



Accreditation Scheme for Price Calculators

A review of the Scheme

	Consultation
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Section 1

Executive Summary

- 1.1 Engaged and active consumers are an important part of a healthy competitive market. In well-functioning markets, consumers are able to compare services and switch between them.
- 1.2 To help consumers get accurate, transparent and comprehensive advice comparing communications providers and services, Ofcom has established an accreditation Scheme for Price Comparison Websites (PCWs).
- 1.3 PCWs can apply to Ofcom for accreditation and are assessed by an independent auditor against approval criteria set by Ofcom. The criteria require the accredited PCWs to be accessible, accurate, transparent and comprehensive. After achieving accreditation, PCWs are audited initially after 12 months and every 18 months thereafter to ensure they continue to meet the criteria. Six PCWs are currently accredited.
- 1.4 Ofcom introduced the Scheme in 2006. We are now reviewing the scope and operation of the Scheme to ensure it remains valuable to consumers and PCWs.
- 1.5 Our review has suggested that the Scheme is generally working effectively and that there is not a need for fundamental revisions. Recent reports by the Office of Fair Trading, Consumer Focus and the European Commission have highlighted the value to consumers and markets of accreditation schemes for PCWs. Our discussions with PCWs accredited under our Scheme have confirmed broad satisfaction with the main features and operation of the Scheme. These discussions have also revealed that although only six PCWs are currently accredited, a much larger number of PCWs are affiliated to the accredited PCWs and use their accredited price comparison calculators.
- 1.6 Our review has nevertheless identified areas where we believe some modification of the approval criteria and changes to the operation of the Scheme are appropriate.
- 1.7 The criteria currently require PCWs to advise consumers to consider factors other than price in their comparisons and to refer consumers to industry websites providing quality of service information. These industry websites no longer operate. Where relevant, we propose instead to require PCWs to refer consumers to comparative information provided by Ofcom on broadband speeds, complaints handling and customer service.
- 1.8 Reflecting the growing importance to consumers of broadband speeds and quality of service, we are also proposing to require accredited PCWs offering broadband comparisons to:
 - provide information about any limits on data usage that apply to services identified in comparison searches;
 - explain that traffic management policies may apply and provide links to communications providers' policies where available;

- explain how actual broadband speeds experienced may vary from the speed provided by a package; and
- provide tools, or information on tools, for consumers to test the speed of their line.

1.9 The accredited PCWs already provide all or some of this information. By proposing to change the approval requirements in the way, we aim to ensure that consumers using all the accredited PCWs will have this information.

1.10 In respect of the operation of the Scheme, Ofcom is proposing to:

- provide guidance on past audit decisions to help accredited PCWs meet the approval criteria as they consider developments to their websites;
- introduce quarterly spot-checks to ensure that accredited PCWs maintain compliance between audits;
- clarify the charges PCWs pay for accreditation; and
- introduce a requirement to ensure that accredited PCWs have fair and timely processes for complaints handling.

1.11 Ofcom is seeking views on these proposed changes by 15 July 2013.

Section 2

Introduction

Background

- 2.1 Ofcom's primary duty under the Communications Act 2003 (the "Act") in carrying out its functions is to further the interests of UK citizens and consumers, where appropriate by promoting competition¹. In doing so we are required to secure a number of things and in particular, the availability of a wide range of electronic communications services². We must also have regard to the desirability of encouraging investment and innovation in relevant markets, the availability and use of high-speed data services throughout the UK³, and the interests of consumers in respect to price, quality of service and value for money⁴.
- 2.2 The ability of consumers to make effective choices is a key condition for healthy competition to exist in a market. By searching out offers and comparing them in terms of price and quality, switching between providers or negotiating a better deal with an existing communications provider, consumers can influence the market in many ways. Furthermore, for some consumers Price Comparison Websites ("PCWs") play an important role in giving advice about services, providers, prices and quality to other consumers, enabling them to make better informed choices.
- 2.3 Ofcom has an obligation under Article 21(2) of the Universal Service Directive (USD) to encourage the provision of comparable information to enable end-users to make an independent evaluation of the cost of alternative usage patterns. This provision is reflected in General Condition 10.1 which - among other things - requires communications providers to publish clear and up-to-date information on prices and tariffs. Under section 26 of the Communications Act 2003, Ofcom may also arrange for the publication of information and advice on communications services as it appears to us appropriate.

What is the Ofcom Price Accreditation Scheme?

- 2.4 The Ofcom Price Accreditation Scheme ('the Scheme') provides quality assurance that the calculations of price comparisons of fixed line, mobile, broadband and digital television services offered by accredited PCWs are accessible, accurate, up to date, transparent and comprehensive. The Scheme aims to give consumers a level of confidence and reassurance in markets where finding the best price for communications services can be a difficult experience. The Scheme was introduced in December 2006⁵, and replaced Oftel's Price Assurance Standard scheme. The Ofcom Scheme was much broader in scope than the Oftel scheme, reflecting changes in the market with a greater numbers of communications providers and new types and bundles of services.

¹ Section 3(1) of the Communications Act 2003 ("the Act").

² Section 3(2)(b) of the Act.

³ Section 3(4)(a) and (e) of the Act.

⁴ Section 3(5) of the Act.

⁵ Ofcom statement

<http://stakeholders.ofcom.org.uk/binaries/consultations/ocp/statement/pricescheme.pdf>

2.5 In particular, the objectives of the new Scheme were to:

- Extend the **scope** of the scheme and accredit calculators offering price comparisons on a wide range of communications services;
- Ensure the **application process** for accreditation is fair and transparent;
- Ensure the **approval criteria** on which applicants are judged leads to accurate and easy to use information for consumers; and
- Promote consumer **awareness** of accredited calculators and boost the value of accreditation.

2.6 Applicants can apply to Ofcom for accreditation of their price comparison calculator. The accreditation process involves i) an independent technical audit of the company's price calculator and ii) an operational audit by Ofcom which looks to ensure that the applicant's website meets Ofcom's accessibility requirements. If a PCW passes these audits, it may then be accredited. Once accredited, these companies can display the Scheme logo on their websites and in publicity campaigns:



Approval criteria

2.7 Ofcom set out the approval criteria the PCWs must meet in the December 2006 Statement.

Accessible

- i) Services must be accessible by all consumers including disabled users.
- ii) Web-based services should offer consumers the option of getting advice offline.

Accurate

- iii) Data used to calculate price comparisons should be updated at least every eight weeks. Web based calculators should indicate when they were last updated.
- iv) Data on prices and tariffs should reflect the availability of special offers and any upfront costs, for example installation and equipment.

Transparent

- v) The price comparison calculator must enable consumers to sort the results of any price calculation by price.
- vi) The price comparison organisation must make it clear to consumers how it makes money or funds its activity.

Comprehensive

- vii) Price comparison information must be full and comprehensive. Data should include a comprehensive number of providers to reflect the level of choice available to consumers in the relevant market, including key players.
- viii) Price comparison calculators should take into account the consumers' location when presenting information on what services are available.
- ix) Consumers should be advised to consider factors other than price and encouraged to visit the industry websites providing quality of service information www.topcomm.org.uk and www.topnetuk.org.

Other legislation

- x) Ofcom requires accredited organisations to comply with existing relevant legislation, including the Data Protection Act 1998 and Equality Act 2010 and any other applicable legislation.

Accredited PCWs

2.8 Ofcom has currently accredited six PCWs under the Scheme:

- Billmonitor
- BroadbandChoices
- Broadband.co.uk
- Cable.co.uk
- Mobilife
- Simplify Digital

2.9 To ensure that PCWs accredited under the Scheme remain accurate, PCWs undergo reviews 12 months after the award of the accreditation and every 18 months thereafter. Accredited PCWs must also notify Ofcom of any material changes to their price calculator or the way in which they provide information on prices.

2.10 Ofcom passes on the cost of the independent audit, which is conducted by an independent auditor, to the applicant. A reduced charge applies in the case of applicant i) with two or fewer employees or ii) who does not receive commission

payments from the communications providers it features. Details of these costs can be found on the Ofcom website.⁶

A review of the Ofcom Price Accreditation Scheme

- 2.11 We have been reviewing the effectiveness of the Scheme to ensure that it remains relevant to consumers and of value to PCWs.
- 2.12 To gain a better understanding of how the Scheme is currently working and to identify any new and existing issues from the perspective of our stakeholders, we have met with:
- existing members of the Scheme (i.e. the PWCs);
 - the independent auditor;
 - regulators in other sectors; and
 - Consumer Focus who run the Accreditation Scheme for PCWs covering the Energy sector.
- 2.13 We have also taken account of Consumer Focus' research published in early 2013 that compared the quality of information given by both accredited and non-accredited PCWs and of recent reports by the Office of Fair Trading and the European Commission.

Impact Assessment

- 2.14 Section 7 of the Act requires Ofcom to carry out impact assessments where its proposals would be likely to have a significant effect on businesses or the general public, or when there is a major change in Ofcom's activities. Impact assessments form part of best practice policy-making as they provide a valuable way of assessing different options for regulation and showing why the preferred options was chosen. Ofcom is committed to carrying out and publishing impact assessments in relation to the majority of its policy decisions⁷.
- 2.15 The analysis in this document presents an impact assessment of our proposals in this consultation. It sets out how the performance of our general duties (within the meaning of section 3 of the Act) are secured or furthered by the proposals that we make, as required under section 7(4) of the Act.

Equality Impact Assessment

- 2.16 Ofcom is also required to assess the potential impact of all our functions, policies, projects and practices on the equality of individuals to whom those policies will apply. Equality impact assessments ('EIAs') assist us in making sure that we are meeting our principal duty of furthering the interests of citizens and consumers regardless of their background or identity.

⁶ <http://stakeholders.ofcom.org.uk/consultations/ocp/statement/guidelines/>

⁷ For further information about Ofcom's approach to impact assessments, see the guidelines, Better policy-making: Ofcom's approach to impact assessment.

2.17 We have given careful consideration to whether or not our proposals set out in section 3 will have a particular impact on race, age, disability, gender, pregnancy and maternity, religion or sex equality. We do not envisage that the proposals contained in this consultation will have a detrimental impact on any particular group of people.

Structure of the consultation document

2.18 The remainder of the document is structured as follows:

- Section 3, *Overview of the Scheme*, outlines the evidence we have considered in deciding whether a fundamental revision of the Scheme is required.
- Section 4, *Proposed changes to scope of the Scheme*, considers new requirements to improve the scope of the Scheme for current members, prospective members and consumers.
- Section 5, *Proposed changes to the operation of the Scheme*, outlines the changes that we are proposing to the administration, functions and operation of the Scheme in the changing communications markets.

Consultation Process

2.19 This consultation runs until 15 July 2013.

2.20 We are consulting on the proposed changes to the requirements and operation of the Scheme. If, following consultation, we decide it is appropriate to proceed with those changes, our intention is to issue a statement setting out our chosen options.

2.21 We are also consulting on our decision not to undertake a further, fundamental revision of the Scheme at this stage. If, following consultation, we decide that further revision is required, we will undertake further analysis and conduct a new consultation on the matter as appropriate.

Section 3

Overview of the Scheme

Our approach to the review

- 3.1 When we launched the Scheme in 2006, we stated that we would keep it under review and would revise it in light of our experiences and any comments received from its members (i.e. the accredited PCWs).
- 3.2 Whilst we have not received any specific requests from members to change aspects of the Scheme, the market has changed considerably over the last seven years. With this in mind, we believed that a review of the Scheme was required in order to ensure that the Scheme remains relevant to consumers and of value to PCWs.
- 3.3 We have reviewed the Scheme to assess its scope, operation and effectiveness. The review has been informed by discussions with accredited PCWs and with the independent auditor and studies by Consumer Focus and the Office of Fair Trading (OFT).

The views of current members

- 3.4 We generally found that the Scheme is viewed positively by the accredited PCWs. They particularly value accreditation for the credibility it gives them with third parties, such as newspapers and non-accredited sites purchasing their comparison calculators as wholesale 'white label' services. The accredited PCWs told us that over 50 non-accredited PCWs use the price calculators accredited under the Scheme.
- 3.5 The PCWs reported that the audits were constructive, well run and not unduly onerous. Some PCWs felt that it would be useful for them to have guidance on past decisions made as part of accreditation and audit processes, so that they can take account of these when considering developments to their sites between audits. In their view, such guidance might assist them in preparing for audits and thereby reduce the length and scope of audits over time.
- 3.6 Some PCWs believed that having more frequent audits might be helpful to them in ensuring that any changes they or other accredited PCWs make to their websites were compliant with the Scheme's rules, though there was concern that this might result in additional costs.
- 3.7 Some PCWs also pointed out that it would be useful to have clarity on Ofcom requirements regarding quality of service measures given changes in the availability of comparative information on communications providers since Ofcom's approval criteria were introduced.
- 3.8 PCWs did not, however, believe accreditation resonates significantly with the consumer using their sites: PCWs felt consumers do not know about Ofcom or its role.
- 3.9 There was also some concern from smaller PCWs about the costs of audits which are carried out 12 months after the initial accreditation and every 18 months thereafter. They argued that for Schemes with a small turnover, the costs of an audit

could be significant and act as a barrier to them seeking accreditation. They asked in particular for clarification on how reduced fees apply to smaller firms.

- 3.10 Some PCWs expressed mild dissatisfaction with the current accreditation logo, stating that the logo is the same for whoever is accredited, even if the PCW only shows deals for mobiles or if they cover all communications mediums.

Consumer Focus

- 3.11 Consumer Focus published research⁸ in February 2013 examining the reliability and transparency of PCWs. Using mystery-shopping, the research examined the accuracy, comprehensiveness and independence of these websites. It also considered if sites that were members of an accreditation scheme were more reliable than non-accredited ones. The research investigated PCWs across six markets: energy, mobile phones, broadband, rail fares, package holidays, home and care insurance.
- 3.12 The research found that in respect of broadband price comparisons, both accredited and non-accredited PCWs were providing accurate information about available tariffs, with information being displayed clearly in price order and being sufficient for mystery shoppers to feel comfortable in making a decision.
- 3.13 Accredited broadband PCWs were found to be more likely to allow the consumer to include criteria such as minimum speed, usage limit or monthly cost at the start of their comparison. The option of filtering the initial list of quotes was also found to be more common amongst accredited PCWs. The research found that accredited PCWs were better at explaining how the site generates income and notifying consumers when prices were last updated. A Code of Conduct was more likely to be found on accredited PCWs, as was a complaints policy, with sites offering the ability to submit your complaint online. In general, mystery shoppers felt more positive about the accredited sites in comparison to the non-accredited sites (89 per cent compared to 69 per cent respectively).
- 3.14 In terms of mobile price comparisons, PCWs in this market were overall viewed as easy to use and did not contain misleading or confusing information. Accredited sites were more likely to focus on the brand and model of handset in the initial search criteria. Once results were returned, accredited sites were found to be generally clearer about the factors used to order the initial list than non-accredited sites. Overall, non-accredited PCWs were found more likely to allow for details relating to the type, cost and length of contract to be entered as part of the initial search criteria. Non-accredited sites were also more likely to display their complaints policy online and allow make consumers to issue a complaint online. Services could be found on the supplier site at the same price as shown on the PCW's results regardless of whether the PCW was accredited or not.
- 3.15 As a result of the research, Consumer Focus called on PCWs generally to ensure independence, impartiality and transparency of information so that any commercial relationship between the websites and suppliers is transparent to consumers and does not influence the accuracy or consistency of the information provided.

⁸ <http://www.consumerfocus.org.uk/publications/comparing-comparison-sites-price-comparison-website-mystery-shopping-report>

Consumer Focus also urged regulators to monitor the performance of price comparison websites in particular ensuring:

- prices displayed are accurate, up to date and comprehensive;
- site owners do not misrepresent their independence;
- site owners do not post fictitious recommendations;
- site owners are open about suppliers who have paid for prominence; and
- site owners have a clear complaint and redress process in place.

3.16 We will review the findings of this and other research to consider whether we need to take further action or carry out further research ourselves.

The Office of Fair Trading

3.17 The OFT published a report⁹ in November 2012 examining the operation and use of PCWs in the UK.

3.18 The report noted that consumer empowerment is central to the Department for Business, Innovation and Skills' Consumer Empowerment Strategy, as set out in *Better deals, Better Choice: consumers powering growth*¹⁰. This strategy identified the role of new technologies – such as PCWs - in opening up new channels for consumers to find, compare and purchase goods and services and the ability of businesses to use data transmitted through this technology to understand their customers better and direct their products and services accordingly.

3.19 The OFT concluded that there is clearly a benefit in ensuring that as many consumers as possible understand what PCWs can offer and feel confident enough to take advantage of them. However, the OFT provided evidence that usage of PCWs is held back by a lack of understanding, trust and confidence. Of those people who do not use PCWs as part of their search, 13 per cent say that they do not believe the websites are independent and impartial and eight per cent say they are too complicated, difficult or confusing to use. The OFT estimated that if consumers used PCWs more effectively they would stand to save potentially £150-240m per annum across all sectors. To address these concerns, the OFT recommended that:

- PCWs ensure that their privacy policies are clear and adhere to the Data Protection Act 1998;
- PCWs be clear about the way search results are presented and how the search is made;
- PCWs ensure that there is a clear complaint and redress process;
- PCWs ensure clear identification of the business operating the comparison website; and

⁹ http://oft.gov.uk/shared_oft/706728/Tool-landing-pages/consumer-protection/pcw-items-banners/PCWs-report.pdf

¹⁰ <http://www.bis.gov.uk/feeds/~/media/673F5899B57148D29E077E8B7ECF1D7F.ashx>

- Consumers should use an accredited site if available.

3.20 The OFT has written to PCWs with its recommendations and has published advice for consumers.

The European Commission

3.21 The European Commission presented a report on Comparison Tools to the European Consumer Summit on 18-19 March.¹¹ The report recognised the potential for comparison tools – such as the PCWs covered by Ofcom's Scheme - to save consumers time and money and find deals that are best suited to each consumer's individual needs. Nevertheless, the report identified the risk that the rapid proliferation of comparison tools may lead to concerns about their trustworthiness. In particular, if the transparency and reliability of comparison tools is not guaranteed, they can become a source of consumer detriment and undermine consumers' trust in markets as a whole. The report's aim was to identify ways for addressing these risks and shortcomings in the functioning of tools and to recommend general principles that should apply to the functioning of comparison tools.

3.22 The report suggested a number of best practice elements for comparison tools including:

- its business model should be transparent and its comparisons impartial;
- the criteria for ranking should be indicated and any advertising clearly separated from results;
- the final product price should be provided;
- searches should include the broadest possible range of offers;
- multiple evaluation criteria should be provided, allowing for a comprehensive comparison of products and services;
- the ability to search whether an offer is available in a given geographical location;
- the inclusion of additional comparison parameters other than price where possible;
- simulations based on the consumer's individual consumption profile;
- operating in full respect of data protection legislation; and
- having a complaints handling policy.

3.23 The report noted the benefits of accreditation schemes in providing consumers with confidence in the accuracy and independence of comparison sites. It recognised the value of such schemes having regular independent audits and using trustmark logos. The report noted that Ofcom's Scheme had these elements.

¹¹ http://ec.europa.eu/consumers/events/ecs_2013/docs/comparison-tools-report-ecs-2013_en.pdf

- 3.24 In conclusion, the report recommended the following further work by the Commission:
- A study into consumer behavioural patterns in the use of comparison tools and their influence on consumers' decision-making;
 - A mapping exercise of the comparison tools available in the EU accompanied by a survey on consumer perception and experience of comparison tools; and
 - An analysis of existing accreditation and trustmark schemes and an assessment of the possibility of introducing an accreditation obligation for sectors of high importance for consumers.

Conclusions from the overview

- 3.25 In light of the above Ofcom does not believe that there is a need for a fundamental revision of the Scheme at this time.
- 3.26 The reports by the OFT, Consumer Focus and the European Commission confirm the importance of price comparison and the value of accreditation schemes in providing confidence to consumers who use the PWCs. The reports also confirm that key features of Ofcom's Scheme are important elements of effective accreditation schemes, in particular that:
- Comparisons are impartial;
 - Searches are accurate, up to date and comprehensive;
 - Rankings are based on full price;
 - Searches are based on broad range of offers;
 - Business models are transparent; and
 - PCW's policies are compliant with data protection rules.
- 3.27 The discussion with the accredited PCWs also revealed general satisfaction with the Scheme and indicated that its impact went wider than the six accredited PCWs, with a large number of affiliated sites using the accredited price calculators.
- 3.28 Nevertheless, the reports and discussions did highlight aspects of the scope and operation of the Scheme where there may be scope for improvement.
- 3.29 In terms of the scope of the Scheme, one area identified related to updating quality of service measures which may be helpful to consumers when comparing communications providers and services, including broadband speeds, data traffic management policies and customer service performance.
- 3.30 With regard to the operation of the Scheme, we identified five areas for improvement:
- Improving how we identify and address changes to accredited PCWs between audits;

- Providing guidance about past decisions on accreditations to PCWs in order to assist compliance;
- Providing greater clarity of the rules for the audit fees to be paid by smaller PCWs;
- Improving publicity around the Scheme to consumers; and
- Clarifying PCWs' complaints handling processes.

3.31 We consider these issues around the scope and operation of the Scheme in sections 4 and 5.

Q1 Do you agree with Ofcom's conclusions that there is no need for a fundamental revision of the Scheme at this time?

Q2 Ofcom is proposing to revise the approval requirements with respect to the provision of information on Quality of Service metrics. Are there other aspects of the scope of the Scheme that we should revise?

Q3 Ofcom is proposing to revise five areas around the operation of the Scheme. Are there any other aspects that we should revise?

Section 4

Proposed changes to the scope of the Scheme

- 4.1 Although price is a primary driver for consumers seeking information from PCWs, quality of service is also relevant to many consumers' decisions.
- 4.2 The approval criteria for the Scheme currently require accredited websites to advise consumers to consider factors other than price and encourage them to visit two industry websites which were providing comparative quality of service information when the Scheme was set up - Topcomm and Topnet¹².
- 4.3 Topcomm was a co-regulatory scheme under which certain providers of fixed line voice services published comparable information on service provision, fault incidence and fault repair, as well as on complaints' processing and upheld billing complaints. Topnet was a website established by mobile network operators to provide results of independent mobile network voice quality surveys.
- 4.4 Topcomm and Topnet were closed in 2009¹³. In this section we consider whether it is appropriate to revise this approval criterion of the Scheme.

Broadband speeds, traffic management and data limits

- 4.5 The broadband market has evolved since the Scheme was introduced, with communications providers expanding the range of services available to consumers, offering in particular:
 - packages with different maximum data speeds; and
 - varying limits on the amount of data that can be downloaded each month (without incurring additional charges).
- 4.6 Consumer usage has changed over that period as well, with more consumers taking broadband services and using more data-heavy services such as TV and film programmes. Ofcom research¹⁴ shows that consumers' take-up of the internet and, in particular, usage of more data-heavy services have increased, for example:
 - 80% of households had internet access at home in 2012 compared with 61% in 2006;
 - in 2012, 29% of consumers used their home broadband to view or download short videos. This has doubled from 14% in 2010. In January 2012 alone 3.7 billion videos were viewed on YouTube in the UK;

¹² <http://stakeholders.ofcom.org.uk/binaries/consultations/ocp/statement/pricescheme.pdf> A1.11, approval criteria 9.

¹³ <http://stakeholders.ofcom.org.uk/binaries/consultations/topcomm/statement/topcommstatement.pdf>

¹⁴ http://stakeholders.ofcom.org.uk/binaries/research/cmr/cmr12/CMR_UK_2012.pdf

- over a third (37%) of UK adults with home internet watch TV online – an increase from 23% in 2009.
- 4.7 Some communications providers have introduced policies to manage traffic over their networks (e.g. music downloads, VoIP applications such as Skype, and peer to peer applications). Such policies have the potential to improve or degrade consumers' experience of the services and applications they are using their Internet connection for. Approaches to traffic management vary among communications operators; some do not apply an active traffic management policy at all, while policies of others can take various forms including:
- the prioritisation of certain types of traffic in busy times or busy areas to ensure that it is of an adequate quality;
 - slowing down certain traffic types that are not time-critical at busy times or busy places;
 - slowing down of traffic for the heaviest users in line with the terms of their contracts; or
 - supporting the delivery of managed services, for example to ensure a guaranteed quality of service for a specific piece of content.
- 4.8 Ofcom has been active in these areas in pursuance of its duties under the Act. One of our priorities, in particular, is to work to ensure that consumers have accurate information on the fixed and mobile speeds available when they choose broadband supplier¹⁵.
- 4.9 Ofcom has worked with the industry on a voluntary Code of Practice on broadband speeds which was introduced in 2008 and revised in 2010. The objective of this code is to increase the overall standard of information on broadband speeds and other relevant metrics that should be made available to consumers at point of sale to help them make more informed choices. The code includes a requirement for communications providers to give consumers information on the access line speed they can expect from their service.
- 4.10 We also publish research twice a year on fixed broadband speeds, allowing consumers to see how speeds differ across communications providers and technologies.
- 4.11 Ofcom has also worked with the Broadband Stakeholder Group¹⁶ to establish a code for 'Traffic Management Transparency', in place since March 2010. This has resulted in mobile and fixed internet service providers publishing key factor indicator (KFI) tables to give consumers greater information on their traffic management practices. We provide links to this information on our website¹⁷.
- 4.12 The accredited PCWs have provided, in varying ways, information on the availability of packages with different data limits, the range of broadband speeds available and the use of traffic management policies by communications providers.

¹⁵ <http://www.ofcom.org.uk/about/annual-reports-and-plans/annual-plans/annual-plan-2013-14/>

¹⁶ <http://www.broadbanduk.org/>

¹⁷ <http://consumers.ofcom.org.uk/2013/01/what-is-internet-traffic-management/>.

4.13 We consider below whether it is appropriate, given the ongoing changes in these markets, to introduce requirements to standardize the PCWs' approach on:

- Broadband speeds
- Data limits
- Traffic Management

4.14 In considering the options below, we have thought about how consumers will benefit from using sites with additional information. Alongside this, we have considered the need for sites to be able to compete and innovate.

Options for providing information on broadband speeds

4.15 All accredited PCWs provide the 'up to' speed that users could expect from the new service, as advertised by the communications provider¹⁸, and enable the user to filter the results by speed. This practice is also adopted by many non-accredited PCWs.

4.16 Some PCWs indicate that it is an estimate alongside the search results, while others provide general information elsewhere on their sites that actual speeds may differ from the speeds indicated.

Option 1: no change

4.17 Under this option, there would be no change to the approval criteria and no requirement to provide information on broadband speeds. We would expect websites to continue their practice of providing some information, though this would vary between sites.

Impact on consumers

4.18 Consumers would continue to receive information on broadband speeds from certain PCWs, but the level of detail given would vary between accredited PCWs. This could affect the ability of consumers to make informed choices based on their requirements.

Impact on communications providers

4.19 There would be no impact on communications providers.

Impact on PCWs

4.20 There would be no impact on accredited PCWs. These would continue to provide information on broadband speeds as they considered appropriate, developing their service in response to consumer demand, technology and competitive pressure. Non-accredited sites would also be unaffected: they could continue to apply for accreditation on the current set of criteria.

¹⁸ Reflecting industry practice that where a numerical speed claim that is likely to be understood by consumers as the maximum speed of their service is made, the speed stated should be achievable by at least 10% of the relevant customer base.

Option 2: provide clear messaging on broadband speeds

- 4.21 Under this option, the approval criteria would be amended so that the PCWs have to provide an indication that this is only the 'up to' advertised speed and actual speeds may vary. This information would be clearly signposted from the results page (for example, with click-through hyperlink).

Impact on consumers

- 4.22 This would make it clearer to consumers that the speed being shown in the deal is an estimate and it is unlikely that they would receive a speed as high as advertised. This would assist consumers in making an informed choice, on the basis of their requirements.

Impact on communications providers

- 4.23 There would be limited direct impact on communications providers, although greater consumer awareness of comparative broadband speeds might be expected to lead to communications providers offering a wider range of innovative services and a better quality of service to consumers.

Impact on PCWs

- 4.24 Many PCWs already provide such or similar information. Meeting this requirement would not be likely to entail any additional costs for them.
- 4.25 Accredited and non-accredited PCWs that do not currently provide the information would need to make minor changes to their results pages. More specifically, PCWs would need to ensure that they add text and/or an additional hyperlink next to the speed which, when clicked, displayed information advising consumers that the speed shown is a maximum and that they can obtain further information about actual speeds from the communications provider before signing for the service. Where such changes are needed, these do not appear to be unduly onerous - being likely to involve one-off changes to the results page provided by PCWs - and should not cause significant costs to PCWs. Nor should they act as a disincentive for participation in the Scheme.
- 4.26 Moreover, provision of this additional information may increase the usefulness of the websites to consumers and thereby increase consumer confidence to PCWs and generate more traffic.

Option 3: provide information about Ofcom's broadband speeds comparisons

- 4.27 Under this option, the approval criteria would be amended so that PCWs have to provide general information and a link to Ofcom's work on broadband speeds and the research showing how each ISP performs in speed tests. We would envisage that this information would appear on general/background information pages, rather than on results pages.

Impact on consumers

- 4.28 Consumers would be better able to compare the quality of service on offer from each of the communications providers covered by Ofcom's research. This would assist them in making an informed choice, on the basis of their requirements.

Impact on communications providers

- 4.29 There would be limited direct impact on communications providers, although greater consumer awareness of comparative broadband speeds might be expected to lead to communications providers offering a wider range of innovative services and a better quality of service to consumers.

Impact on PCWs

- 4.30 None of the PCWs are currently providing this information. PCWs would therefore need to add text explaining that this information is available and provide links to the relevant webpages. This would only require a small, straightforward modification to their general information pages and would as such not be likely to entail any significant costs for the members of the Scheme, nor to act as a disincentive for non-accredited PCWs to participate in it. Moreover, provision of this additional information may increase the usefulness of the websites to consumers and thereby increase consumer confidence to PCWs and generate more traffic.

Option 4: provide information about the ability to check line speeds

- 4.31 Under this option, the approval criteria would be amended to require PCWs to allow users to test the speed of their current broadband connection via an online speed test tool. The PCWs could either provide links to speed test tools available elsewhere, or provide a speed test tool themselves. The information would not necessarily be shown on the results page but could be made available on generic information pages.

Impact on consumers

- 4.32 Testing the speed of their current broadband connection, should help consumers be more informed about broadband speeds generally and make a more informed choice based on their requirements for a new service. Provision of such information on individual connections would be more useful for consumers than general information on the difference between actual and headline speeds or speed test results for each communication provider.

Impact on communications providers

- 4.33 There would be limited direct impact on communications providers, although greater consumer awareness of comparative broadband speeds might be expected to lead to communications providers offering a wider range of innovative services and a better quality of service to consumers.

Impact on PCWs

- 4.34 There would be no impact on current accredited PCWs where they already have a speed test facility available for consumers to use on their website. PCWs wishing to participate or remain in the Scheme would not need to develop their own tools as in order to meet this criterion it would suffice to provide a link to speed test tools available elsewhere. Adding this link to their general information pages would not be likely to entail any significant costs for PCWs. Moreover, provision of this additional information may increase the usefulness of the websites to consumers and thereby increase consumer confidence to PCWs and generate more traffic.

Ofcom's proposal

- 4.35 Based on our analysis of the impact of each of the above options, we believe that options 2, 3 and 4 together represent the best all round approach for PCWs and consumers.
- 4.36 Taken together these options would provide consumers with an increased level of information about broadband speeds and would allow them to compare communications providers' policies and services, if this is relevant to their choice. More informed consumers should help the competitive market work effectively.
- 4.37 Whilst potential benefits for consumers could be significant, the changes should require only modifications to accredited PCWs' websites that are not unduly burdensome or costly. PCWs would not need to acquire or analyse information; they would just need to add explanatory text and provide links to external sources, as appropriate.
- 4.38 For non-accredited PCWs considering to apply for accreditation, the proposed changes would be additional to the current requirements and might in theory act as a deterrent on their application. However, our view is that the changes would not entail unduly onerous requirements and should therefore not act as a disincentive to participate in the Scheme.
- 4.39 In our view, these limited costs on PCWs would also likely be outweighed by the strong benefits for PCWs of participating in the Scheme and providing adequate and useful comparison tools to their users, which would increase consumer confidence and generate more traffic.
- 4.40 Ofcom therefore considers that, on an overall assessment, the potential benefits to consumers from these changes will outweigh what we believe are likely to be modest costs to PCWs.

Q4 Ofcom is proposing to include a requirement in the approval criteria that PCWs include in their results pages for broadband comparisons clear messaging on speeds, and provide information about Ofcom's comparative information and about online speed checkers. Do you agree with these proposals and our analysis of their impact? Please give reasons and if appropriate state alternatives.

Options for providing information on data usage limits

- 4.41 The approval criteria do not currently include requirements on accredited PCWs to provide information around the data usage limits that apply to some packages. In practice, some PCWs provide details of such limits in their search results, while others do not.
- 4.42 We have considered whether it is appropriate, given the changes that take place in these markets, to introduce requirements to ensure that accredited PCWs provide some information about any applicable usage limits.

Option 1: no change

- 4.43 Under this option, there would be no change to the approval criteria and no requirements to provide information on data usage limits. We would expect websites

to continue their practice of providing some information though this would vary between sites.

Impact on consumers

- 4.44 Consumers would continue to receive information on data usage limits but the level of detail given and the location where this information can be found would vary between accredited PCWs. This could affect the ability of consumers to make informed choices based on their requirements.

Impact on communications providers

- 4.45 There would be no direct impact on communications providers.

Impact on PCWs

- 4.46 There would be no impact on PCWs. These would continue to provide information on data usage limits as they considered appropriate, developing their service in response to consumer demand, technology and competitive pressure.

Option 2: Show the data usage limits on the results page

- 4.47 Under this option we would change the approval criteria to require the PCW to show on the results page for broadband search comparisons any applicable limits on data usage that apply.

Impact on consumers

- 4.48 Consumers will be able to view easily the data usage limits that are applicable to the deals shown on the results page. This would assist consumers in making an informed choice, on the basis of their requirements.

Impact on communications providers

- 4.49 There would be limited direct impact on communications providers, although we would expect greater consumer awareness of limits on data usage to lead to communications providers offering a wider range of innovative services and a better quality of service to consumers.

Impact on PCWs

- 4.50 Accredited PCWs, and PCWs seeking accreditation, would need to make changes to their results pages to include the relevant data usage limits that apply to the deals that are shown, if they do not already do so. These changes would not be likely to entail any significant costs. At most, the PCWs would likely need only to make small, one-off changes to their results and filters. Moreover, provision of this additional information may increase the usefulness of the websites to consumers and thereby increase consumer confidence to PCWs and generate more traffic.

Ofcom's proposal

- 4.51 Based on our analysis of the impact of different options, Ofcom proposes to adopt Option 2. This option would ensure that PCWs provide consumers with an increased

level of information about limits on data usage and would allow them to compare communications providers' policies - if this is relevant to their choice.

- 4.52 Whilst potential benefits for consumers could be significant, the changes should require only minor modifications to accredited PCWs' websites and should not lead to significant costs for the PCWs.
- 4.53 For non-accredited PCWs considering to apply for accreditation, the proposed changes would be additional to the current requirements and could act as a deterrent on their application. However, our view is that the changes would not entail onerous requirements and should therefore not act as a disincentive to participate in the Scheme.
- 4.54 In our view, these limited costs on PCWs would also likely be outweighed by the strong benefits for PCWs of participating in the Scheme and of providing adequate and useful comparison tools to their users, which would increase consumer confidence and generate more traffic.
- 4.55 Ofcom therefore considers that, on an overall view, the potential benefits to consumers from these changes will outweigh what we believe are likely to be modest costs to PCWs.

Q5 Ofcom is proposing to amend the approval criteria so that PCWs providing broadband comparisons give details of any data usage limits on the results page. Do you agree with these proposals and our analysis of their impact? Please give reasons and alternatives where appropriate.

Options for providing information on traffic management policies

- 4.56 Currently there is no requirement in the approval criteria regarding traffic management information. Most of the accredited PCWs provide generic information that traffic management policies may apply with some communications providers but do not give comparisons between providers' policies.
- 4.57 Consumer Focus published consumer research in December 2011 which suggested the Key Fact Indicators (KFIs)¹⁹ had not improved consumer awareness of traffic management policies which remained low even amongst heavy internet users. They concluded that consumers are unable to compare information on traffic management in a meaningful way and are unlikely to take traffic management into consideration when contemplating switching. Consumer Focus recommended that Ofcom should work with the accredited comparison websites to incorporate traffic management information into the Scheme.
- 4.58 We have considered whether it is appropriate for the approval criteria of the Scheme to include requirements relating to traffic management policies. In considering the options below we have taken into account that market and provider information in this area is currently limited but evolving.

¹⁹ see para 4.11 above - the KFIs result from a voluntary commitment by some communications providers. It aims to provide better and more easily comparable information in relation to traffic management policies which has been led by the Broadband Stakeholder Group.

Option 1: No change to the approval criteria

4.59 Under this option, there would continue to be no requirements in the approval criteria around traffic management. We would expect PCWs to continue their practice of providing some information though this would vary between PCWs.

Impact on consumers

4.60 If the PCWs chose not to provide any information on traffic management, consumers might not take appropriate account of these when comparing providers. This could affect the ability of consumers to make informed choices based on their requirements.

Impact on communications providers

4.61 There would be no impact on communications providers.

Impact on PCWs

4.62 There would be no impact on PCWs.

Option 2: Require accredited sites to provide information on traffic management

4.63 Under this option the approval criteria would be modified to require PCWs to provide general information about traffic management and to provide links to communications providers' web pages where their policies are set out. PCWs would also be required to provide links to Ofcom webpages²⁰ as appropriate.

Impact on consumers

4.64 By providing more information, consumer awareness of traffic management in general could increase and consumers should be better equipped to make an informed choice of their service based on their requirements.

Impact on communications providers

4.65 There will be limited direct impact on providers. However, we expect that if PCWs offer more information about traffic management policies, communications providers might be prompted to offer a wider range of innovative services and a better quality of service to consumers.

Impact on PCWs

4.66 Where these are not currently provided, the accredited PCWs would need to add some text and links to relevant webpages of communications providers as appropriate. We do not expect this to lead to significant additional. Moreover, provision of this additional information may increase the usefulness of the websites to consumers and thereby increase consumer confidence to PCWs and generate more traffic.

²⁰ <http://consumers.ofcom.org.uk/2013/01/what-is-internet-traffic-management/>

Ofcom's proposal

- 4.67 Based on our analysis of the impact of the available options, Ofcom proposes to adopt Option 2. This option would increase consumer awareness on traffic management and would allow them to compare communications providers' policies - if this is relevant to their choice.
- 4.68 Whilst potential benefits for consumers could be significant, the changes should require only limited modifications to accredited PCWs' websites and should not lead to significant costs for the PCWs.
- 4.69 For non-accredited PCWs considering to apply for accreditation, the proposed changes would be additional to the current requirements and could act as a deterrent on their application. However, our view is that the changes would not entail onerous requirements and should therefore not act as a disincentive to participate in the Scheme.
- 4.70 In our view, these limited costs on PCWs would also likely be outweighed by the strong benefits for PCWs of participating in the Scheme and providing adequate and useful comparison tools to their users, which would increase consumer confidence and generate more traffic.
- 4.71 Ofcom therefore considers that, overall, the potential benefits to consumers from these changes will outweigh what we believe are likely to be limited costs to PCWs.

Q6 Ofcom is proposing that the approval criteria are amended to include a requirement on PCWs to provide information about traffic management policies. Do you agree with this proposal and our assessment of its impact? Please give reasons and alternatives, where appropriate.

Customer Service and Complaints Handling

- 4.72 The processes followed by communications providers to handle contacts with their consumers when they have queries or when they are making complaints contributes to the customer's experience of their communications provider. Ofcom's research indicates that customers are more likely to switch or consider switching communications provider as a result of poor experience of complaints handling.²¹
- 4.73 The approval criteria required websites to provide information on and a link to the Topcomm and Topnet website which gave comparative information on complaints handled by communications providers.
- 4.74 Although the Topcomm and Topnet websites have closed, Ofcom now provides comparative information in this area in:
- An annual report comparing consumers' experience of customer service²²; and
 - Quarterly reports of the complaints about communications providers received by Ofcom's contact team.²³

²¹ http://stakeholders.ofcom.org.uk/binaries/consultations/complaints_procedures/annexes/annex8.pdf
Fig 4.12

²² <http://media.ofcom.org.uk/2012/12/04/latest-customer-service-satisfaction-levels-revealed-2/>

4.75 This information is not generally provided by accredited PCWs. We consider below whether it is appropriate to replace the requirement on accredited PCWs to include a reference on the general information pages of their websites to Topcomm and Topnet with an explanation of the comparative information available and a link to the relevant pages on Ofcom's website.

Option 1: No change

4.76 Under this option, there would be no change to the approval criteria and no requirements to provide information on customer service or complaints handling.

Impact on consumers

4.77 Accredited PCWs do not always provide links to comparative information about the customer service and complaints handling of PCWs, in which case their users may be unaware of the availability of such procedures or not take this factor into consideration when choosing a service or communications provider.

Impact on communications providers

4.78 There would be no impact on communications providers..

Impact on PCWs

4.79 There would be no impact on PCWs. Some may choose to provide such information; others may choose not to.

Option 2: Provide links to comparative information on customer service and complaints handling

4.80 Under this option, the approval criteria would change to require accredited PCWs to provide links to Ofcom's comparative information on customer services and complaints handling.

Impact on consumers

4.81 Consumers will be able to view easily the links to Ofcom's information which may help them make informed decisions when considering a new service or communications provider.

Impact on communications providers

4.82 There would be limited direct impact on communications providers, although we would expect greater consumer awareness of this comparative information to incentivise communications providers to improve their performance on customer service and complaints handling.

Impact on PCWs

4.83 None of the PCWs are currently providing this information. They would therefore need to add text explaining the availability of the information and to provide links to

²³ <http://media.ofcom.org.uk/2012/12/18/latest-telecoms-and-pay-tv-complaints-figures-revealed/>

the relevant webpages. This would only require a small, straightforward modification to their general information pages and would as such not be likely to entail any significant costs for the members of the Scheme, nor to act as a disincentive for non-accredited PCWs to participate in the Scheme. Moreover, provision of this additional information may increase the usefulness of the websites to consumers and thereby increase consumer confidence to PCWs and generate more traffic.

Ofcom's proposal

- 4.84 Based on our analysis of the impact of the available options, Ofcom proposes to adopt Option 2. This option would ensure that PCWs provide consumers with details of comparative information about customer service and complaints handling and would allow them to take account of this information into their decision making process - if it is relevant to them.
- 4.85 Whilst potential benefits for consumers could be significant, the changes should require only limited modifications to accredited PCWs' websites and should not lead to significant costs for the PCWs.
- 4.86 For non-accredited PCWs considering to apply for accreditation, the proposed changes would be additional to the current requirements and could act as a deterrent on their application. However, our view is that the changes would not entail onerous requirements and should therefore not act as a disincentive to participate in the Scheme.
- 4.87 In our view, these minimal costs on PCWs would also likely be outweighed by the strong benefits for PCWs of participating in the Scheme and providing adequate and useful comparison tools to their users, which would increase consumer confidence and generate more traffic.
- 4.88 Ofcom therefore considers that, on our overall assessment, the potential benefits to consumers from these changes will outweigh what we believe are likely to be limited costs to PCWs.

Q7 Ofcom is proposing that the approval criteria are amended to include a requirement on PCWs to provide information and a link to Ofcom's comparative customer service and complaints information. Do you agree with this proposal and our assessment of its impact? Please give reasons and alternatives, where appropriate.

Section 5

Proposed changes to the operation of the Scheme

- 5.1 In this section we consider and make proposals to address concerns in relation to the five aspects of the operation of the Scheme that we identified as possibly requiring improvement.

Publishing guidance based on past audit decisions

- 5.2 PCWs have to meet high-level requirements to obtain accreditation. Since the Scheme was launched, Ofcom, working with the independent auditor, has applied these requirements when assessing individual PCWs during the audit process.
- 5.3 During our meetings with accredited PCWs in the initial stage of our review, PCWs indicated that they would value details of our approach to each approval criterion so that they can take this into account when considering changes to their sites. The accredited PCWs also believe that having information about what has been considered acceptable in the past – and what has had to be changed – will be useful as they prepare for audits.
- 5.4 Ofcom agrees that this could be a useful document. We propose to produce general, high-level guidance on the Scheme's approval criteria based on our previous decisions, which will be made available to all existing members of our Scheme and future applicants. Such guidance will be without prejudice to our individual assessment of PCWs in each specific case.

Introducing checks between audits

- 5.5 Some PCWs have suggested that it could assist them to have checks of their service between audits, so that they can be sure that developments they make to their sites are consistent with the requirements of the Scheme. Combined with the guidance document described above, the PCWs believe this could simplify the audit process and, in time, reduce audit costs.
- 5.6 The energy accreditation scheme for PCWs, now run by Ofgem, includes quarterly spot-checks on members.
- 5.7 Ofcom recognises that, given the level of change in the communications market, 18 months can be a long time between audits and that this could create a risk for members of our Scheme to stray away unintentionally from the requirements of the Scheme. Ofcom occasionally receives and investigates enquiries in this regard but it may be appropriate to consider a more systematic approach to ensure ongoing compliance with the Scheme.
- 5.8 Rather than making full audits more frequent – which would increase costs and may reduce the commercial attractiveness of the Scheme to PCWs – we are proposing to introduce quarterly spot-checks. These would be carried out by Ofcom (in consultation with the auditor where appropriate). While considerably shorter than the audit, these checks would include running and comparing test searches and looking

at the presentation of results. Our independent auditor will assist us in developing this process without any additional costs to the PCWs.

Modifying the cost schedule

- 5.9 As explained in section 2, Ofcom recovers some of the costs of the audit fee from PCWs as part of the accreditation process. In addition to the £11,500 (initial audit) and £7,000 (review audits) charges, we have a reduced charge of £500 for PCWs 'with two employees or less' to ensure that the costs of accreditation do not become a barrier to entry and that we do not deter smaller providers.
- 5.10 Some PCWs have indicated that it is unclear whether this applies to companies with two full-time employees or with two people employed by the company regardless of hours worked on the accredited website.
- 5.11 Our intention is that the reduced charge should apply to the 'two full-time equivalents or less'. We propose to amend our charging schedule accordingly.

Increased publicity for accreditation

- 5.12 The accredited PCWs have suggested that we look at ways to promote the Scheme. They argue that promoting consumer awareness of accreditation should be important to Ofcom's goal of informing and empowering consumers and it would also increase the 'value' of the Scheme to them and to prospective applicants.
- 5.13 Although we consider that the accredited PCWs are best placed to publicise their accreditation and the Scheme to consumers, we use the mechanisms available to us to promote awareness of the Scheme. We have pages of our website covering the Scheme and we refer to the Scheme and the PCWs in relevant press notices, particularly those relating to switching and consumer choice.
- 5.14 We have recently increased the publicity we have given to PCWs when we reaccruited them, for example through a week's headline on Ofcom's opening website page, references on Ofcom's Twitter account and publicity to consumer stakeholders. The increased publicity will be given to all PCWs that either gain accreditation for the first time or are successfully reaccruited.
- 5.15 We will continue to look for opportunities within our remit and resources to promote the Scheme and the accredited PCWs.
- 5.16 In addition, we propose to review the Scheme logo in due course, considering in particular whether improvements should be made to reflect the proposed changes to the Scheme and to ensure its meaningfulness to consumers.

Providing a means for customers to make complaints to PCWs

- 5.17 Consumer Focus' research noted that some Ofcom accredited sites did not provide an option for consumers to make complaints against PCWs, in contrast to large non-accredited sites. Accredited PCWs were also found to perform less well in terms of making their processes clear on their website. The reports by the OFT and the European Commission also included recommendations that PCWs should provide complaint handling processes.

5.18 Since the Consumer Focus research, some of the accredited PCWs now set out their complaints handling process. All the other accredited PCWs provide a means for users to give feedback, including complaints.

Option 1: No change

5.19 Under this option, we would not place any requirement on accredited PCWs to have processes for handling complaints from consumers about their services and to set out that process on their website.

Impact on consumers

5.20 Consumers could not be certain that they will be able to make complaints against PCWs or understand the process that the PCW will follow if a complaint is made.

Impact on communications providers

5.21 There would be no impact on communications providers.

Impact on PCWs

5.22 There would be no impact on PCWs.

Option 2: Providing for clearly explained, fair and timely processes for handling complaints

5.23 Under this option, the approval criteria would be amended to include a requirement for accredited PCWs to have:

- a process for handling complaints that is fair and timely;
- a concise and easy to understand description of that process on their websites; and
- a process for submitting complaints that does not deter consumers.

Impact on consumers

5.24 Consumers would be able to make complaints against PCWs, understand the process that the PCW will follow if a complaint is made and have that complaint considered in a fair and timely manner.

Impact on communications providers

5.25 There would be no impact on communications providers.

Impact on PCWs

5.26 Accredited PCWs or PCWs seeking accreditation would need to ensure that they meet the requirements for complaints handling. All accredited and most non-accredited PCWs that currently have processes for fair and timely resolution of complaints would simply need to make minor changes to their websites in order to set these out in a clear fashion. These changes are not likely to incur any significant costs.

- 5.27 Introducing and managing a complaints process could, however, incur some costs for PCWs that do not have any such process in place. At the same time, however, providing for such processes could benefit PCWs by increasing consumer confidence to their services and generating more traffic.

Ofcom's proposal

- 5.28 Ofcom is proposing Option 2. Having an accessible contact method for making complaints and a fair and timely process for handling complaints received appears to us to be a basic requirement that should be applied to accredited PCWs. Ofcom places this requirement on communications providers under General Condition 14 and it appears reasonable for consumers to expect PCWs approved by Ofcom to have to meet similar standards.
- 5.29 We do not believe that having their complaints handling process clearly stated on their website would require a significant change by currently accredited PCWs who already offer this option. PCWs that do not already have such a process in place would, however, be likely to incur higher costs. Yet, these PCWs could also benefit from offering this option to their users.
- 5.30 Ofcom therefore considers that overall, the potential benefits to consumers from these changes will outweigh what we believe are likely to be limited costs to PCWs.

Q8 Ofcom invites views on our proposals to publish guidance on past decisions and to carry out quarterly spot-checks. Please indicate whether you agree with the proposals, giving reasons and alternatives where appropriate.

Q9 Ofcom is proposing to modify the charging schedule to the effect that companies or other entities with two full-time equivalent employees can benefit from the lower charges. Please indicate whether you agree with the proposals, giving reasons and alternatives where appropriate.

Q10 Ofcom invites views on any additional publicity that Ofcom should be giving to the Scheme and accredited PCWs and on any changes to the Scheme logo we should consider.

Q11 Ofcom is proposing to require accredited PCWs to have a complaints handling process in place, which shall be clearly set out on their websites. Please indicate whether you agree with the proposals, giving reasons and alternatives where appropriate.

Annex 1

Responding to this consultation

How to respond

- A1.1 Ofcom invites written views and comments on the issues raised in this document, to be made **by 5pm on 15 July 2013**.
- A1.2 Ofcom strongly prefers to receive responses using the online web form at <http://stakeholders.ofcom.org.uk/consultations/price-calculator-accreditation>, as this helps us to process the responses quickly and efficiently. We would also be grateful if you could assist us by completing a response cover sheet (see Annex 3), to indicate whether or not there are confidentiality issues. This response coversheet is incorporated into the online web form questionnaire.
- A1.3 For larger consultation responses - particularly those with supporting charts, tables or other data - please email price.accreditation@ofcom.org.uk attaching your response in Microsoft Word format, together with a consultation response coversheet.
- A1.4 Responses may alternatively be posted or faxed to the address below, marked with the title of the consultation.
- Alastair Hogg
2nd Floor
Consumer Policy Team
Riverside House
2A Southwark Bridge Road
London SE1 9HA
- Fax: 0300 123 0811
- A1.5 Note that we do not need a hard copy in addition to an electronic version. Ofcom will acknowledge receipt of responses if they are submitted using the online web form but not otherwise.
- A1.6 It would be helpful if your response could include direct answers to the questions asked in this document, which are listed together at Annex 4. It would also help if you can explain why you hold your views and how Ofcom's proposals would impact on you.

Further information

- A1.7 If you want to discuss the issues and questions raised in this consultation, or need advice on the appropriate form of response, please contact Alastair Hogg on 020 7783 4483.

Confidentiality

- A1.8 We believe it is important for everyone interested in an issue to see the views expressed by consultation respondents. We will therefore usually publish all

responses on our website, www.ofcom.org.uk, ideally on receipt. If you think your response should be kept confidential, can you please specify what part or whether all of your response should be kept confidential, and specify why. Please also place such parts in a separate annex.

- A1.9 If someone asks us to keep part or all of a response confidential, we will treat this request seriously and will try to respect this. But sometimes we will need to publish all responses, including those that are marked as confidential, in order to meet legal obligations.
- A1.10 Please also note that copyright and all other intellectual property in responses will be assumed to be licensed to Ofcom to use. Ofcom's approach on intellectual property rights is explained further on its website at <http://www.ofcom.org.uk/about/accoun/disclaimer/>

Next steps

- A1.11 Following the end of the consultation period, Ofcom intends to publish a statement in autumn 2013.
- A1.12 Please note that you can register to receive free email updates alerting you to the publications of relevant Ofcom documents. For more details please see: http://www.ofcom.org.uk/static/subscribe/select_list.htm

Ofcom's consultation processes

- A1.13 Ofcom seeks to ensure that responding to a consultation is easy as possible. For more information please see our consultation principles in Annex 2.
- A1.14 If you have any comments or suggestions on how Ofcom conducts its consultations, please call our consultation helpdesk on 020 7981 3003 or e-mail us at consult@ofcom.org.uk. We would particularly welcome thoughts on how Ofcom could more effectively seek the views of those groups or individuals, such as small businesses or particular types of residential consumers, who are less likely to give their opinions through a formal consultation.
- A1.15 If you would like to discuss these issues or Ofcom's consultation processes more generally you can alternatively contact Graham Howell, Secretary to the Corporation, who is Ofcom's consultation champion:

Graham Howell
Ofcom
Riverside House
2a Southwark Bridge Road
London SE1 9HA

Tel: 020 7981 3601

Email Graham.Howell@ofcom.org.uk

Annex 2

Ofcom's consultation principles

A2.1 Ofcom has published the following seven principles that it will follow for each public written consultation:

Before the consultation

A2.2 Where possible, we will hold informal talks with people and organisations before announcing a big consultation to find out whether we are thinking in the right direction. 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

A2.3 We will be clear about who we are consulting, why, on what questions and for how long.

A2.4 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 to give us a written response. If the consultation is complicated, we may provide a shortened Plain English Guide for smaller organisations or individuals who would otherwise not be able to spare the time to share their views.

A2.5 We will consult for 4, 6 or 10 weeks depending on the potential impact of our proposals. This consultation runs for six weeks. We consider this to be a 'category 2 consultation' : whilst containing important policy proposals, will be of interest to a limited number of stakeholders who will be aware of the issues.

A2.6 A person within Ofcom will be in charge of making sure we follow our own guidelines and reach out to the largest number of people and organisations interested in the outcome of our decisions. Ofcom's 'Consultation Champion' will also be the main person to contact with views on the way we run our consultations.

A2.7 If we are not able to follow one of these principles, we will explain why.

After the consultation

A2.8 We think it is important for everyone interested in an issue to see the views of others during a consultation. We would usually publish all the responses we have received on our website. In our statement, we will give reasons for our decisions and will give an account of how the views of those concerned helped shape those decisions.

Annex 3

Consultation response cover sheet

- A3.1 In the interests of transparency and good regulatory practice, we will publish all consultation responses in full on our website, www.ofcom.org.uk.
- A3.2 We have produced a coversheet for responses (see below) and would be very grateful if you could send one with your response (this is incorporated into the online web form if you respond in this way). This will speed up our processing of responses, and help to maintain confidentiality where appropriate.
- A3.3 The quality of consultation can be enhanced by publishing responses before the consultation period closes. In particular, this can help those individuals and organisations with limited resources or familiarity with the issues to respond in a more informed way. Therefore Ofcom would encourage respondents to complete their coversheet in a way that allows Ofcom to publish their responses upon receipt, rather than waiting until the consultation period has ended.
- A3.4 We strongly prefer to receive responses via the online web form which incorporates the coversheet. If you are responding via email, post or fax you can download an electronic copy of this coversheet in Word or RTF format from the 'Consultations' section of our website at www.ofcom.org.uk/consult/.
- A3.5 Please put any parts of your response you consider should be kept confidential in a separate annex to your response and include your reasons why this part of your response should not be published. This can include information such as your personal background and experience. If you want your name, address, other contact details, or job title to remain confidential, please provide them in your cover sheet only, so that we don't have to edit your response.

Cover sheet for response to an Ofcom consultation

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)

Annex 4

Consultation questions

Question No	Question
1	Do you agree with Ofcom's conclusions that there is no need for a fundamental revision of the Scheme at this time?
2	Ofcom is proposing to revise the approval requirements with respect to the provision of information on Quality of Service metrics. Are there other aspects of the scope of the Scheme that we should revise?
3	Ofcom is proposing to revise five areas around the operation of the Scheme. Are there any other aspects that we should revise?
4	Ofcom is proposing to include a requirement in the approval criteria that PCWs include in their results pages for broadband comparisons clear messaging on speeds, and provide information about Ofcom's comparative information and about online speed checkers. Do you agree with these proposals and our analysis of their impact? Please give reasons and if appropriate state alternatives.
5	Ofcom is proposing to amend the approval criteria so that PCWs providing broadband comparisons give details of any data usage limits on the results page. Do you agree with these proposals and our analysis of their impact? Please give reasons and alternatives where appropriate.
6	Ofcom is proposing that the approval criteria are amended to include a requirement on PCWs to provide information about traffic management policies. Do you agree with this proposal and our assessment of its impact? Please give reasons and alternatives, where appropriate.
7	Ofcom is proposing that the approval criteria are amended to include a requirement on PCWs to provide information about Ofcom's comparative customer service and complaints information. Do you agree with this proposal and our assessment of its impact? Please give reasons and alternatives, where appropriate.
8	Ofcom invites views on our proposals to publish guidance on past decisions and to carry out quarterly spot-checks. Please indicate whether you agree with the proposals, giving reasons and alternatives where appropriate.
9	Ofcom is proposing to modify the charging schedule to the effect that companies or other entities with two full-time equivalent employees can benefit from the lower charges. Please indicate whether you agree with the proposals, giving reasons and alternatives where appropriate.

10	Ofcom invites views on any additional publicity that Ofcom should be giving to the Scheme and accredited PCWs and on any changes to the Scheme logo we should consider.
11	Ofcom is proposing to require accredited PCWs to have a complaints handling process in place, which shall be clearly set out on their websites. Please indicate whether you agree with the proposals and giving reasons and alternatives where appropriate.