

Domestic third party intermediaries: Confidence Code and wider issues

Consultation response

Chapter 2

Question 1: Agree with the summary; Runpath is a new entrant in the domestic utilities TPI landscape, no further feedback on factors at this stage.

Question 2: The definition does not exclude services expected to be covered.

Question 3: Given Runpath's background in the Financial Services industry, as well as the discussion in the consultation paper around alignment with other Regulatory bodies, we would question the use of the term 'advice' as part of the definition. Advice in other sectors implies a specific tailoring of research and results to that individual's circumstances, with an acceptance of responsibility for the advice on the part of the intermediary and therefore any subsequent complaint as a result of the product recommended and purchased. A consumer may waive their rights by definitively assuming responsibility for the decision they make.

In the case of energy tariff comparison tables, the service supplied by TPIs is not advice but supply of information, empowering the consumer to make their own decision but maintaining the responsibility of the decision with the consumer themselves.

Question 4: Agree with this statement absolutely.

Question 5: Not aware of potential model challenges at this stage in terms of principle incorporation.

Question 6: No other areas to flag at this stage; very pleased that information exchange is highlighted.

Question 7: Barriers that we have come across regarding information supply to date are as follows:

- Lack of supplier engagement when requesting tariff information despite quoting Confidence Code requirements
- Lack of availability of comprehensive tariff information
- Lack of standardised process when new suppliers join the market
- Lack of proactivity to communicate tariff updates by some suppliers
- No historic tariff databases from some suppliers

Some of these barriers could be addressed by the implementation of a standard process or a code requirement for suppliers, old and new, to provide communication within certain timescales regarding tariff information, changes, terms and conditions etc.

Question 8: As a new entrant in the market with no plans for a face to face service, we do not have any comments on this point.

Chapter 3

Question 9: Agree that it should be easier to see 'how a site makes money'. However too much information could be more damaging than good to the consumer, affecting their choice unnecessarily. It should be clearer that commission does not affect a tariff's position in the results table.

Question 10: Agree this would be useful; no further suggestions

Question 11: From our current experience, the main impact of the code that we have felt is regarding implementation and flexibility of white label sites. From a commercial standpoint, our ideal scenario would be that white labels taking our 'vanilla' white label option would be able to use the Confidence code logo, with a statement that makes it clear that Runpath Digital is the accredited company powering the energy comparison service.

We don't have any feedback regarding supplier practices at this stage.

Question 12: Prepayment tariffs are dealt with in the same way as other payment option tariffs by our site and by suppliers; this is therefore sufficient information provision for prepayment customers.

Perhaps it should be made clearer to prepayment customers that there are more cost effective tariffs available to them and that they are able to switch if they desire.

Question 13: 6-9 months

Chapter 4

Question 14: Agree that sites should make clear where a comparison is whole of market or not to ensure consumer trust. However this should be balanced against the service that the TPI is providing (which should also be clear, as per point regarding 'how do you make money' – Question 9).

Question 15: We don't currently have any plans in supplier rating and therefore have no comments at this stage.

Question 16: Consumers certainly have different criteria when switching tariffs, it is not all about cost. It would be beneficial to have standard categories that cover green, environmentally friendly, charity approved etc. tariffs to enable differences in filtering and searches.

Question 17: 6-9 months

Chapter 5

Question 18: The personal projection methodology should have clearer guidelines if it is to be implemented more widely. We are in agreement that innovation is a key factor and

should be considered here, however some key guidance around seasonality factors, usage factors etc. should be provided if the personal projection is part of the confidence code. This should also cover a clear description of the PP methodology to allow consumers an understanding of how the figures have been calculated and therefore understand why figures may differ from site to site without loss of trust.

Question 19: Tariff information labels are useful if they contain the same information across both TPI and supplier sites, which is not yet the case. The standards and requirements should be clear and exact to avoid discrepancy.

Question 20: A balance is required here, as per question 18: innovation is possible within set guidelines and with clear explanation.

Question 21: 6-9 months

Chapter 6

Question 22: Agree with the introduction of complaints standards handling into the Code and with the principles.

Question 23: If this information is clear to those who it applies to and clear who it does apply to, then yes.

Question 24: Yes – accessibility guidelines are often difficult for SMEs to accommodate.

Question 25: 6-12 months

Chapter 7

Question 26: Agree with this as long as the code is expanded to encompass them rather than diluted to accommodate specific requirements.

Question 27: Ability to comply with high data standards required by the code, possible 'two level' accreditation leading to lack of clarity.

Question 28: Clear and concise points that can be published on each TPI site explaining what it means to the consumer. Reduced jargon and more easily accessible information around what OFGEM is and does, and what the code is and does.

Question 29: It would make sense for the auditor to be OFGEM based, so that an understanding of the current tariff market and TPI tables is kept in house. In terms of costs – of course it would be great to split it out somehow amongst all beneficiaries of accreditation. As long as commercial benefits of being accredited remain and the code is not restrictive, then the cost should not be an issue.

Question 30: Agree with proposed changes.

