 (the "Act") in carrying out its functions is to further the interests of UK citizens and customers, where appropriate by promoting competition.[17] In doing so we are required to secure a number of things, in particular the availability of a wide range of electronic communications services.[18] We must also have regard, among other things, to the desirability of encouraging investment and innovation in relevant markets[19] and the interests of customers in respect to price, quality of service and value for money.[20] Under section 26 of the Act, Ofcom must also arrange for the publication of information and advice on communications services as it appears to be appropriate.

2.27   In addition, as set out in section 4 of the Act, when exercising certain functions, we must also act in accordance with the six European Community requirements described there. These include requirements: a) to promote competition in the provision of electronic communications services; b) to secure that our activities contribute to the development of

[17] Section 3(1) of the Act.
[18] Section 3(2)(b) of the Act.
[19] Section 3(4)(a) of the Act.
[20] Section 3(5) of the Act.

the European internal market; and c) to promote the interests of all persons who are citizens of the European Union.

2.28   In making our proposals in this document we have taken full account of these duties and obligations.

Next Steps

2.29   Following this consultation, we propose to publish our statement in spring 2020. We propose that any changes to the scheme should come into effect from the date of publication of our statement. Any applications for accreditation or re-accreditation will therefore be assessed under the new criteria and process from that points onwards.

2.30   All existing members of the scheme will need to be compliant with the new scheme by December 2020 and their compliance with our new criteria will be assessed at their next scheduled audit. While we are consulting and reviewing responses, the scheme will be closed to new applicants. Existing members will be required to continue to adhere to the terms of the current scheme during this period and until such time as the scheme rules are changed.

3. Proposed changes to the scheme

Aligning the scheme with Code requirements

Introduction

3.1   In this section, we set out what changes we propose making to the scheme to ensure it continues to benefit customers as the market evolves, and to ensure alignment with the requirements of new European legislation. Where relevant, we have also taken into account the recommendations made by the CMA following its market study of Digital Comparison Tools.

3.2   After introducing the relevant articles of the EECC below, we set out our proposed criteria for assessing scheme membership in future, making clear how our proposals differ from the current scheme criteria. This part of the document concludes with an overview of our proposed changes to the operation of the scheme, focusing on the process by which members would be assessed and accredited, should these proposals be implemented. Following this, Section 4 provides a step by step guide to how we propose accreditation will work in practice.

The European Electronic Communications Code

3.3   The EECC includes new requirements for Ofcom.

3.4   Specifically, Article 103(2) sets out that:

> Competent authorities shall, in coordination, where relevant, with national regulatory authorities, ensure that end users have access free of charge to at least one independent comparison tool which enables them to compare and evaluate different services, including internet access services and fixed and mobile voice services, with regard to:
>
> a.   prices and tariffs of services provided against recurring or consumption-based direct monetary payments; and
>
> b.   the quality of service performance, where minimum quality of service is offered, or the undertaking is required to publish such information pursuant to Article 104.

3.5   Article 103(3) specifies that:

The comparison tool referred to above shall:

(a) be operationally independent from the providers of such services, thereby ensuring that those providers are given equal treatment in search results;

(b) clearly disclose the owners and operators of the comparison tool;

(c) set out clear and objective criteria on which the comparisons are to be based;

(d) use plain and unambiguous language;

(e) provide accurate and up-to-date information and state the time of the last update;

(f) be open to any provider of internet access services or publicly available interpersonal communications services making available the relevant information, and include a broad range of offers covering a significant part of the market and, where the information presented is not a complete overview of the market, a clear statement to that effect, before displaying results;

(g) provide an effective procedure to report incorrect information;

(h) include the possibility to compare prices, tariffs and quality of service performance between offers available to consumers and, if required by Member States, between those offers and the standard offers publicly available to other end-users.

Comparison tools fulfilling the requirements in points (a) to (h) shall, upon request by the provider of the tool, be certified by competent authorities in coordination, where relevant, with national regulatory authorities.

Amending the current scheme criteria

3.6   Our overall approach in amending the scheme is to remove the prescriptive nature of some of our existing criteria. Our proposed changes will introduce more flexibility in how comparison tools configure their services, enabling them to innovate to meet changing customer demand as the market evolves while remaining compliant with the requirements of the EECC. This section explains the changes we propose to make.

Comparison tools must cover a range of communications services and allow comparison by price and quality metrics

EECC requirements

3.7   Article 103(1) and Annex IX of the EECC specifies that providers are required to publish information on the main characteristics of each service provided, including any minimum quality of service levels, where offered.

3.8   Article 103(2) of the EECC specifies that, in order to become accredited, comparison tools must allow end-users to compare prices, tariffs and quality of service performance, where minimum quality of service is offered or where the provider is required to publish such information in accordance with another provision of the EECC, Article 104.

3.9   Article 103(3) refers to the specific types of services that must be compared and evaluated by price comparison tools:

- Internet access services;
- Number-based interpersonal communications services (NBICS), such as mobile and landline services;[21]
- and number-independent interpersonal communications services (NIICS), such as over-the-top messaging services.[22]

3.10   Article 107(1) of the EECC also extends the application of Article 103 to bundles[23] comprising at least one internet access service or a NBICS.

Our current scheme

3.11   We do not currently specify which types of communications services accredited comparison tools must allow users to compare. Our current scheme accredits comparisons covering a wide range of communications services. Typically, accredited sites allow comparisons between different broadband, mobile, fixed telephone and pay-TV services, including when these are bundled.

3.12   Our current scheme requires that accredited comparison tools ensure comparisons between communications services are sorted by price by default. In addition, broadband comparison sites are required to display average broadband speeds for fixed broadband packages and explain that actual broadband speeds experienced may vary. We also require members to provide tools, or links to tools, for users to test the speed of their line, and a link to Ofcom's comparative customer service and complaints handling information, which includes both Ofcom's annual reports on consumers' experience of customer service and quarterly complaints reports.

How we propose to implement: Prices and tariffs

3.13   We propose to maintain our current scheme requirement that accredited comparison tools must allow comparisons of communications services by reference to price. However, we propose to remove the requirement that this must be the default ranking displayed when results are presented. This is to ensure that accredited comparison tools have the flexibility to deploy different default rankings to one another, to allow them to meet customer

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[21] NBICs are defined as services, normally provided for remuneration, that enable direct interpersonal and interactive exchange of information between a finite number of persons and which connect, or enable communications with, a number or numbers in national or international numbering plans.

[22] NIICs are defined as services normally provided for remuneration, that enable direct interpersonal and interactive exchange of information between a finite number of persons, but which do not connect, or enable communications with, a number or numbers in national or international numbering plans. Additional information regarding the definition of NBICs and NIICs is available in the document entitled, 'Fair treatment and easier switching for broadband and mobile customers'. Available at: https://www.ofcom.org.uk/__data/assets/pdf_file/0032/184757/consultation-proposals-to-implement-new-eecc.pdf.

[23] For the purposes of the EECC, a bundle will be found to exist where the different elements of it are provided or sold by the same provider under the same or closely related or linked contracts. Additional information regarding the definition of bundles in available in the document entitled, 'Fair treatment and easier switching for broadband and mobile customers'.

demand for different methods of comparison. We provide additional details about how we propose results should be displayed in paragraphs 3.40 and 3.41.

How we propose to implement: Services covered

3.14   We propose to maintain the scope of our existing scheme such that an accredited comparison tool which allows users to compare relevant communications services,[24] including where these are bundled, may apply for accreditation. We consider that inclusion of bundles in comparison tools can be particularly valuable for users, as most UK homes purchase a bundle of communications services from the same provider.[25]

3.15   We do not expect accredited comparison tools at this stage to provide comparisons of NIICs, such as over-the-top messaging services, as these are not normally provided against a recurring fee in the current market. We will review this as appropriate in future, as the market develops.

How we propose to implement: Quality of service

3.16   Quality of service is an important consideration for customers when choosing their provider and package of services. Our research suggests that coverage and reliability are second only to price among the factors most considered by customers of mobile services. For broadband customers with dual or triple-play packages,[26] the factor most considered by customers, after price, is the reliability of the service followed by whether data is unlimited or capped.[27]

3.17   The EECC requires price comparison tools to compare available offers by reference to minimum quality of service parameters as a condition for accreditation. In recognition of the importance of quality metrics in supporting effective comparisons, the CMA has also recommended that comparison tools should allow users to compare a wide range of product dimensions, including quality of service. This is in order to inform consumer choice and to prevent 'hollowing out', which can arise if there is an undue focus on price rather than other metrics.[28]

3.18   We also consider that information about the quality of service that customers are likely to receive is important when comparing tariffs and in making informed choices. We note that providers are already under an obligation to publish broadband speeds information. In so far as fixed services are concerned, this should include the minimum, normally available, maximum and advertised download and upload speeds.

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[24] With reference to relevant services such as broadband, home-phone, mobile and pay-TV services.

[25] Ofcom research shows that 80% of UK households purchased bundled services in 2018, partly because most fixed broadband services require a landline voice service to be purchased from the same provider. See Pricing trends for communications services in the UK, May 2018. Available at:
https://www.ofcom.org.uk/__data/assets/pdf_file/0030/113898/pricing-report-2018.pdf

[26] Therefore, excluding any considerations around tv channels or telephone calls.

[27] Ofcom, Consumer Engagement Research 2018. Available at:
https://www.ofcom.org.uk/__data/assets/pdf_file/0022/117076/Consumer-engagement-quantitative-research-2018-slide-pack.pdf

[28] CMA: Digital comparison tools market study 2017. Paragraph 1.14.

3.19   In our related consultation published alongside this document entitled 'Fair treatment and easier switching for broadband and mobile customers: Proposals to implement the new European Electronic Communications Code', [29] we make clear that we would also expect providers who offer a minimum guaranteed speed and normally available download and upload speeds at address level to also publish this information as part of complying with their obligations under Article 103(1). We also set out in that document that, in order to comply with our proposed General Conditions in relation to third party access to data, we would expect that providers shall make available this information to qualifying comparison tools.

3.20   In line with this we propose that, as a minimum, accredited comparison tools should allow comparisons of tariffs by reference to the same measures of quality of service which providers should be required to publish, as set out in our Proposals to implement the new European Electronic Communications Code. This is on the basis that this information is likely to be important for customers to make informed choices.

3.21   We have given careful consideration as to whether accredited comparison tools should be required to allow users to compare tariffs by reference to any additional quality of service metrics beyond those mentioned above. Such metrics could include, for example, mobile coverage maps to assess signal potential, the amount of data that is included in a given tariff, whether these are capped or unlimited, or customer complaint records.

3.22   At this time, we are not proposing to require accredited comparison tools to allow comparisons by reference to any other information specifically related to quality of service, although accredited comparison tools are free to do so if they so choose.

3.23   We will keep this position under review and if, for example, we were to require providers to publish additional information on quality of service beyond that set out above, we would consider whether to reflect any such changes in our accreditation scheme rules. In respect of information that providers must publish, we intend to consider our position further after we have published our 2020 Comparing Service Quality report, and after the Body of European Regulators for Electronic Communications (BEREC) has published final guidelines on the quality of service parameters to be measured and published.

3.24   We propose to retain our requirement under the existing scheme that accredited comparison tools must explain that actual broadband speeds may vary and must display the 'average' broadband speeds in their results. We also propose to require that accredited comparison tools must provide a link to Ofcom's work on broadband speeds, including consumer guides and our tools that allow customers to test the speed of their current line (accredited comparison tools may incorporate this link as part of the Ofcom logo, see paragraph 3.89).

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[29] See https://www.ofcom.org.uk/__data/assets/pdf_file/0032/184757/consultation-proposals-to-implement-new-eecc.pdf

Comparison tools must be operationally independent and make their ownership clear

EECC requirement

3.25   In order to be eligible for scheme membership, Article 102(3) of the EECC requires that accredited comparison tools must be operationally independent from the providers of such services, thereby ensuring that those providers are given equal treatment in search results. The EECC also states these tools should clearly disclose the owners and operators of the accredited comparison tool.

3.26   These conditions reflect the EECC's overarching objective (recital 267), which aims to ensure that accredited comparison tools provide information that is trustworthy, impartial and transparent.

Our current scheme

3.27   Our current scheme includes specific transparency standards and requires the disclosure of key information to users.[30] Accreditation requires that members make clear to users how they make money or fund their activities, and that they are transparent about any commercial agreements or links they have in place with communications providers. A member must also disclose whether it receives any commission payments from communication providers and disclose whether it is run or owned by a communications provider. Accredited comparison tools are permitted to display sponsored results provided these are clearly identifiable as separate from search-driven results.

How we propose to implement

3.28   To be able to make informed choices about the services they buy, users must have access to information that is trustworthy and impartial. We propose that accredited tools must declare themselves as being operationally independent as a condition of certification and, in doing so, confirm that providers are thereby given equal treatment in search results. We also propose that accredited comparison tools must make clear their ownership and, if there is a link to any of the services it compares within that ownership structure, this must also be disclosed to users.

3.29   Research in 2017 found that consumers generally did not know or had ever thought about how comparison sites made money (e.g., through commission or advertising).[31] Therefore, we consider it important that accredited PCWs make it clear to users if their commercial arrangements impact the comparison results that they display.

3.30   Accredited comparison tools are free to make commercial agreements with providers which result in featured or sponsored deals being presented to the users. However, where featured or sponsored offers are shown, they must be clearly distinguishable and easily identifiable as such, and it should be clear to users how such results are generated (see

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[30] For full details, see: Ofcom, Accreditation Scheme for Price Calculators audit guidance and statement. Available at: https://www.ofcom.org.uk/consultations-and-statements/category-2/price-calculator-accreditation
[31] CMA: Digital comparison tools market study 2017. Paragraph 4.16.

paragraph 3.35 and 3.41 for more information). We propose to retain our requirement that accredited websites make it clear to users how they make money, but we do not think it is necessary to disclose the details of their commercial arrangements with third parties.

Comparisons must be objective and clear

EECC requirement

3.31   The EECC requires that accredited comparison tools set out clear and objective criteria on which the comparisons are to be based.

3.32   There are two specific areas relevant to this requirement: how comparison results are calculated (methodology) and how they are displayed to users (presentation of results). We discuss each of these in the following paragraphs.

Our current scheme: Methodology

3.33   Our current accreditation scheme requires that any simplifying assumptions made as part of comparison calculations should not consistently result in favourable price comparisons for any one communications provider, which would lead to a biased set of results. The approach taken and the assumptions made should be clearly stated and presented in a way, and in an area of the website, that is clearly visible to users. In addition, the limitations of the methodology used should be made clear to the user. We also require that the criteria used for sorting results is clearly explained in an easily accessible location.

How we propose to implement

3.34   We propose to require accredited comparison tools to employ objective criteria to calculate results. As a minimum these should include price and quality. We recognise that, in addition to comparisons based on well understood criteria such as price and quality, comparison tools in the wider communications sector offer users the option of making comparisons in a range of ways, including using algorithms that ascribe value to factors such as the popularity of deals. Some comparison tools may also promote certain tariffs in rankings based on commercial agreements they have made with providers. These tariffs may appear for instance as 'recommended' offers.

3.35   In recognition of this development, we propose to allow accredited comparison tools to offer comparison of tariffs by reference to non-price and non-quality metrics such as a tariff's popularity, or from adding recommended or sponsored deals to search listings. However, when doing so we propose that accredited comparison tools must ensure that it is clear to users how such results are generated.

3.36   We also propose that information about ranking calculations must be clearly available to users, for example, by allowing users to click an information button to see a clear explanation of how the ranking is calculated. This is particularly important where results are sorted using metrics that are not immediately clear to users.

3.37   We also propose to retain the requirement that calculations are explained to users. This is to ensure that users can understand how rankings are generated. Specifically, we propose that accredited comparison tools should offer a plain English explanation of how they

calculate results to ensure users can see clearly how results are produced. We also propose to retain our current requirement that assumptions in the results are clear to users. For example, if prices have been calculated with the assumption that customers will be paying annually or using a direct debit.

3.38   Finally, we propose to retain the requirement that any simplifying assumptions made as part of comparison calculations should not consistently result in favourable results for any one communications provider. This is to avoid results being biased towards any particular provider and to ensure that the revised scheme continues to afford customers the same protections that exist today.

Our current scheme: Presentation of results

3.39   In our current scheme we require results to be sorted in the following way:

- results must be sorted by default by reference to an appropriate price-based metric (e.g. by monthly or annual cost);
- results must be ordered by default in the order which is likely to be most attractive to the user (e.g. from faster to lower download speeds); and
- accredited comparison tools must enable customers to sort the results of any price calculation by different relevant price metrics (e.g. from lower cost to higher costs).

How we propose to implement

3.40   We believe that our scheme will best serve the interests of customers if it affords accredited comparison tools the flexibility to innovate and develop new ways of presenting search results in ways which users find most useful. For example, by allowing users to sort results based on the amount of data in a mobile phone tariff or the quality of service offered, rather than only by price.

3.41   Therefore, we propose to remove our existing requirement that default search metrics must be price-based and afford accredited comparison tools the flexibility to employ a ranking of their choice when first presenting results, provided it is clear to users how such rankings are calculated. Under this proposal, accredited comparison tools would need to show clearly how results are ranked and sorted. For example, from lowest cost to highest cost, or most included data to least included data (or the other way around).

3.42   At the same time, we also consider it good practice for users to be able to adjust the order in which results are shown, for instance by changing the 'sort' order from highest to lowest cost.

Comparison tools must use plain and unambiguous language

EECC requirement

3.43   The EECC sets out that, in order to be eligible for certification, a comparison tool must use plain and unambiguous language.

Our current scheme

3.44   As part of the accreditation guidance for the current scheme, members must ensure that where information is provided to users, this is done in a clear and understandable way. For example, there is a requirement that accredited tools provide users with clear information about their operations. We expect any provision of information that is of use to customers on accredited comparison tools should be understandable and accessible to them. For areas that are of specific importance to customers, such as how results are calculated, we expect this is explained in such a way that is plain and unambiguous.

How we propose to implement

3.45   To meet the requirements of the EECC, we will maintain the current scheme requirement that accredited tools must present information in plain and unambiguous language.

3.46   We continue to expect that information presented to users should be presented in a clear and understandable way. This is particularly necessary in a market which some customers already find confusing to navigate.[32] The CMA also highlighted this in its 2017 Market Study, in which it made recommendations that comparison tools should present key information in a clear and prominent form to users.

Prices and information shown should be accurate and up to date

EECC requirement

3.47   The EECC specifies that in order to be eligible for certification, a comparison tool must provide accurate and up-to-date information and state the time of the last update.

Our current scheme

3.48   The current scheme requires that users are presented with accurate information on prices and tariffs. Accredited tools must ensure that the following information is shown to users:

- the availability of special offers (such as cashback or discounts)
- any upfront costs (such as installation and equipment)
- information about any limits on data usage that apply to services identified in comparison searches
- where broadband speeds are shown these are qualified with 'up to'
- length of the minimum contract period for offers
- when the data it relies on for calculations was last updated.

3.49   These requirements provide customers with more information about the different packages in the market and allow them to compare different elements of communications providers' policies and services, where these are relevant to their choice.

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[32] Ofcom 2019, Qualitative research: Consumer engagement in fixed broadband, Section 3.2.9. Available at:
https://www.ofcom.org.uk/__data/assets/pdf_file/0018/168210/qualitative-research-engagement-fixed-broadband.pdf

3.50   Accredited tools must also ensure the data used to calculate comparison results are updated at least every two weeks.

How we propose to implement

3.51   Prices and information shown to users should be accurate and up-to-date, so that they can be confident their search will accurately reflect the tariffs and prices available at the time.

3.52   We propose to retain the requirements in our current scheme that accredited comparison tools provide information on the following aspects of the services they cover:

- the availability of special offers (such as cashback or discounts)
- any upfront costs (such as installation and equipment)
- information about any limits on data usage that apply to services identified in comparison searches
- length of the minimum contract period for offers.

3.53   We recognise that as the market evolves there may be other features of tariffs which become important to customer decision making. We want to ensure that any features which are considered key to customer decision making are presented in a way that is accurate and meaningful. We will review our position at a future point and consider whether any changes are required to our accreditation criteria to reflect market and regulatory developments.

3.54   As part of providing accurate and up-to-date information, we propose that the results shown should also provide to the user, where possible, address level information, in order to ensure that users are only shown offers which they can receive at their location (as opposed to their postcode area for example). We also propose to require accredited comparison tools to make clear to users that the prices shown can change or may be different elsewhere, for example on the provider's own website.

3.55   Based on experience of our auditing process of accredited sites, we observe that comparison tools face commercial incentives to update their data as regularly as possible to ensure that search results are as accurate as possible. Most accredited tools update their data on a weekly or more regular basis. However, to ensure a minimum standard for the provision of up to date information we propose to maintain our requirement that accredited comparison tools should continue to ensure that data is updated at least every two weeks.

Comparisons should reflect a broad range of offers in the market

EECC requirement

3.56   The EECC specifies that in order to be eligible for certification, a comparison tool must be open to any provider of internet access services or NIICSs, and include a broad range of offers covering a significant part of the market and, where the information presented is not a complete overview of the market, a clear statement to that effect, before displaying results.

Our current scheme

3.57   It is important that price comparison information is full and comprehensive. In our view, price comparison calculators are most beneficial to users where they provide a sufficient number of relevant results to allow a meaningful comparison of the options available. Under the current scheme we expect accredited PCWs to include a comprehensive number of providers to reflect the level of choice available to customers.

3.58   The current scheme guidance also specifies that accredited PCWs should not discriminate against particular communications providers and must cover 90% of the chosen market. The process used by members to select which communications providers to include must also be transparent to the auditor and where only a selection of packages is included, this should not result in an unfair or biased representation of a communications provider.

3.59   Members of our scheme are therefore audited against specific criteria, including:

- whether the comparison tool includes providers of a certain size;
- the percentage of subscribers within the relevant market covered by the comparison tool's selection of providers (i.e. 90% and over); and
- whether the comparison tool includes the main provider in all regions in the UK.

3.60   Given the vast number of small providers in some communications markets, it may not be practical for comparison tools to list all providers and options in their comparison results, so this is not part of our current requirements.

How we propose to implement

3.61   There are two areas relevant to this requirement: market coverage and how information about market coverage should be presented. We discuss each of these in the following paragraphs.

Market coverage

3.62   In aligning the scheme with the requirements of Article 103(3), we propose to no longer require accredited comparison tools to compare services across a fixed proportion of the market. Rather, we propose to assess comparison tools against a requirement to cover a 'significant' proportion of the market. It would be for members to demonstrate how they meet this requirement, and we do not propose to set a minimum percentage of market coverage that should apply to accredited tools. We would expect accredited comparison tools to ensure the tariffs and offers shown are from providers which cover such a proportion of the market that allows customers to make a meaningful comparison of the services available.

3.63   Our proposal takes into account the CMA's recommendation that we should remove the specific market coverage requirement from our scheme criteria, on the basis that such requirements can undermine the benefits such tools bring to customers because they weaken the tool's bargaining position in negotiations with suppliers. [33]

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[33] CMA: Digital comparison tools market study 2017. Paragraph 4.25.

How information about market coverage should be presented

3.64   Another key objective of the EECC is to ensure that information provided on comparison tools is trustworthy, impartial and transparent. A lack of information about coverage could adversely affect customers' decisions about which and how many tools to use, as well as undermining trust if users find coverage is not what they expected. This was also highlighted by the CMA who recommended that the scheme should rely on making coverage clear to users, so they can choose between comparison tools and providers. The CMA found that awareness among consumers in the coverage of digital comparison tools was low: one-in-ten (11%) thought that the comparison tool covered all suppliers and, in many cases, respondents did not know what the coverage was for the last site they had visited.[34] However, even though most users perceived the coverage not to be complete, a large majority (82%) considered it sufficient for their needs. [35]

3.65   In order to ensure that customers obtain sufficient information about coverage and to comply with the requirements of the EECC, we propose to require comparison tools to list those providers which are included in calculations. This information should be made available in an easily identifiable location. In addition, where accredited comparison tools include a range of offers that do not represent a complete overview of the market, this should be made clear with a statement to that effect, before displaying results.

3.66   Consistent with the requirements of the EECC, we propose to continue to require that tools should remain open to any provider who wishes to make their services available to them.

Comparison tools must have a clear, fair and timely process for handling complaints

EECC requirement

3.67   The EECC specifies that in order to be eligible for certification, a comparison tool must provide an effective procedure to report incorrect information.

Our current scheme

3.68   We currently require accredited PCWs to provide information about how to make a complaint because we consider such information to be useful to users. Users may wish to complain to the PCW when they are not seeing accurate information or are having issues with accessing information.

3.69   Under the current scheme's requirements, members should have in place clearly explained, fair and timely processes for handling complaints. During our auditing process, we look at the timeliness of complaint handling by members, and we assess whether these are reasonable.

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[34] CMA: Digital comparison tools market study 2017. Paragraph 4.25.
[35] CMA: Digital comparison tools market study 2017. Paragraph 4.12.

How we propose to implement

3.70   Having an effective procedure for making complaints and a fair and timely process for handling them are central to the provision of an effective procedure to report incorrect information. The CMA's report found that important information, such as how users can complain if something goes wrong, is not always in the most useful place or clearly presented and signposted to users of comparison tools. [36] In order to meet the EECC's requirements, we propose to retain our requirement that accredited comparison tools must have a clearly explained, fair and timely process for handling complaints. We expect comparison tools seeking accreditation to ensure they have reporting processes in place, and that these are presented in a clear and prominent manner and are shown to users in a plain and unambiguous form.

3.71   We propose to no longer conduct an audit of the timeliness of complaint handling by members. Instead, accredited comparison tools will be responsible for demonstrating an effective procedure for reporting incorrect information and that this process is adhered to (including timeliness in handling complaints). We are not proposing to specify what procedures members have in place, as we wish to allow flexibility to accredited comparison tools in finding the solution that works best for their users.

Comparison tools must allow users the ability to compare offers available to residential customers

EECC requirement

3.72   The EECC specifies that in order to be eligible for certification, a comparison tool must include the possibility to compare prices, tariffs and quality of service performance between offers available to consumers and, if required by Member States, between those offers and the standard offers publicly available to other end-users.

How we propose to implement

3.73   As set out above, we propose to maintain the requirement that in order to be eligible for certification, a comparison tool must include the ability to compare prices, tariffs and quality of service performance between offers available to users.

3.74   At present, we are not proposing to require that tools allow users the ability to compare offers available to residential customers with offers available to other types of end-users, such as business customers. This is because the scheme is primarily aimed at residential customers, many of whom may struggle to navigate the complexity of the communications market without tools such as price comparison websites. It is unlikely that tariffs primarily aimed at businesses will be relevant to residential customers and the mandatory inclusion of such tariffs in comparisons may increase complexity.

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[36] CMA: Digital comparison tools market study 2017. Paragraph 4.20.

Comparison tools must ensure that their services are accessible

3.75   We expect tools which are part of our scheme to deliver services to a high standard, treat users fairly, and comply with relevant legislation. This includes compliance with the Equality Act 2010.

3.76   We propose to require that accredited comparison tools ensure services are accessible. This may be achieved in a variety of ways, such as making font sizes adjustable or enabling users to change the colour of a website. We also propose to retain a requirement from our current scheme to only accredit tools that offer users the ability to get advice offline.

3.77   The CMA found that comparison tools could benefit those consumers with mobility or mental health conditions who find face-to-face or phone conversations difficult, but expressed a concern that some comparison tools are not reaching minimum web accessibility standards.[37] We consider it important that as many customers as possible should be able to access comparison tools so that they can benefit from the services they provide.

3.78   We therefore propose that accredited comparison tools should be required to include measures to ensure accessibility. These could include functions such as adjustable font sizes or allowing users the option to change the colour of the website, alongside other innovative functions that facilitate access to comparisons in an effective way.

Operation of the scheme

EECC requirement

3.79   Member States are required to adopt the necessary provisions to comply with the EECC by 21 December 2020. From this point, Ofcom must ensure that any independent comparison tool that meets the EECC's criteria can, on request by the provider of the tool, be certified by Ofcom.

Our current scheme

3.80   Under the current scheme, comparison tools can apply to Ofcom for accreditation. Applications are assessed internally and by an independent auditor against approval criteria set by Ofcom. Ofcom conducts the 'soft audit' qualitative checks, and an external auditor conducts the quantitative audit which focuses on technical methodology and processes of the applicant site. The audit criteria, which are set out in Section 2, require the accredited PCWs to be accessible, accurate, transparent and comprehensive, and they are broadly similar to those set out in the EECC.

3.81   Accredited PCWs are audited initially after 12 months and every 18 months thereafter to ensure they continue to meet the criteria. Ofcom may also conduct spot checks between audits, to ensure continued compliance.

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[37] CMA: Digital comparison tools market study 2017. Paragraph 4.51.

How we propose to implement

3.82   We are proposing to maintain our current process allowing comparison tools to apply for accreditation. However, in order to reduce the administrative burden on comparison tools and to encourage membership to our scheme, we are proposing to no longer require the carrying out of an external technical audit in all cases. Instead, we are proposing to require applicants to provide information about their services when applying and to declare, as appropriate, how they comply with the criteria of our scheme. This is consistent with our proposed changes to the accreditation criteria which are designed to allow for more flexibility in meeting the requirements of our scheme.

3.83   To help ensure that the scheme continues to hold members to high standards, we will take steps to ensure the robustness of our accreditation process. These include spot-checks of the user-interface (e.g. if the language used is plain and unambiguous or how results are ranked) and requests for the provision of specified information by applicants. Where necessary, we may require the carrying out of a technical audit, for example, where we have particular concerns about the way in which an applicant meets our criteria. Where, following appropriate investigation and consultation with the relevant comparison tool, we consider that a member of our scheme no longer meets our accreditation criteria, we will remove accreditation unless the comparison tool is able to demonstrate that it has taken steps to ensure compliance.

3.84   We are also proposing to maintain the requirement that comparison tools apply to renew their membership to the scheme after 12 months and every 18 months thereafter to ensure that they continue to meet our criteria.

Ensuring customers have access to at least one comparison tool

3.85   There are currently seven members in our scheme and many more comparison tools available in the wider market. One objective of the EECC is to ensure that consumers have access, free of charge, to at least one independent comparison tool that meets specified assessment criteria. Therefore, we would be satisfied that the consumer need would be met if such a tool existed in the market but did not choose to be certified, provided it would be eligible for certification if it so chose. If no such comparison tool existed, we would consider whether it would be appropriate to set up a comparison tool that met these requirements.

Compliance with relevant legislation

3.86   We expect that tools that are part of our scheme deliver services to a high standard, treat users fairly, and comply with relevant legislation including those designed to protect customers from bad practices. This includes compliance with relevant legislation, such as regulation related to data protection and consumer protection.

Cost to members

3.87   Ofcom currently recovers some of the costs of the technical audit fee from PCWs as part of the accreditation process. To ensure that cost is not a barrier to entry for PCWs, we

recover a smaller amount for those with an annual turnover of less £200,000. Our current fee structure is:

Audit type	Relevant annual turnover	
	Less than £200,000	Over £200,000
Initial audit (Full technical audit)	£1,000	£13,775
Reaccreditation audit	£500	£8,500

3.88   We expect that the revised scheme will not require the services of an external auditor on a routine basis. Therefore, we would not seek to recover any operational costs from PCW members.

Use of the Ofcom accreditation logo

3.89   Once accredited under the current scheme, members can display the scheme's logo on their websites and in publicity campaigns. This makes clear to users that a site is accredited. We propose to continue to allow accredited comparison tools to display the relevant logo on parts of their site.

3.90   Our current scheme requires that where members use the logo on their website, this links to Ofcom's consumer information webpages which include an explanation of the accreditation scheme and a list of accredited organisations. During operation of the scheme, members have raised objections to this requirement on the basis that it entails linking to a list of competitors. Therefore, we have allowed members instead to link to the relevant information where it is provided within the site's own pages.

3.91   It is important that users have accurate information about what accreditation entails and the standards it necessitates. Therefore, we propose to continue to require accredited tools to link through to Ofcom's consumer information webpages as is the current practice but, in recognition of the concerns above, we will consider redesigning these pages so that the list of other members appears on a separate page.

3.92   At our discretion, we currently allow the use of the scheme logo on sites affiliated with the member, where the service is in effect the same as the one provided by that accredited member. In future, we propose that all such sites must undergo separate assessments, to ensure they are suitable for scheme membership and to build customer trust in the information they display. As we are parring back the requirements of the scheme and making assessments less onerous for members, we propose this is a reasonable requirement for affiliate sites which will help us efficiently check their suitability and help build customer trust in all the tools we accredit.

Consultation Question

Question 1: Do you agree with our proposed changes to the scheme criteria?

Please provide evidence to support your views.

4. Draft guide for applicants

4.1   In this section we set out a guide to the criteria that we are proposing for our scheme, alongside an outline of the process for the assessment of applications for the accreditation or re-accreditation of existing members to the scheme. This section is aimed at comparison tools that are members or considering membership, and that wish to better understand the impact of our proposed changes to the assessment process.

4.2   As set out in Section 3, we propose to simplify our approach to assessing whether comparison tools meet the criteria for accreditation. We propose that applicants to the scheme will compile evidence that their tool meets the relevant criteria and will present this to Ofcom using a standardised reporting template. Where we deem it necessary and helpful, we will also request a meeting with applicants to further our understanding of the services they offer, as well as requiring the provision of more detailed information. We may conduct in-depth reviews of comparisons tools, akin to our current technical audits, at our discretion, in order to ensure a high standard among all members.

Scope of certification

4.3   Ofcom will consider certifying comparison tools for relevant services that fall among those defined by the EECC. These include, but are not limited to:

- Mobile
- Landline
- International roaming
- Broadband
- Voice over IP
- Bundled services

Proposed process of application

4.4   In order to be part of the scheme, comparison tools must complete the following steps:

Step 1

4.5   Applicants should contact Ofcom at comparison.tools@ofcom.org.uk. Applicants will be asked to submit a short description of the comparison tool they provide, which should include the following information:

- When the service was launched
- The relevant service(s) for which comparison information is provided
- How results are calculated
- How many users have used the calculator to compare services and/or switch
- How the business model works, including:

    i)   whether the organisation receives commission payments from communications providers

ii)   whether the organisation is run or owned by a communications provider

iii) whether users are charged to access the service

Step 2

4.6   If Ofcom is satisfied that the tool has the potential to meet the approval criteria, it will ask the applicant to complete a report, including declarations and submission of specified information, to demonstrate that it complies with the approval criteria.

4.7   If we deem that further information is necessary at this stage, applicants may be asked to submit this and/or meet with Ofcom to give a demonstration of the tool and answer any questions.

Step 3

4.8   On review of the report, and subject to in-depth checks at the discretion of Ofcom, the comparison tool will be notified as to the success of its application. Where an organisation's service is certified, the organisation can display the scheme logo, subject to branding and display guidelines.

Step 4

4.9   Accreditation will be renewed, subject to re-submission of evidence and declarations as appropriate, on a periodic basis between 12 and 18 months.

4.10   Ofcom may also periodically and without warning inspect the public-facing parts of certified tools and/or seek evidence or declarations of compliance from its members if there are issues of concern.

Approval Criteria

4.11   As set out in Section 3, we propose that accredited members must comply with the following criteria:

A. Accredited comparison tools must allow comparison of certain services and quality metrics, as well as price

i)   Accredited comparison tools much allow users to compare relevant communications services, including where these are bundled.[38]

ii) At a minimum, comparison tools should allow comparisons of tariffs by reference to the same measures of quality of service which providers should be required to

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[38] With reference to relevant services such as broadband, home-phone, mobile and pay-TV services.

publish.[39] Accredited tools are encouraged to allow users to compare tariffs by reference to any additional quality of service metrics, such as:

- mobile coverage maps to assess signal potential
- the amount of data that is included in a given tariff, whether these are capped or unlimited; or
- customer complaint records.

iii) Comparison tools must allow comparisons by communications service by reference to price.

iv) Accredited comparison tools must explain to users that broadband speeds may vary.

v) Accredited comparison tools must display the 'average' broadband speeds on their results listings.

vi) Accredited comparison tools must provide a link to Ofcom's work on broadband speeds, including consumer guides and our tools that allow users to test the speed of their current line (comparison tools may incorporate this link as part of the Ofcom logo).

B. Operational independence and clear ownership

i) Accredited comparison tools must be operationally independent, thereby confirming that providers generally receive equal treatment in search results.

ii) Accredited comparison tools must make clear their ownership. If there is a link to any of the services they compare within that ownership structure, this must also be disclosed to users.

iii) Where accredited comparison tools have commercial agreements with providers which result in 'featured' or 'sponsored' deals being presented to the user, where these deals are shown, they must be clearly distinguishable and easily identifiable as such.

iv) Accredited comparison tools should make it clear to users how they make money (however this does not require the disclosure of details of commercial arrangements of third parties)

C. Comparisons must be objective and clear

i) Accredited comparison tools must employ objective criteria to calculate results, as a minimum these should be based on price and quality.

ii) Accredited comparison tools must clearly show how results are ranked and also ensure information about how rankings are calculated is clearly available to users.

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[39] Subject to our proposals within, 'Fair treatment and easier switching for broadband and mobile customers'. See Section 5. Available at: https://www.ofcom.org.uk/__data/assets/pdf_file/0032/184757/consultation-proposals-to-implement-new-eecc.pdf

Accredited comparison tools are also encouraged to allow users to adjust the order in which results are shown, for instance, by changing the 'sort' order from highest to lowest.

iii) Accredited comparison tools must ensure it is clear to users how results are calculated and offer a plain English explanation.

iv) Any assumptions made within calculations must also be made clear to the user.[40]

v) Accredited comparison tools must ensure any simplifying assumptions made as part of comparison calculations should not consistently result in favourable results for any one communications provider.

D. Plain and unambiguous language

i) Accredited comparison tools must present information in plain and unambiguous language.

E. Information must be accurate and up to date

i) Prices and information shown to users should be as clear as possible.

ii) Accredited comparison tools must ensure they provide information on the following aspects of the services they cover:

- the availability of special offers (such as cashback or discounts)
- any upfront costs (such as installation and equipment)
- information about any limits on data usage that apply to services identified in comparison searches
- length of the minimum contract period for offers.

iii) Accredited comparison tools must ensure the results shown reflect, where possible, address level information provided by the user, to ensure users are only shown offers which they can receive at their location (as opposed to their postcode area for example).

iv) Accredited comparison tools should make clear to users that the prices shown can change or may be different elsewhere, for example on the provider's own website.

v) Accredited comparison tools must ensure the data used to calculate comparison results is updated at least every two weeks.

F. Market coverage

i) Accredited comparison tools must cover tariffs and offers from providers that constitute a significant proportion of the market.

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[40] For example, if prices have been calculated with the assumption that customers will be paying annually or using a direct debit, this should be made clear to the customer.

ii) Accredited comparison tools must list those providers which are included in calculations. This should be available in an easily identifiable location.

iii) Where accredited comparison tools include a range of offers that do not represent a complete overview of the market, they should make that clear with a statement to that effect, before displaying results.

iv) Accredited comparison tools should remain open to any provider who wishes to make their services available to the tool, subject to the agreement of appropriate arrangements between the provider and the tool.

G. Reporting errors

i) Accredited comparison tools must have an effective procedure in place by which users can report incorrect information and must ensure that this process is adhered to.

H. Accessibility

i) Accredited comparison tools must ensure they offer users the ability to get advice offline.

ii) Accredited comparison tools should include measures to ensure accessibility, these can include functions such as adjustable font sizes or allowing users the option to change the colour of the website, alongside other innovative functions that facilitate access to comparisons in an effective way.

A1. Responding to this consultation

How to respond

A1.1   Ofcom would like to receive views and comments on the issues raised in this document, by 5pm on 28 February 2020.

A1.2   You can download a response form from https://www.ofcom.org.uk/consultations-and-statements/category-1/proposed-changes-voluntary-accreditation-scheme. You can return this by email or post to the address provided in the response form.

A1.3   If your response is a large file, or has supporting charts, tables or other data, please email it to comparison.tools@ofcom.org.uk, as an attachment in Microsoft Word format, together with the cover sheet.

A1.4   Responses may alternatively be posted to the address below, marked with the title of the consultation:

A1.5   Gillian Rollason
Ofcom
Riverside House
2A Southwark Bridge Road
London SE1 9HA

A1.6   We welcome responses in formats other than print, for example an audio recording or a British Sign Language video. To respond in BSL:

- Send us a recording of you signing your response. This should be no longer than 5 minutes. Suitable file formats are DVDs, wmv or QuickTime files. Or
- Upload a video of you signing your response directly to YouTube (or another hosting site) and send us the link.

A1.7   We will publish a transcript of any audio or video responses we receive (unless your response is confidential)

A1.8   We do not need a paper copy of your response as well as an electronic version. We will acknowledge receipt if your response is submitted via the online web form, but not otherwise.

A1.9   You do not have to answer all the questions in the consultation if you do not have a view; a short response on just one point is fine. We also welcome joint responses.

A1.10   It would be helpful if your response could include direct answers to the questions asked in the consultation document. The question is listed in Annex A4. It would also help if you could explain why you hold your views, and what you think the effect of Ofcom's proposals would be.

A1.11   If you want to discuss the issues and questions raised in this consultation, please contact Gillian Rollason on 020 7981 3000, or by email to comparison.tools@ofcom.org.uk.

Confidentiality

A1.12   Consultations are more effective if we publish the responses before the consultation period closes. In particular, this can help people and organisations with limited resources or familiarity with the issues to respond in a more informed way. So, in the interests of transparency and good regulatory practice, and because we believe it is important that everyone who is interested in an issue can see other respondents' views, we usually publish all responses on the Ofcom website as soon as we receive them.

A1.13   If you think your response should be kept confidential, please specify which part(s) this applies to, and explain why. Please send any confidential sections as a separate annex. If you want your name, address, other contact details or job title to remain confidential, please provide them only in the cover sheet, so that we don't have to edit your response.

A1.14   If someone asks us to keep part or all of a response confidential, we will treat this request seriously and try to respect it. But sometimes we will need to publish all responses, including those that are marked as confidential, in order to meet legal obligations.

A1.15   Please also note that copyright and all other intellectual property in responses will be assumed to be licensed to Ofcom to use. Ofcom's intellectual property rights are explained further in our Terms of Use.

Next steps

A1.16   Following this consultation period, Ofcom plans to publish a statement in spring 2020.

A1.17   If you wish, you can register to receive mail updates alerting you to new Ofcom publications.

Ofcom's consultation processes

A1.18   Ofcom aims to make responding to a consultation as easy as possible. For more information, please see our consultation principles in Annex A2.

A1.19   If you have any comments or suggestions on how we manage our consultations, please email us at consult@ofcom.org.uk. We particularly welcome ideas on how Ofcom could more effectively seek the views of groups or individuals, such as small businesses and residential customers, who are less likely to give their opinions through a formal consultation.

A1.20   If you would like to discuss these issues, or Ofcom's consultation processes more generally, please contact the corporation secretary:

Corporation Secretary
Ofcom
Riverside House
2a Southwark Bridge Road
London SE1 9HA
Email: corporationsecretary@ofcom.org.uk

A2. Ofcom's consultation principles

Ofcom has seven principles that it follows for every public written consultation:

Before the consultation

A2.1   Wherever possible, we will hold informal talks with people and organisations before announcing a big consultation, to find out whether we are thinking along the right lines. If we do not have enough time to do this, we will hold an open meeting to explain our proposals, shortly after announcing the consultation.

During the consultation

A2.2   We will be clear about whom we are consulting, why, on what questions and for how long.

A2.3   We will make the consultation document as short and simple as possible, with a summary of no more than two pages. We will try to make it as easy as possible for people to give us a written response. If the consultation is complicated, we may provide a short Plain English / Cymraeg Clir guide, to help smaller organisations or individuals who would not otherwise be able to spare the time to share their views.

A2.4   We will consult for up to ten weeks, depending on the potential impact of our proposals.

A2.5   A person within Ofcom will be in charge of making sure we follow our own guidelines and aim to reach the largest possible number of people and organisations who may be interested in the outcome of our decisions. Ofcom's Consultation Champion is the main person to contact if you have views on the way we run our consultations.

A2.6   If we are not able to follow any of these seven principles, we will explain why.

After the consultation

A2.7   We think it is important that everyone who is interested in an issue can see other people's views, so we usually publish all the responses on our website as soon as we receive them. After the consultation we will make our decisions and publish a statement explaining what we are going to do, and why, showing how respondents' views helped to shape these decisions.

A3. Consultation coversheet

BASIC DETAILS

Consultation title:

To (Ofcom contact):

Name of respondent:

Representing (self or organisation/s):

Address (if not received by email):

CONFIDENTIALITY

Please tick below what part of your response you consider is confidential, giving your reasons why

Nothing ☐

Name/contact details/job title ☐

Whole response ☐

Organisation ☐

Part of the response ☐

If there is no separate annex, which parts? _____

_____

If you want part of your response, your name or your organisation not to be published, can Ofcom still publish a reference to the contents of your response (including, for any confidential parts, a general summary that does not disclose the specific information or enable you to be identified)?

DECLARATION

I confirm that the correspondence supplied with this cover sheet is a formal consultation response that Ofcom can publish. However, in supplying this response, I understand that Ofcom may need to publish all responses, including those which are marked as confidential, in order to meet legal obligations. If I have sent my response by email, Ofcom can disregard any standard e-mail text about not disclosing email contents and attachments.

Ofcom seeks to publish responses on receipt. If your response is non-confidential (in whole or in part), and you would prefer us to publish your response only once the consultation has ended, please tick here.

Name   Signed (if hard copy)

A4. Consultation questions

A4.1   This Annex lists the question that we are consulting on.

> **Question 1:** Do you agree with our proposed changes to the scheme criteria?
>
> Please provide evidence to support your views.