

Consultation on the implementation of the CMA's Whole of Market recommendation

Consultation

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Overview:

This consultation presents our proposals on the implementation of the Competition and Markets Authority's (**CMA**) recommendation to remove the Whole of Market requirement from the Confidence Code.

Ofgem's Confidence Code is a voluntary code of practice for domestic energy price comparison websites (**PCWs**). The aim of the Code is to help consumers feel confident that they are receiving an independent, transparent, accurate and reliable service when using an accredited site to switch energy suppliers.

In August 2016, Ofgem published the Confidence Code Review 2016 in response to the CMA's recommendation that we remove rules from the Code that oblige accredited PCWs to show a wide range of energy tariffs on the market, not just those that can be switched through their website. These rules are collectively known as the Whole of Market (**WoM**) requirement. In July 2017, Ofgem made a decision to partially remove the WoM requirement and assess the impacts of its full removal. In this document, we are consulting on our proposals to implement the CMA's recommendation in full.

We welcome your views on our proposals. This consultation closes on 30 May 2018 and responses should be sent to CDconsultations@ofgem.gov.uk.

Associated documents

Competition and Markets Authority, June 2016, Energy Market Investigation Final Report

<https://www.gov.uk/cma-cases/energy-market-investigation>

Ofgem, Confidence Code

<https://www.ofgem.gov.uk/consumers/household-gas-and-electricity-guide/how-switch-energy-supplier-and-shop-better-deal/compare-gas-and-electricity-tariffs-ofgem-accredited-price-comparison-sites>

Ofgem, August 2016, Confidence Code Review 2016

https://www.ofgem.gov.uk/system/files/docs/2016/08/whole_of_market_consultation.pdf

Competition and Markets Authority, March 2017, Digital Comparison Tools Market Study Update paper

<https://assets.publishing.service.gov.uk/media/58da7afce5274a06b000003c/dct-update-paper.pdf>

Ofgem, July 2017, Decision on the partial implementation of the CMA's Whole of Market remedy & consulting on new Code requirements

https://www.ofgem.gov.uk/system/files/docs/2017/07/confidence_code_review_2016.wom_final_4_july.pdf

Ofgem, September 2017, Publication of the Revised Ofgem Confidence Code

<https://www.ofgem.gov.uk/publications-and-updates/publication-revised-ofgem-confidence-code-2017>

Competition and Markets Authority, September 2017, Digital comparison tools market study. Final report

<https://assets.publishing.service.gov.uk/media/59c93546e5274a77468120d6/digital-comparison-tools-market-study-final-report.pdf>

Ofgem, December 2017, Revised Ofgem Confidence Code

<https://www.ofgem.gov.uk/publications-and-updates/revised-ofgem-confidence-code-december-2017>

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Executive Summary

Ofgem's principal objective is to protect the interests of both existing and future energy consumers. Third Party Intermediaries such as price comparison websites (PCWs) help domestic consumers to engage with the market to get better deals. Our 2017 consumer engagement survey showed that 49% of those who had engaged with the energy market found out about deals using a PCW.

Ofgem's Confidence Code is a voluntary code of practice for domestic energy PCWs. The Code sets out requirements that PCWs must follow to be accredited members of the Code and to display the Ofgem Confidence Code logo. The Code aims to improve consumer confidence that they are receiving an independent, transparent, accurate and reliable service when using an accredited site to switch energy suppliers.

In 2016, Ofgem published a review of the Confidence Code in response to the Competition and Markets Authority's (CMA) recommendation to remove the Whole of Market (WoM) requirement from the Confidence Code. The WoM requirement obliges accredited PCWs to show a wide range of tariffs on their website, irrespective of whether a consumer can switch to the tariff through that PCW. Ofgem recognise that this requirement could be putting consumers off switching, as they can't switch directly to some of the cheapest deals listed and have to visit the supplier's own website and re-enter their details. By removing this requirement, accredited PCWs would have more incentives to invest in encouraging consumers to use their services and to get a better energy deal. We also recognise that removal of the WoM requirement may mean consumers that do not shop around between multiple PCWs before switching will not see a wide view of tariffs on offer.

In July 2017, Ofgem made a decision to partially implement the CMA's recommendation to remove the WoM requirement with complementary changes to reduce potential consumer concerns. This decision allowed accredited PCWs to show a default results page that displayed only deals they can switch consumers to, while still giving consumers the option to view a results page that displays a wider range of deals. Our complementary changes meant that accredited PCWs had to be clear about what deals are shown on their website and list deals in price order unless a consumer specifies otherwise. Following inputs from trials that looked at the impacts of removing the WoM requirement and data from suppliers and accredited PCWs on the impact of our previous Confidence Code changes, we are now consulting on our proposals to remove the WoM requirement.

Our proposals

Our minded-to option is to give accredited PCWs the option of exclusively showing deals that consumers can switch to directly through their website, provided they display a link to a comparison tool operated by Citizens Advice (the Citizens Advice Comparison Tool). This will give consumers the option of seeing a wide range of deals on the market, including tariffs to which consumers cannot switch via PCWs, to make an informed decision. We believe that our minded-to option strikes the right balance in achieving the benefits of removing the WoM requirement whilst addressing the risks. We are also proposing amendments to the compliance processes of the Confidence Code that increase incentives for accredited PCWs to invest in their energy offering whilst maintaining consumer protections. This will allow more competitive products to be available for consumers.



Next Steps

After we have received and reviewed your responses to this consultation, we intend to publish our decision in summer. We intend for the new Confidence Code obligation to go live upon publication of the decision document.

1. Introduction

Chapter Summary

This chapter sets out the background to the proposals to remove the WoM requirement from Ofgem's Confidence Code, a voluntary code of practice for domestic energy PCWs.

Background to the Whole of Market Remedy

- 1.1 Ofgem's Confidence Code sets out requirements that PCWs must follow to be accredited members of the Code, and to display the Ofgem Confidence Code logo. The Code aims to provide consumers with confidence that they are receiving an independent, transparent, accurate and reliable service when using an accredited site to switch energy suppliers. We monitor compliance with the Code via an auditing programme, and if PCWs don't comply, we can remove their accreditation.
- 1.2 Among the Code requirements, accredited PCWs must use all reasonable endeavours to include price comparisons for all available domestic tariffs¹. This requirement is often referred to as the Whole of Market (WoM) requirement.
- 1.3 In its review of the energy market, the CMA outlined PCWs' role in raising consumer awareness of switching, reducing search costs, and exerting competitive pressure on suppliers. One of the CMA's recommendations in its final remedies package focused directly on the Confidence Code.
- 1.4 In order to strengthen PCWs' incentives to engage consumers, the CMA recommended Ofgem: 'removes the Whole of the Market requirement in the Confidence Code and introduces a requirement for PCWs accredited under the Confidence Code to be transparent over the market coverage they provide to energy customers'.²
- 1.5 On 26 September 2017, the CMA also published the final report from its Digital Comparison Tools (**DCT**) Market Study, in which it remarks: 'At first sight, a requirement to show all suppliers might appear beneficial for consumers by creating 'one-stop shops' for energy and reducing the need to shop around. However, such requirements can undermine the benefits that DCTs can bring to consumers, because they weaken DCTs' positions in negotiations with suppliers'.³

¹ With the exception of social tariffs, tariffs which a supplier has requested are removed, and tariffs which are not available in the customer's region

² CMA, Energy Market Investigation, Final Report, Summary, paragraph 239 (p56), <https://assets.publishing.service.gov.uk/media/5773de34e5274a0da3000113/final-report-energy-market-investigation.pdf>

³ [Digital comparison tools market study. Final report.](#) Paragraphs 4.124

- 1.6 Ofgem addressed the CMA's recommendation in the Confidence Code Review 2016 consultation⁴ by proposing a partial implementation of the remedy (i.e. the **Partial Remedy**). The Partial Remedy aimed to gain some benefits of the CMA's recommendation, and give Ofgem further time to consider the potential risks of fully removing the WoM requirement.
- 1.7 The Partial Remedy allows accredited PCWs to show fulfillable tariffs⁵ as the default results page (a **Partial View**) provided consumers can still easily access a results page showing fulfillable and non-fulfillable tariffs (a **Wide Results** page).
- 1.8 On 3 July 2017, we made a decision to take forward the Partial Remedy, and proposed new Confidence Code wording. On 1 September 2017, Ofgem confirmed new Confidence Code wording which implemented the Partial Remedy⁶.
- 1.9 In this document, we are taking the next step and consulting on our proposal to remove the Whole of Market requirement alongside certain changes to achieve positive consumer outcomes.

Changes to the Audit approach

- 1.10 In our Confidence Code Review 2016 consultation⁷, we stated that removing the WoM requirement would require changes to the way in which Ofgem currently administers the Code, including audit requirements. The current audit approach relies on the WoM requirement because the obligation for accredited sites to display a Wide Results page means the auditor can easily compare results across sites.
- 1.11 We need to consider how, in the absence of the WoM requirement, an auditor would test that sites are providing accurate results as well as adequate transparency around the market coverage they provide to customers.
- 1.12 While removing the WoM requirement, on its own, would necessitate a new approach to auditing accredited sites, we consider that the following factors also mean that we should consider a new approach to auditing PCWs' compliance with the Confidence Code:
 - Changes to Estimated Annual Cost⁸ could mean different estimates of annual cost on different accredited PCWs.

⁴ Ofgem (2016), Confidence Code Review 2016

https://www.ofgem.gov.uk/system/files/docs/2016/08/whole_of_market_consultation.pdf

⁵ A fulfillable tariff is one for which a PCW can facilitate the switch and is paid a commission for doing so. A PCW will receive no commission for displaying results for non-fulfillable tariffs.

⁶ We would note that in December 2017 a revised version of the Code wording was published to reflect Ofgem's decision on Estimated Annual Costs for domestic consumers. This is the most up to date version of the Code. See [Revised Ofgem Confidence Code: December 2017](#) for details.

⁷ Ofgem (2016), Confidence Code Review 2016:

https://www.ofgem.gov.uk/system/files/docs/2016/08/whole_of_market_consultation.pdf

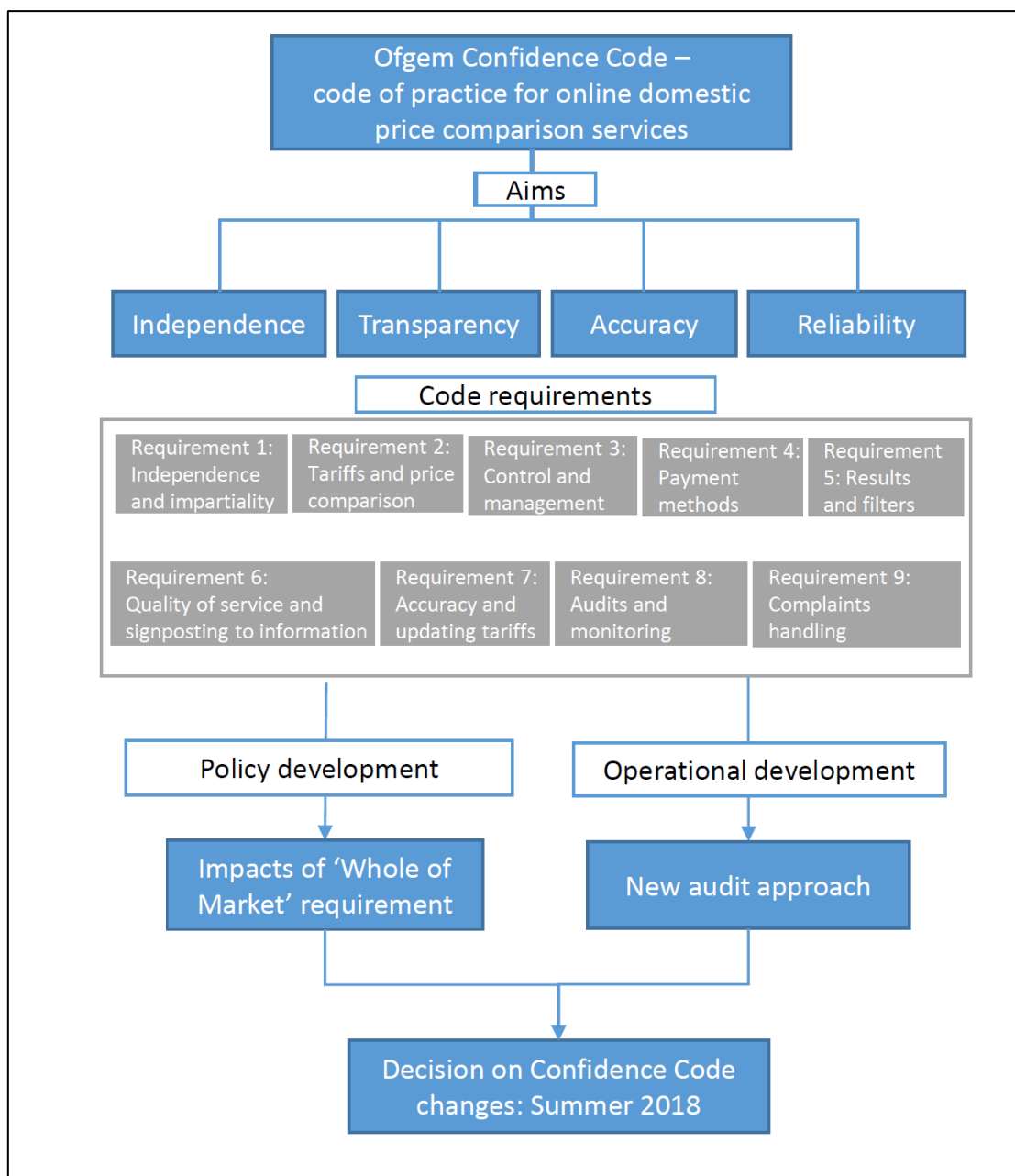
⁸ <https://www.ofgem.gov.uk/publications-and-updates/decision-estimated-annual-cost-domestic-consumers>

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- The need for an audit approach that is scalable and ‘futureproof’, so that if Code membership were to increase it could be accommodated.
- Ofgem’s intention to enforce a requirement in the Code, and in each accredited PCW’s application agreement, for sites to bear the cost of their own audits.

1.13 We are currently considering different options for a new audit framework and we intend to outline our proposals to allow interested parties to comment on them before we come to a decision. Figure 1 below outlines our timeframes for audit and policy changes to the Confidence Code.

Figure 1: Context and timeframes of Confidence Code changes




Policy development and evidence-gathering process

- 1.14 To inform our consultation options, Ofgem has reviewed a range of information looking at the impact of removing the WoM requirement. Details are as follows.
- 1.15 In December 2016, Ofgem sent Code-accredited PCWs a Request for Information (**RFI**), which included questions on their investment, conversion rates, and commercial relationships with suppliers. In January 2017, a further RFI was sent to domestic suppliers, which included questions on their commercial agreements with PCWs, costs of acquiring customers, and attempts to use alternative routes to market.
- 1.16 In February 2017, one accredited PCW ran a four-week trial, which looked at several alternative ways of presenting results to consumers, using the Confidence Code rules in place at the time as a control group. In September 2017, two further trials with accredited PCWs took place for a four-week period. These September 2017 trials used the Partial Remedy (giving consumers' access to a Partial View and a Wide Results page) as a control group and looked at two test groups to understand the impact of removing the WoM requirement. One of the test groups were shown the Partial View without access to a Wide Results page but a link to the Citizens Advice Comparison Tool⁹, and the other group was only shown the Partial View.
- 1.17 The results from the trials have been considered as inputs alongside other relevant information as part of a broad evidence base to offset the limitations of basing proposals on trial data only.
- 1.18 In December 2017, Ofgem issued a further RFI to both domestic suppliers and Confidence Code-accredited PCWs to help us assess the initial impact of the Partial Remedy. The RFI looked at investment levels among PCWs, commission rates PCWs set for suppliers, conditions set on suppliers during negotiations with PCWs and routes to market available for suppliers.
- 1.19 Ofgem also examined consumer research, both quantitative and qualitative, including a CMA survey as part of its DCT study. We also took into account the following: an energy-specific survey commissioned by the CMA as part of its Energy Market Investigation, Ofgem's survey to evaluate the Retail Market Review (RMR) changes,¹⁰ and survey data commissioned by other parties. In terms of qualitative research, we commissioned a small piece of research to help us better understand different options for providing messaging to consumers. We also looked at answers to survey questions put to thousands of PCW users during a trial on the impact of removing the WoM requirement in September 2017, as well as previous Ofgem qualitative research obtained through the Consumer First Panels.¹¹
- 1.20 We gathered additional information through discussions with stakeholders including suppliers, Code-accredited PCWs, other intermediaries, and consumer

⁹ <https://energycompare.citizensadvice.org.uk/>

¹⁰ The RMR was a review of regulation of the retail energy markets launched by Ofgem in late 2010 due to concerns that the energy market was not working effectively for consumers. The review led to Ofgem implementing a number of remedies, concerning – amongst other things – simpler tariff choices, clearer communication and establishing standards of conduct for suppliers.

¹¹ Big Sofa (2015), Ofgem Consumer First Panel Year 6, Wave 4 – Third party Intermediaries & Price Comparison Site messaging, pp6-7 / Ipsos MORI (2016), Ofgem Consumer Panel wave 3: the performance of Price Comparison Tools, p4.



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groups. We have discussed issues with Code-accredited PCWs collectively at scheduled meetings. Further, we have considered responses from the July decision on the Partial Remedy¹².

- 1.21 In developing our policy on the WoM requirement, we have also been mindful of recommendations and findings of the CMA in its DCT market study¹³. In its final report, the CMA set out four high-level principles that DCTs should follow in order to treat people fairly. These principles were that PCWs should be Clear, Accurate, Responsible and Easy to use (CARE).
- 1.22 The CMA noted that many of the CARE principles are already reflected in the Confidence Code – for example, the need for PCWs to be accurate and up-to-date, to make clear where they have commercial relationships with suppliers and to be clear how they make money¹⁴. We consider the minded-to option in this consultation to be in line with the DCT Market Study's CARE principles.

¹² [Decision on the partial implementation of the CMA's Whole of Market remedy and consulting on new Code requirements](#)

¹³ [Digital comparison tools market study. Final report.](#)

¹⁴ [Paper C: The application of the law and regulation to digital comparison tools.](#) Paragraph 84

2. Proposals on Whole of Market requirement removal

Chapter Summary

This chapter outlines the options considered along with our minded-to option at this stage. It also sets out the proposed drafting of the Confidence Code under our minded-to option.

Questions:

Do you agree that our minded-to option is the best means of achieving the benefits and mitigating the risks of removing the WoM requirement?

Do you agree that our proposed drafting of the Code is the best means of achieving the benefits and mitigating the risks of removing the WoM requirement?

Proposals on Whole of Market requirement removal

Aims and objectives

- 2.1 By allowing accredited PCWs to only show deals that they can switch a consumer directly to (i.e. fulfillable deals), it can increase the number of fulfillable deals on offer, making it easier for consumers to switch. This can boost switching rates, and incentives for accredited PCWs to invest in their energy offering so switching increases further. However if accredited PCWs are not clear about their market coverage and/or consumers do not shop around between multiple PCWs before switching, removing the WoM requirement can mean some consumers might not get the deal they want.
- 2.2 Our proposal aims to strike the right balance between achieving the benefits of, and reducing the potential risks involved in, removing the WoM requirement. Below, we set out the evidence on the risks and benefits of removing the WoM requirement that have informed our minded-to option.

Removal of the WoM requirement can increase investment from accredited PCWs into their energy offering.

- 2.3 The CMA indicated that removing the WoM requirement can increase the incentives for accredited PCWs to invest in their energy offering¹⁵. We have seen evidence that would support this. Ofgem ran a four-week a trial in September 2017 with two accredited PCWs to understand the impact of removing the WoM requirement. The results of one of the trials indicated that removing the WoM requirement could cause a statistically significant increase in switching rates through PCWs. If more consumers switch through their service, accredited PCWs will have greater incentives to invest in their energy offering, through website improvements and advertising for example. Greater investments from PCWs can lead to more people using accredited PCWs to switch, and greater consumer savings.

¹⁵ [Digital comparison tools market study. Final report. Paragraph 4.124 \(p67\)](#) & [CMA, Energy Market Investigation, Final Report. Paragraph 13.273 \(p875-876\)](#).

- 2.4 RFI evidence has indicated that the Partial Remedy, which made fulfillable deals more prominent, may have helped increase investments from PCWs into their energy offering by giving PCWs assurances on expected conversion rates. Given trial evidence that conversion rates can go up further by moving from the Partial Remedy to removing the WoM requirement, investment levels could go up further if the WoM requirement is removed.

Removal of the WoM requirement can make switching to cheap deals easier for consumers.

- 2.5 If consumers want to switch to a non-fulfillable deal, they will need to take the details of the deal listed on a PCW and approach the supplier offering the deal to switch. When switching using a fulfillable deal, consumers avoid this and switch directly through a PCW. A 2017 survey indicates that consumers consider the hassle of switching to be something that they do not have time for¹⁶. It would follow that increasing the number of fulfillable deals on offer can make switching easier for consumers which can encourage switching. RFI evidence has indicated that by increasing the prominence of fulfillable deals, the Partial Remedy has helped some accredited PCWs to increase the number of fulfillable deals on offer.

- 2.6 By moving from the Partial Remedy to removing the WoM requirement and allowing accredited PCWs to only show fulfillable deals, offers of fulfillable deals could increase further, making switching easier for consumers. Removal of the WoM requirement will also increase incentives for suppliers to offer low cost exclusive fulfillable deals (deals a supplier offers exclusively through a certain PCW). An increase in exclusive deals will mean there will be more low cost deals on offer for consumers.

Removal of the WoM requirement can support competition in the energy retail market.

- 2.7 As outlined above, by allowing Code-accredited PCWs to only display fulfillable deals, there will be greater incentives for PCWs and suppliers to negotiate exclusive and fulfillable deals. This differentiation of what each PCW offers on the market can enable greater competition amongst energy PCWs. Increased competition amongst energy PCWs and more exclusive and fulfillable deals can drive energy retail competition by exerting downward pressure on prices.

- 2.8 A potential risk for removing the WoM requirement is that it increases the bargaining power of accredited PCWs, causing an increase in commission rates that accredited PCWs set suppliers and/or restrictions on suppliers¹⁷. Subject to consultation responses, when coming to a decision on our minded-to option, we will set out plans to monitor other routes to market beyond PCWs and PCW commission rates to track this risk.

Removal of the WoM requirement may mean consumers miss out if they do not shop around multiple sites

- 2.9 The CMA has indicated that a minority (11%) of comparison sites' users thought that all suppliers were shown when using a DCT¹⁸ and that 64% of DCT users

¹⁶ [Consumer Engagement Survey 2017 Report, September 2017 Ofgem](#). Paragraph 5.4, p50.

¹⁷ Such as requiring suppliers to not offer better prices on one DCT than on another. See [Digital comparison tools market study. Final report](#). Paragraph 1.16 (p8)

¹⁸ [CMA \(2017\) Digital comparison tools market study – Final Report](#). Paragraph 4.10.

used more than one DCT when shopping around¹⁹. However, the consumers that do not use multiple PCWs before switching may not see a wide range of deals if the WoM requirement is removed. Ofgem considers our proposal will address the risk of consumers not seeing the deal that they might want if the WoM requirement is removed, by requiring accredited PCWs to show a clear and prominent link to the Citizens Advice Comparison Tool in the absence of a Wide View results page.

Minded-to option

2.10 With consideration of our evidence, under our minded-to option for removing the WoM requirement, Ofgem would:

- Permit Confidence Code members to show only deals to which they can switch consumers to, provided they explain the market coverage of their results in prominent, clear and intelligible terms so that consumers understand what they are seeing, and display a similarly clear link to the Citizens Advice Comparison Tool.
- Remove testing obligations on accredited PCWs that choose to display a Wide Results page to increase incentives for them to invest in their energy offering.

The Citizens Advice Comparison Tool

2.11 Citizens Advice is the statutory consumer advocate for energy consumers. The Citizens Advice Comparison Tool lists a wide range of energy deals, similar to an accredited PCW's Wide View, but does not give consumers the option to switch directly to these deals.

2.12 During a trial with two accredited PCWs in September 2017 in which we looked at the impact of removing the WoM requirement, consumers who were provided with a link to the Citizens Advice Comparison Tool when the WoM requirement was removed indicated in survey responses that they had found it useful. Considering these survey responses, our proposal to require accredited PCWs to display a clear and prominent link to the Citizens Advice Comparison Tool as a condition to omitting a Wide Results page can help consumers that are interested in seeing a wider range of offers, get the deal they want.

2.13 Under our minded-to option, accredited PCWs do not need to present a link to the Citizens Advice Comparison Tool if they show Wide Results²⁰ on their results page. We have not seen evidence to suggest that displaying a link to the Citizens Advice Comparison Tool when a Wide Results page is omitted will significantly undermine incentives for PCW investment or fulfillable tariffs. We would note however that our proposal to remove testing obligations from the Code, as detailed below, can partly offset any diminished incentives that a display of the Citizens Advice Comparison Tool may bring.

Testing obligations

2.14 The current drafting of the Code places obligations on accredited PCWs to undertake tests to assess whether their customers can quickly and easily access a Wide Results page, and whether the messaging or filtering on their website that directs consumers to a Partial View is prominent, clear and intelligible. Under

¹⁹ Ibid. Paragraph 3.18.

²⁰ Wide Results are all tariffs within the scope of requirement 2A(i) of the Confidence Code, taking into consideration any opt-in filters selected by the consumer.

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these obligations, accredited PCWs must provide Ofgem with information on the test methodology, sample size and results of their testing.

- 2.15 These testing obligations will fall away for accredited PCWs that present a link to the Citizens Advice Comparison Tool and omit a Wide Results page or a toggle to a Wide Results page. To ensure we do not place an undue burden on accredited PCWs that choose to continue to show a Wide Results page, under our minded-to option we propose to remove these testing obligations from the Code completely.
- 2.16 Existing requirements in the Code requiring sites to be clear about the market coverage of their website, and our right to treat non-compliance with these requirements as a serious breach of the Code can ensure that accredited PCWs are clear with consumers about the market coverage of their service.

Transparency of market coverage

- 2.17 In a July 2017 publication on the Confidence Code, Ofgem outlined the importance of PCWs being transparent about the market coverage of their results²¹. We stated that accredited PCWs should make the following information accessible to consumers:
- A prominent, clear and intelligible statement summarising the extent of the market coverage on the accredited website's results page which is reflective of the service the customer is actually offered and is not misleading;
 - A list of suppliers from which they receive a commission;
 - A description of their business model; and
 - An explanation of how their commission arrangements with suppliers influence the tariffs being displayed on their results page.
- 2.18 On September 26 2017, the CMA's DCT Study noted the importance of DCTs clearly explaining how much of the market they cover as part of the principles they set out on how DCTs should behave²².
- 2.19 Accredited PCWs being transparent about their market coverage will be particularly important when the WoM requirement is removed given that consumers who do not shop around may not see a wide range of deals. To ensure accredited PCWs are compliant with the requirements on market transparency listed in 2.17 above, Ofgem reserves the right to treat a lack of transparency on market coverage from any accredited PCW as a serious breach of the Confidence Code. In accordance with the Enforcement Procedure set out in the application agreement entered into by each accredited PCW to accede to the Code, Ofgem can remove accreditation from a PCW immediately if they are in a serious breach of the Code.

Balancing risks and benefits

- 2.20 Based on our policy assessment and evidence gathering, our provisional view is that our minded-to option is likely to be the best means of gaining the benefits of removing the WoM requirement whilst addressing potential risks. Removal of a Wide Results page can increase incentives for suppliers to work with accredited

²¹ [Decision on the partial implementation of the CMA's Whole of Market remedy & consulting on new Code requirements](#). Paragraph 3.1. Page 12

²² [CMA \(2017\) Digital comparison tools market study – Final report](#), Page 9

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PCWs as well as incentives for PCWs to invest in their energy offering. Requiring PCWs who do not display a Wide Results page to display a prominent, clear and intelligible link to the Citizens Advice Comparison Tool can help to ensure consumers who typically do not shop around before switching but want to know about a wide range of deals that are available, get the energy deal they want.

- 2.21 In addition, removing testing obligations from accredited PCWs whilst considering removing accreditation from PCWs that are not clear about the market coverage of their website can maintain consumer protection standards without placing undue burdens on accredited PCWs.
- 2.22 Our final decision on whether to take forward our minded-to option will be informed by consultation responses.

Question 1: Do you agree that our minded-to option is the best means of achieving the benefits and mitigating the risks of removing the WoM requirement?

Other options considered

Figure 2: Overview of options considered for removing the WoM requirement

	<i>Maintain testing obligations that apply to sites who display a Wide Results page</i>	<i>Remove testing obligations that apply to sites who display a Wide Results page</i>	<i>Remove testing obligations that apply to sites who display a Wide Results page and apply new testing obligations on accredited PCWs who display a Partial View</i>
<i>Omit the requirement for accredited PCWs to display a Wide Results Page</i>	X (this option is not applicable)	Option 3	Option 2
<i>Give accredited PCWs the choice to present a Wide Results page or display a link to the Citizens Advice Comparison Tool</i>	Option 4	Minded-to option	This was not considered as a main option given that a combination of these proposals could undermine the benefits of removing the WoM requirement.
<i>Continue to require accredited PCWs to display a Wide Results page</i>	Option 1	This was not considered as a main option as, like Option 1, it would omit the benefits of removing the WoM requirement	This was not considered as a main option as, like Option 1, it would omit the benefits of removing the WoM requirement

2.23 Option 1 – Retain current Confidence Code wording

2.24 Under this option, Ofgem would maintain the current rules in the Confidence Code. This would mean accredited PCWs could show fulfillable deals as their default results page provided they are clear about the market coverage of their website and they continue to give consumers the option to see non-fulfillable deals. This option could help ensure that consumers who do not search the market before switching get the deal they want, but would weaken negotiations accredited PCWs have with suppliers. Compared to other options that would remove the WoM requirement, this option would dampen incentives for fulfillable deals, which are easier for consumers to switch to, and dampen incentives for accredited PCWs to invest in their energy service.

2.25 Option 2 - Remove the WoM requirement

2.26 Under this option, Ofgem would permit Confidence Code members to show only deals and suppliers that the PCW can switch consumers to through its website if they are clear about their market coverage. This can increase incentives for suppliers to work with PCWs to make switching easier, and increase incentives for PCWs to invest in their energy offering. Unlike the minded-to option, accredited PCWs showing a Partial View would not have to display a link to the Citizens Advice Comparison Tool.

2.27 Under this option, the testing obligations outlined in paragraph 2.14 would no longer apply. Ofgem would place new testing obligations on accredited PCWs who display a Partial View, requiring them to run tests to assess whether users have a clear understanding of the market coverage (as described in 2.17) of their site. By placing new testing obligations on accredited PCWs, the benefits of removing the WoM requirement may be diminished given that accredited PCWs will need to use resources to comply with new testing obligations rather than investing in their energy service or increasing the number of fulfillable tariffs. In addition, this option would not address the risk that without the display of a Wide Results page, consumers using accredited PCWs may not see the deal they want if they do not use multiple PCWs before switching.

2.28 Option 3 - Remove the WoM requirement without placing testing obligations on accredited PCWs

2.29 Under this option, Ofgem would permit Confidence Code members to show only deals and suppliers that they can switch consumers to if they are clear about their market coverage.

2.30 Like our minded-to option, under this option Ofgem would not mandate sites to carry out and provide research as detailed in paragraph 2.14. Similarly to our minded-to option, transparency of market coverage would be checked as part of the Code's annual audit and other compliance processes. Any consumer research undertaken by accredited PCWs on consumers understanding of their market coverage will continue to be considered in response to annual audit and compliance processes. By not mandating this research, this option can allow sites to choose to prioritise their resources on increasing switching rates. Although this option can allow sites to focus on increasing switching rates, similarly to Option 2, this option would not address the risk that without the display of a Wide Results page, consumers using accredited PCWs may not see the deal they might want if they do not shop around before switching.

- 2.31 Option 4 - Removal of the WoM requirement if accredited PCWs display a link to the Citizens Advice Comparison Tool, but testing obligations remain if PCW retains Wide View
- 2.32 Under this option, Ofgem would permit Confidence Code members to show only deals that they can switch consumers to provided they explain the market coverage of their results in prominent, clear and intelligible terms and display a similarly clear link to the Citizens Advice Comparison Tool. This option would help ensure that consumers who do not shop around before switching continue to access a wide view of tariffs on offer in the energy market.
- 2.33 Like our minded-to option, under this option accredited PCWs would be obligated to display a Wide Results page if they choose not to display a link to the Citizens Advice Comparison Tool. Under this option, Ofgem would maintain the testing obligations put on accredited PCWs as detailed in paragraph 2.14. Under our minded-to option, Ofgem is removing these testing obligations for accredited PCWs who choose to continue to display a Wide Results page to reduce any undue burdens on accredited PCWs that choose to maintain a Wide Results page.

Confidence Code Changes under minded-to option

- 2.34 Under our minded-to option, we are proposing to amend the Confidence Code to introduce Requirement 10. Requirement 10 (A)(i), (ii) and (iii) enables accredited PCWs to omit a Wide Results page provided they comply with an amended version of the Code, the details for which are shown between Requirement 10 (B) to (E).
- 2.35 The proposed amendments to the Confidence Code that would apply to any accredited PCW complying with Requirement 10 (A)(i), (ii) and (iii) are set out below.

Requirement Two – Tariffs and price comparisons

- 2.36 Requirement Two (A) (i) and (iii): We propose that accredited PCWs complying with Requirement 10 will not be required to comply with Requirement Two (A) (i) and (iii) shown below. This will allow sites to omit a Wide Results page.
- (i) *The Service Provider must use all reasonable endeavours to include Price comparisons for all available domestic tariffs, where applicable for all available payment types, for licensed suppliers (including for any agents, affiliates, and brands operating under the licence of a supplier), for gas, electricity and dual fuel. The Service Provider is not required to show:*
- *social tariffs (ie tariffs where consumer eligibility is based upon social or financial circumstances, eg receipt of benefits); or*
 - *tariffs which the supplier has requested the Service Provider to remove from its Price Comparison Service; or*
 - *tariffs which are available only to consumers in a specified region, to consumers that are not within that specified region; or*
 - *tariffs which are exclusive deals between a supplier and another Service Provider.*
- (iii) *Any results page displaying Wide Results must identify the limitations of this view and communicate to consumers what categories of tariffs covered by Requirement two (A)(i) are not shown on the Wide Results*

page.

- 2.37 For the avoidance of doubt, accredited PCWs complying with Requirement 10 and not displaying a Wide Results page should continue to collect tariff information from suppliers so they can comply with Requirement Two (B) and Requirement Seven (Q) which place obligations on accredited PCWs to collect Historic Tariff information, and display consumers' current tariff after they have entered their details into an accredited PCW.
- 2.38 Requirement Two (C): We propose that accredited PCWs complying with Requirement 10 will not be required to comply with Requirement Two (C) shown below.

A Service Provider must notify Ofgem in the event of being asked by an energy supplier to remove a tariff from its Price Comparison Service, which to the best of that Service Provider's knowledge is still available to consumers.

- 2.39 As detailed in Requirement Two (A) (i), accredited PCWs are not required to display tariffs on their Wide Results page, which a supplier has requested to be removed. Requirement Two (C) helps Ofgem assess whether compliance and enforcement processes should be followed in the event of missing tariffs and suppliers on a Wide Results page. Subsequently we do not consider that Requirement Two (C) is needed for accredited PCWs omitting a Wide Results page.
- 2.40 Requirement Two (F): We propose that accredited PCWs complying with Requirement 10 comply with the amended Requirement Two (F) shown below.

A Service Provider is responsible for obtaining, updating and ensuring the accuracy of all data displayed on its Price Comparison Service covering [all](#) licensed supplier tariffs (including those of its agents, affiliates and any associated brands).

- 2.41 We have proposed to omit the word "all" from "covering all licensed supplier tariffs" in the Requirement Two (F) to reflect the fact that accredited sites omitting a Wide Results page will not be compelled to display all tariffs.

Requirement Five – Results and filters

- 2.42 Requirement Five (F) and (G): We propose that accredited PCWs complying with Requirement 10 will not be required to comply with Requirement Five (F) and (G) shown below.

- 2.43 Requirement Five (F):

A Service Provider may (subject to requirement 5(G) below) display a Partial View as a default option or by offering a filter option before the results page.

- 2.44 Requirement Five (G):

At any point of filtering-which may lead to a Partial View, the Service Provider must ensure that messaging around this choice is prominent, clear and intelligible, so that consumers are aware what view of the market they will see on the results page.

Consultation on the implementation of the CMA's Whole of Market recommendation

- 2.45 Ofgem considers that these Requirements are relevant when a PCW gives a consumer a choice between seeing a Partial View and a Wide Results page. Ofgem does not consider these Requirements to be needed if accredited PCWs are choosing to omit a Wide Results page.
- 2.46 Ofgem's existing obligations on transparency of market coverage in Requirement One (G), (H), (I) and (J), Requirement Two (A), and Requirement Five (G) and (H) are to remain to ensure accredited PCWs are transparent about the market coverage of their Partial View.
- 2.47 Requirement Five (H) (i) and (ii): We propose that accredited PCWs complying with Requirement 10 will not be required to comply with Requirement Five (H) (i) and (ii) shown below.

At any point where the Service Provider displays a Partial View (either as a default or after a filter is applied), the Service Provider must, on the results page:

- i. ensure that the consumer can quickly and easily access the page that shows the Wide Results without re-entering their details or going back to a previous page or link;*
 - ii. provide a clear and intelligible statement prominently on the results page explaining that the consumer is seeing a Partial View on the results page, and that they are able to access the Wide Results; and*
- 2.48 Ofgem considers that these Requirements are relevant when a PCW displays a Wide Results page and, thus, are not required for accredited PCWs who are complying with Requirement 10.
- 2.49 As explained in paragraph 2.46, we proposed that the Confidence Code's existing obligations on transparency of market coverage in Requirement One (G), (H), (I) and (J), Requirement Two (A), and Requirement Five (G) and (H) are to remain to ensure accredited PCWs are transparent about the market coverage of their Partial View.
- 2.50 Requirement Five (H) (iv): We propose that accredited PCWs complying with Requirement 10 comply with the following addition to Requirement Five (H) shown below.
- iv. display a clear, prominent and accessible link to the Citizens Advice Comparison Tool with an accompanying statement to indicate that a wider view of the market, including the tariffs available on the Service Provider's website and other tariffs, is available on the Citizens Advice Comparison Tool. Such statement must not be misleading.*
- 2.51 With consideration of (H)(iv) being added to Requirement Five, the following small change has been made to Requirement Five (H) (iii):
- iii. provide a prominent, clear and intelligible statement summarising the extent of the market coverage provided by the Partial View which is reflective of the service the customer is actually offered and is not misleading; and*
- 2.52 These changes to Requirement Five (H) will ensure that accredited PCWs who do not display a Wide Results page give consumers the opportunity to see a wide

range of deals in the market via the Citizens Advice Comparison Tool. This addition to the Code can help ensure consumers that typically do not shop around before switching get the deal that they are interested in if the WoM requirement is removed.

Requirement Seven – Accuracy and updating tariffs

2.53 Requirement Seven (L), (M), (N) and (O): We propose that accredited PCWs complying with Requirement 10 comply with the amended Requirement Seven (L), (M), (N) and (O) shown below.

2.54 Requirement Seven (L):

A Service Provider must use all reasonable endeavours to:

- *update tariffs;*
- ~~*add tariffs for a new supplier;*~~
- *correct any errors/issues highlighted by Ofgem;*
- ~~*add new tariff information in a manner that complies with the Confidence Code.*~~

2.55 Requirement Seven (M):

A Service Provider must ~~add new~~ update tariff information as soon as possible, but no later than two working days after the details and confirmation of the effective date being provided to it by the relevant energy supplier (or Ofgem), or from the tariff being made available to consumers, whichever is ~~the latter~~ later.

2.56 Requirement Seven (N):

A Service Provider should not include a new ~~or updated~~ tariff on their Price Comparison Service more than six weeks before it becomes available to consumers.

2.57 Requirement Seven (O):

For the purposes of requirement (N), where the tariff is new ~~or updated~~ because of changes in price of an existing tariff, the date it is 'available to consumers' is to be determined as the date that the price change takes effect.

2.58 We have made amendments to Requirement Seven (L), (M), (N) and (O) to reflect our minded-to option. Ofgem considers that accredited PCWs who opt to omit a Wide Results page should continue to update tariff information in a timely manner but can use their own discretion as to whether to display tariff information from new suppliers. We have amended the last section of Requirement (M) solely to correct a typographical error.

General changes to the Confidence Code

- 2.59 In addition to changes to the Code that are applicable for accredited PCWs who opt to omit a Wide Results page in accordance with Requirement 10, we are proposing general changes in the Code to reflect our minded-to option and with consideration of the CMA's Digital Comparison Tool (DCT) Study. These sections of the Code will apply to accredited PCWs irrespective of whether they decide to display a Wide Results page or not. Details of these changes can be found below.

Requirement One – Independence and impartiality

- 2.60 Requirement One (A): We propose to amend Requirement One (A) in the Confidence Code as shown.

The Service Provider must be independent of any gas or electricity supplier. ~~It can take commission from suppliers but this must not influence how it provides any information or data to consumers.~~

- 2.61 This change has been made for the sole reason that we considered this section of the Code to be better suited in Requirement One B.

- 2.62 Requirement One (B): We propose to amend Requirement One (B) in the Confidence Code as shown.

A Service Provider must provide impartial advice, not advice that is biased in favour of or against any particular gas or electricity supplier. ~~It can take commission from suppliers but this must not influence how it provides any information or data to consumers.~~

A Service Provider will be treated as completely impartial only if it is not intended to operate, and does not have the effect of operating in practice, in a way that is biased in favour of or against any particular supplier.

For avoidance of doubt, where a Service Provider does not provide a Wide View in accordance with Requirement 10, including where they only display tariffs for which they receive commission, this would not amount to bias.

- 2.63 This change is to reflect our minded-to option as outlined between 2.10 - 2.21.

- 2.64 Requirement One (D): We propose to remove Requirement One (D) from the Confidence Code shown below

Where a consumer cannot automatically switch to their chosen supplier through the Service Provider's Price Comparison Service, the Service Provider must not recommend an alternative supplier

- 2.65 We are proposing to remove Requirement One (D) to reduce unnecessary prescription in the Code. We consider that Requirement One (B) prevents consumers from providing advice in favour or against a particular supplier, which includes the action of an accredited PCW recommending an alternative supplier when they cannot automatically switch to their chosen supplier through the Service Provider's Price Comparison Service.

- 2.66 Requirement One (I) (ii): We propose to amend Requirement One (I) in the Confidence Code as shown.

a statement explaining if, and where applicable, how any commission arrangements

from suppliers influence the tariffs displayed on ~~the any results page, including where a Service Provider provides consumers with the choice to view only tariffs that a consumer can switch to through the Service Provider's Price Comparison Service.~~

- 2.67 This change has been made to reduce unnecessary prescription.

Requirement Five – Results and filters

- 2.68 Requirement Five (A): We propose to remove Requirement Five (A) from the Confidence Code shown below

Taking filters into account, a price comparison provided to a consumer must list (on a single page) no fewer than 10 of the cheapest tariffs available in the region where the consumer wants supply. The prices must include VAT (and state that they do so)

- 2.69 We are proposing to remove the obligation for accredited PCWs to list no fewer than 10 of the cheapest tariffs available in a customer's region from Requirement Five (A). Ofgem consider this is unnecessary prescription in the Code given that Requirement One (F) requires accredited PCWs to list tariffs in order of cheapest price unless a consumer specifies otherwise and Requirement Two (A) requires accredited PCWs to use all reasonable endeavours to include price comparisons for all available domestic tariffs. Removal of this requirement also reflects our minded-to option to allow accredited PCWs to omit the display of a Wide Results page subject to wider compliance of the Code.
- 2.70 Requirement Five (A) also obliges accredited PCWs to include VAT in their prices. We consider that this part of the Code is better suited to Requirement Seven that relates to "accuracy and updating tariffs". We thus propose moving the obligation to include VAT in prices from Requirement Five (A) to Requirement Seven (A).
- 2.71 Requirement Five (I): We propose that we remove Requirement Five (I) from the Confidence Code shown below
- A Service Provider must test the prominence, clarity and intelligibility of the messaging required to fulfil requirements 5(G), (H)(i) and (H)(ii) with consumers and provide information on the test methodology, sample size and results of this testing to Ofgem.*
- 2.72 We propose removing these testing obligations from the Code to reflect our minded-to option. This will reduce undue burdens and prescription on accredited PCWs that may reduce their incentives to invest. Our existing requirements on market transparency and our right to treat lack of clarity of market coverage as a serious breach of the Code (as highlighted in 2.17 – 2.21) can ensure that accredited PCWs maintain standards on market transparency.

Requirement Seven – Accuracy and updating tariffs

- 2.73 Requirement Seven (A): As stated in 2.70, we are moving sections of Requirement Five (A) to Requirement Seven (A). The amended Requirement Seven (A) below reflects this change.

Prices and price comparisons must be accurate and state when they were last updated. The prices must include VAT (and state that they do so).

Question 2: Do you agree that our proposed drafting of the Code is the best means of achieving the benefits and mitigating the risks of removing the WoM requirement?

For a full review of our proposed changes to the Confidence Code, please see the Appendix section.

Appendices

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The wording in **purple** in Appendix 1 and 2 shows amendments to the Code.

The wording in **blue** in Appendix 2 shows how Requirement 10 would apply to the Code.

Appendix 1: Proposed Confidence Code wording (marked up)

Definitions

This section sets out the defined words and expressions used in the Confidence Code and gives their definitions next to them.

Citizens Advice Comparison Tool	means an energy price comparison tool on the Citizens Advice website.
Consumer Journey	means the steps a consumer may take when using a Price Comparison Service. Such steps include the Price Comparison Service’s energy homepage, the consumer data entry stage, and any other steps before an agreement is made on a specific tariff.
Estimated Annual Cost	has the same meaning as defined in Standard Licence Condition 1.
Historic Tariffs	means those tariffs that have legacy customers on them but are no longer available to new customers.
Partial View	means a view of only those tariffs the consumer can apply to switch to or enter into contracts for, via the Service Provider’s Price Comparison Service.
Price Comparison Service	means an internet-based price comparison service for domestic gas and electricity consumers, which can be a website or app.
Service Provider	means the provider of a Price Comparison Service.
Standard Licence Conditions	means the standard licence conditions for gas and electricity suppliers which are available at https://www.ofgem.gov.uk/licences-codes-and-standards/licences/licence-conditions
Tariff Information Label	has the same meaning as defined in Standard Licence Condition 1.
Wide Results	means all tariffs within the scope of requirement 2A(i) taking into consideration any opt-in filters selected by the consumer.

The requirements

Requirement one – Independence and impartiality

- (A) The Service Provider must be independent of any gas or electricity supplier. ~~It can take commission from suppliers but this must not influence how it provides any information or data to consumers.~~

A Service Provider will be considered independent of any gas or electricity supplier when it is not an affiliate or related undertaking of any supplier or of a company that is an affiliate of any energy supplier.

- (B) A Service Provider must provide impartial advice, not advice that is biased in favour of or against any particular gas or electricity supplier. ~~It can take commission from suppliers but this must not influence how it provides any information or data to consumers.~~

A Service Provider will be treated as completely impartial only if it is not intended to operate, and does not have the effect of operating in practice, in a way that is biased in favour of or against any particular supplier.

~~For avoidance of doubt, where a Service Provider does not provide a Wide View in accordance with Requirement 10, including where they only display tariffs for which they receive commission, this would not amount to bias.~~

- (C) The Service Provider must not present any information or data in such a way that is deemed by Ofgem to be, or potentially to be, misleading or confusing to consumers.

- (D) ~~Where a consumer cannot automatically switch to their chosen supplier through the Service Provider's Price Comparison Service, the Service Provider must not recommend an alternative supplier.~~ Not used.

- (E) Advertisements from energy suppliers, their agents, affiliates, or brands operating under the licence of a supplier must not be displayed on the home/main page or on the energy price comparison pages of the Service Provider's Price Comparison Service.

- (F) Where a consumer chooses to search by price, or where a consumer does not choose what order their results should be in, results must be presented strictly by cheapest price first.

Commission arrangements messaging

- (G) The Service Provider must clearly identify any supplier with whom it has a commission arrangement for switches completed through the Service Provider's Price Comparison Service. The requirement for clear identification shall be met where the supplier's name is listed as part of a single list which identifies all suppliers from whom the Service Provider receives a commission.

- (H) The list required in (G) must be prominently displayed, or be accessible from a prominent and clearly-labelled link;
- i. at least once during the Consumer Journey; and
 - ii. on the Partial View results page.

- (I) The Service Provider must provide, alongside the list required in (G), (wherever it appears):
- i. a brief description of the Service Provider’s business model if they take commission from suppliers. At a minimum, this description must state whether the Service Provider operates under a commission-based model; and
 - ii. a statement explaining if, and where applicable, how any commission arrangements from suppliers influence the tariffs displayed on ~~the any results page, including where a Service Provider provides consumers with the choice to view only tariffs that a consumer can switch to through the Service Provider’s Price Comparison Service.~~
- (J) Messaging to fulfil requirements (G) to (I) must be prominent, clear and intelligible.

Requirement two – Tariffs and price comparisons

- (A) (i) The Service Provider must use all reasonable endeavours to include price comparisons for all available domestic tariffs, where applicable for all available payment types, for licensed suppliers (including for any agents, affiliates, and brands operating under the licence of a supplier), for gas, electricity and dual fuel. The Service Provider is not required to show:
- social tariffs (ie tariffs where consumer eligibility is based upon social or financial circumstances, eg receipt of benefits); or
 - tariffs which the supplier has requested the Service Provider to remove from its Price Comparison Service; or
 - tariffs which are available only to consumers in a specified region, to consumers that are not within that specified region; or
 - tariffs which are exclusive deals between a supplier and another Service Provider.
- (ii) When signposting consumers to, or displaying any results page the Service Provider must not use wording that would in any way imply that it contains every possible tariff available from all suppliers via any means unless this statement is factually accurate. For the avoidance of doubt, descriptions that should not be used include, but are not limited to, wording to the effect of ‘whole of market’ or ‘all tariffs’.
- (iii) Any results page displaying Wide Results must identify the limitations of this view and communicate to consumers what categories of tariffs covered by Requirement two(A)(i) are not shown on the Wide Results page.
- (B) The Service Provider must use all reasonable endeavours to include information on Historic Tariffs for the purposes of comparison if a consumer’s current tariff is a Historic Tariff.
- (C) A Service Provider must notify Ofgem in the event of being asked by an energy supplier to remove a tariff from its Price Comparison Service, which to the best of that Service Provider’s knowledge is still available to consumers.

- (D) A Service Provider must provide a copy of the Tariff Information Label, accessible either within or from the main results page, for each tariff displayed on the main results page.
- (E) A Service Provider may include price comparisons for meters other than single rate and Economy 7 meters at its discretion.
- (F) A Service Provider is responsible for obtaining, updating and ensuring the accuracy of all data displayed on its Price Comparison Service covering all licensed supplier tariffs (including those of its agents, affiliates and any associated brands).
- (G) Service Providers must ensure that the length of the comparison period defaults to 12 months from the date of comparison; however filters can be created for other comparison periods.

Requirement three – Control and management

- (A) The Service Provider must manage and control its Price Comparison Service and use its own tariff database and calculator.
- (B) A Service Provider will be treated as managing its Price Comparison Service where:
 - i. it has full control over the information content provided on the Price Comparison Service and how that content is presented; or
 - ii. it has that degree of control referred to in (i), even where the Price Comparison Service is maintained by a third party on behalf of the Service Provider.
- (C) However, where:
 - i. a Price Comparison Service is maintained by a third party; and
 - ii. that third party also maintains a Price Comparison Service on behalf of any other Service Provider (whether accredited by Ofgem or not),

the Service Provider will be treated as managing the Price Comparison Service only where that third party maintains the Price Comparison Service entirely independently of the Price Comparison Service of the other provider. But, in any event, the Price Comparison Service may not be maintained by a third party that also manages another Ofgem accredited Price Comparison Service.

- (D) A Service Provider may make its tariff database and calculator available to third parties. Where it does so:
 - i. the third party may state that it uses the Service Provider's calculator or tariff database and state that the Service Provider is accredited to the Confidence Code, but the third party must not use the Confidence Code logo;
 - ii. the Service Provider's arrangements with the third party must provide that the third party may only make such statements in (i) if it has followed the same rules as the Service Provider for making the

- comparisons and meets the requirements of the Confidence Code; and
- iii. the Service Provider is responsible for ensuring that the third party complies with the arrangements in (ii). Any failure by the third party to meet the requirements of the Confidence Code can be determined as a breach of the Confidence Code by the Service Provider.

Requirement four – Payment methods

- (A) A Service Provider must provide consumers with an explanation of the following payment methods:
- Standard credit by cash/cheque;
 - Monthly and quarterly Direct Debit;
 - Prepayment meter.

Requirement five – Results and filters

Opt-in filters

- (A) ~~Taking filters into account, a price comparison provided to a consumer must list (on a single page) no fewer than 10 of the cheapest tariffs available in the region where the consumer wants supply. The prices must include VAT (and state that they do so)~~ Not used.
- (B) A Service Provider may provide filters so that consumers may search results based on different criteria selected by the consumer (eg the different types of tariff available or an energy supplier's service rating etc), but these must be opt-in only.
- (C) A Service Provider must clearly explain the potential impact to consumers who select an opt-in filter, so that consumers are fully aware of the effect and limitations this may have on the results.
- (D) Where the Service Provider provides a filter for green or environmental tariffs, it must explain the methodology for filtering these tariffs. Green results should be displayed by order of fuel mix then price.
- (E) A Service Provider must provide a facility or follow-through page(s) so that consumers have the ability to view a list of their price comparison results free from any opt-in filters selected.

The display of a Partial View

- (F) A Service Provider may (subject to requirement 5(G) below) display a Partial View as a default option or by offering a filter option before the results page.
- (G) At any point of filtering which may lead to a Partial View, the Service Provider must ensure that messaging around this choice is prominent, clear and intelligible, so that consumers are aware what view of the market they will see on the results page.
- (H) At any point where the Service Provider displays a Partial View (either as a default or after a filter is applied), the Service Provider must, on the results

page:

- i. ensure that the consumer can quickly and easily access the page that shows the Wide Results without re-entering their details or going back to a previous page or link;
 - ii. provide a clear and intelligible statement prominently on the results page explaining that the consumer is seeing a Partial View on the results page, and that they are able to access the Wide-Results; and
 - iii. provide a prominent, clear and intelligible statement summarising the extent of the market coverage provided by the Partial View which is reflective of the service the customer is actually offered and is not misleading.
- (I) ~~A Service Provider must test the prominence, clarity and intelligibility of the messaging required to fulfil requirements 5(G), (H)(i) and (H)(ii) with consumers and provide information on the test methodology, sample size and results of this testing to Ofgem~~ Not used.

Requirement six – Quality of service and signposting to information

Quality of service

- (A) The Service Provider may assign ratings to a supplier's performance and invite the consumer to consider quality of service issues, including any such supplier service ratings.
- (B) The Service Provider may assign supplier performance ratings provided they either:
- i. send their methodology to Ofgem for review; or
 - ii. use ratings adopted by other recognised consumer organisations (eg Citizens Advice).
- (C) In developing a supplier ratings methodology and, where appropriate, when using supplier ratings, a Service Provider should adhere to the following principles:
- i. the methodology should be evidence-based and objective;
 - ii. the methodology should be applied consistently across suppliers;
 - iii. the resultant ratings should offer a comprehensive coverage of suppliers. Where a supplier is not assigned a rating, where appropriate, it should be clear that this is not necessarily an indication of poor performance;
 - iv. the data used should be statistically significant;
 - v. the rating values should be refreshed at least once every 12 months and the last updated date should be displayed to consumers; and
 - vi. explanatory messaging around the ratings should be clear and objective.
- (D) If a Service Provider either:
- i. has applied their current supplier ratings methodology prior to 25 March 2015;
 - ii. plans to apply any supplier ratings for the first time; or

- iii. plans to amend any existing supplier ratings methodology, it should provide Ofgem with evidence and an explanation of how its methodology meets the principles in (C).

Energy efficiency information

- (E) A Service Provider must, on the homepage or during the Consumer Journey, provide signposting to independent sources of advice on energy efficiency matters that will be of benefit to all energy consumers. At a minimum, we require that the following sources should be clearly signposted by the Service Provider:
 - i. Energy Saving Trust;
 - ii. Government energy grants calculator; and
 - iii. Citizens Advice.
- (F) This signposting should be prominent, clear and intelligible, so that consumers are aware what information is available within these sources.

Warm Home Discount scheme

- (G) A Service Provider must, during the Consumer Journey, alert relevant consumers to the possibility that if they move to certain suppliers, they could lose support from government energy support schemes such as the Warm Home Discount benefit. This messaging may include signposting to relevant websites.

Requirement seven – Accuracy and updating tariffs

- (A) Prices and price comparisons must be accurate and state when they were last updated. *The prices must include VAT (and state that they do so).*
- (B) A Service Provider must state the date that its Price Comparison Service and database has been updated.
- (C) Ofgem may review any new form of tariff and issue Service Providers a formal direction as to how such a tariff should be treated in relation to compliance with the Confidence Code. The formal direction shall have effect as if it were part of this document.

Estimating the consumer's consumption

- (D) A Service Provider can estimate a consumer's current spend if the consumer is unable to provide certain information. For example, a Service Provider can estimate consumption by asking questions about the size of property, number of bedrooms, etc. In these cases, it should be clear that this information is estimated.

However, Service Providers must emphasise to consumers the importance of entering accurate information to get the best comparison and should encourage consumers to input their annual consumption figures in order to do this.

Calculation methodology and assumptions

- (E) Where a Service Provider provides a comparison for a time period, the estimated costs of all tariffs (including a consumer's current tariff) must be calculated as a default based on Estimated Annual Cost.
- (F) Not used.
- (G) A Service Provider may, if it wishes, provide an additional alternative methodology to calculate estimated costs for the consumer's current tariff and, where applicable, estimated savings, but this methodology must not be used as a default.

Calculation messaging

- (H) At a minimum, a Service Provider must provide a link or message on the results page explaining:
 - (i) what is included in the Estimated Annual Cost, what it is and what it is used for, and outlining any assumptions that have been made in its calculation;
 - (ii) details of any alternative methodology where offered; and
 - (iii) that the consumer may incur a termination fee if switching to a new tariff
- (I) Where a Service Provider displays an estimate of the savings a consumer could make by switching to a tariff, as a minimum, a Service Provider must provide a link or messaging on the results page explaining how the savings figure is calculated, including:
 - i. what two figures are used to calculate savings and assumptions behind these figures; and
 - ii. that the savings figure is an estimate only, and will change if the consumer's situation changes.
- (J) If an alternative methodology is offered under (G), the consumer must be provided with a link on the results page allowing the consumer to switch from the default methodology to the alternative and vice versa.
- (K) Messaging to fulfil requirements (H), (I) and (J) must be prominent, clear and intelligible.

Updating tariffs

- (L) A Service Provider must use all reasonable endeavours to:
 - update tariffs;
 - add tariffs for a new supplier;
 - correct any errors/issues highlighted by Ofgem;
 - add new tariff information in a manner that complies with the Confidence Code.
- (M) A Service Provider must add new tariff information as soon as possible, but no later than two working days after the details and confirmation of the effective

date being provided to it by the relevant energy supplier (or Ofgem), or from the tariff being made available to consumers, whichever is ~~the latter~~ later.

- (N) A Service Provider should not include a new tariff on their Price Comparison Service more than six weeks before it becomes available to consumers.
- (O) For the purposes of requirement (N), where the tariff is new because of changes in price of an existing tariff, the date it is 'available to consumers' is to be determined as the date that the price change takes effect.
- (P) A Service Provider must inform Ofgem immediately of any circumstance that prevents it from complying with requirements (L), (M), (N) or (O). Ofgem will consider each individual case on its own merits and determine whether the Service Provider has used all reasonable endeavours to comply with the requirement or is in breach of the Confidence Code.

Displaying current tariff and spend details

- (Q) A Service Provider must display the details of a consumer's current tariff, based on the information the consumer has entered, in the format of a Tariff Information Label. The Tariff Information Label must be accessible either within or from the main results page.
- (R) A Service Provider must give the consumer an Estimated Annual Cost before the consumer completes a switch to a tariff through the Service Provider's Price Comparison Service.

Requirement eight – Audits and monitoring

- (A) The Service Provider must comply with an annual audit done by an auditor independent of the Service Provider, working according to terms of reference supplied by Ofgem. The cost of each audit will be borne by the Service Provider, unless otherwise advised by Ofgem prior to commencement.
- (B) The Service Provider must comply with audits and monitoring undertaken internally by Ofgem.
- (C) The Service Provider must provide the auditor with access to its premises and to its systems, and all other assistance, that the auditor reasonably requests.
- (D) The Service Provider must provide Ofgem with any information and assistance that it reasonably requests.

Requirement nine – Complaint handling

- (A) The Service Provider must establish and operate an effective consumer complaint and enquiry handling procedure and respond to any complaint or enquiry within seven working days of receipt.
- (B) A Service Provider must provide Ofgem with a contact name and number for complaint referrals received in relation to the Service Provider. A Service Provider must acknowledge a complaint referred by Ofgem within two working days and the Service Provider must use all reasonable endeavours to resolve this complaint within seven working days. Ofgem should be copied into any

response to the consumer.

Requirement ten – application of rules where no Wide Results are provided

- (A) Requirements 1 to 9 apply in full, unless the Service Provider chooses not to display Wide Results anywhere on its Price Comparison Service, in which case:
- i. The Service Provider must provide a clear, prominent and accessible link to the Citizens Advice Comparison Tool on the Partial View;
 - ii. The link described in (i) above must be accompanied by a statement to indicate that a wider view of the market, including tariffs available on the Service Provider’s website and other tariffs, is available on the Citizens Advice Comparison Tool. This statement must not be misleading; and
 - iii. Requirements 1 to 9 apply subject to the amendments detailed in (B) to (D) below.
- (B) How Requirement 2 applies where no Wide Results are provided:
- i. 2(A)(i) is omitted.
 - ii. 2(A)(iii) is omitted.
 - iii. 2(C) is omitted.
 - iv. 2(F) is replaced with “A Service Provider is responsible for obtaining, updating and ensuring the accuracy of all data displayed on its Price Comparison Service covering licensed supplier tariffs (including those of its agents, affiliates and any associated brands).”
- (C) How Requirement 5 applies where no Wide Results are provided:
- i. 5(F) is omitted.
 - ii. 5(G) is omitted.
 - iii. 5(H)(i) is omitted.
 - iv. 5(H)(ii) is omitted.
 - v. 5(H)(iii) is replaced with: “iii. provide a prominent, clear and intelligible statement summarising the extent of the market coverage provided by the Partial View which is reflective of the service the customer is actually offered and is not misleading; and”
 - vi. 5(H)(iv) is added, which reads, “iv. display a clear, prominent and accessible link to the Citizens Advice Comparison Tool with an accompanying statement to indicate that a wider view of the market, including the tariffs available on the Service Provider’s website and other tariffs, is available on the Citizens Advice Comparison Tool. Such statement must not be misleading.”
- (D) How Requirement 7 applies where no Wide Results are provided:
- i. 7(L) the second bullet point (“add new tariffs for a new supplier”) and the fourth bullet point (“add new tariff information in a manner that complies

with the Confidence Code”) are omitted.

- ii. 7(M) is replaced with “A Service Provider must update tariff information as soon as possible, but no later than two working days after the details and confirmation of the effective date being provided to it by the relevant energy supplier (or Ofgem), or from the updated tariff being made available to consumers, whichever is later”.
- iii. 7(N) is replaced with “A Service Provider should not include a new or updated tariff on their Price Comparison Service more than six weeks before it becomes available to consumers”.
- iv. 7(O) is replaced with “For the purposes of requirement (N), where the tariff is new or updated because of changes in price of an existing tariff, the date it is ‘available to consumers’ is to be determined as the date that the price change takes effect”.

Confidence Code Change Process

Any future changes to the Code will involve the following:

- Ofgem to outline issue with recommendations;
- Send recommendations to Service Providers to get their views;
- Ask for supplier views if required (depending on issue);
- Response to be returned to Ofgem in agreed timeframe;
- Ofgem to make definitive ruling and alert all interested parties.

Appendix 2: Code wording under Requirement 10 (marked-up)

Requirement one – Independence and impartiality

- (A) The Service Provider must be independent of any gas or electricity supplier. ~~It can take commission from suppliers but this must not influence how it provides any information or data to consumers.~~

A Service Provider will be considered independent of any gas or electricity supplier when it is not an affiliate or related undertaking of any supplier or of a company that is an affiliate of any energy supplier.

- (B) A Service Provider must provide impartial advice, not advice that is biased in favour of or against any particular gas or electricity supplier. ~~It can take commission from suppliers but this must not influence how it provides any information, or data to consumers.~~

A Service Provider will be treated as completely impartial only if it is not intended to operate, and does not have the effect of operating in practice, in a way that is biased in favour of or against any particular supplier.

~~For avoidance of doubt, where a Service Provider does not provide a Wide View in accordance with Requirement 10, including where they only display tariffs for which they receive commission, this would not amount to bias.~~

- (C) The Service Provider must not present any information or data in such a way that is deemed by Ofgem to be, or potentially to be, misleading or confusing to consumers.
- (D) ~~Where a consumer cannot automatically switch to their chosen supplier through the Service Provider's Price Comparison Service, the Service Provider must not recommend an alternative supplier. Not used.~~
- (E) Advertisements from energy suppliers, their agents, affiliates, or brands operating under the licence of a supplier must not be displayed on the home/main page or on the energy price comparison pages of the Service Provider's Price Comparison Service.
- (F) Where a consumer chooses to search by price, or where a consumer does not choose what order their results should be in, results must be presented strictly by cheapest price first.

Commission arrangements messaging

- (G) The Service Provider must clearly identify any supplier with whom it has a commission arrangement for switches completed through the Service Provider's Price Comparison Service. The requirement for clear identification shall be met where the supplier's name is listed as part of a single list which identifies all suppliers from whom the Service Provider receives a commission.
- (H) The list required in (G) must be prominently displayed, or be accessible

- from a prominent and clearly-labelled link;
- i. at least once during the Consumer Journey; and
- ii. on the Partial View results page.

- (I) The Service Provider must provide, alongside the list required in (G), (wherever it appears):
 - i. a brief description of the Service Provider’s business model if they take commission from suppliers. At a minimum, this description must state whether the Service Provider operates under a commission-based model; and
 - ii. a statement explaining if, and where applicable, how any commission arrangements from suppliers influence the tariffs displayed on ~~the any results page, including where a Service Provider provides consumers with the choice to view only tariffs that a consumer can switch to through the Service Provider’s Price Comparison Service.~~
- (J) Messaging to fulfil requirements (G) to (I) must be prominent, clear and intelligible.

Requirement two – Tariffs and price comparisons

- (A) (i) ~~The Service Provider must use all reasonable endeavours to include price comparisons for all available domestic tariffs, where applicable for all available payment types, for licensed suppliers (including for any agents, affiliates, and brands operating under the licence of a supplier), for gas, electricity and dual fuel. The Service Provider is not required to show:~~
 - ~~a. social tariffs (ie tariffs where consumer eligibility is based upon social or financial circumstances, eg receipt of benefits); or~~
 - ~~b. tariffs which the supplier has requested the Service Provider to remove from its Price Comparison Service; or~~
 - ~~c. tariffs which are available only to consumers in a specified region, to consumers that are not within that specified region; or~~
 - ~~d. tariffs which are exclusive deals between a supplier and another Service Provider~~ Not used.
- (ii) When signposting consumers to, or displaying any results page the Service Provider must not use wording that would in any way imply that it contains every possible tariff available from all suppliers via any means unless this statement is factually accurate. For the avoidance of doubt, descriptions that should not be used include, but are not limited to, wording to the effect of ‘whole of market’ or ‘all tariffs’.
- (iii) ~~Any results page displaying Wide Results must identify the limitations of this view and communicate to consumers what categories of tariffs covered by Requirement two(A)(i) are not shown on the Wide Results page~~ Not used.
- (B) The Service Provider must use all reasonable endeavours to include information on Historic Tariffs for the purposes of comparison if a consumer’s current tariff is a Historic Tariff.
- (C) ~~A Service Provider must notify Ofgem in the event of being asked by an energy supplier to remove a tariff from its Price Comparison Service, which to the best of that Service Provider’s knowledge is still~~

~~available to consumers~~ Not used.

- (D) A Service Provider must provide a copy of the Tariff Information Label, accessible either within or from the main results page, for each tariff displayed on the main results page.
- (E) A Service Provider may include price comparisons for meters other than single rate and Economy 7 meters at its discretion.
- (F) A Service Provider is responsible for obtaining, updating and ensuring the accuracy of all data displayed on its Price Comparison Service covering ~~all~~ licensed supplier tariffs (including those of its agents, affiliates and any associated brands).
- (G) Service Providers must ensure that the length of the comparison period defaults to 12 months from the date of comparison; however filters can be created for other comparison periods.

Requirement three – Control and management

- (A) The Service Provider must manage and control its Price Comparison Service and use its own tariff database and calculator.
- (B) A Service Provider will be treated as managing its Price Comparison Service where:
 - i. it has full control over the information content provided on the Price Comparison Service and how that content is presented; or
 - ii. it has that degree of control referred to in (i), even where the Price Comparison Service is maintained by a third party on behalf of the Service Provider.
- (C) However, where:
 - i. a Price Comparison Service is maintained by a third party; and
 - ii. that third party also maintains a Price Comparison Service on behalf of any other Service Provider (whether accredited by Ofgem or not),

the Service Provider will be treated as managing the Price Comparison Service only where that third party maintains the Price Comparison Service entirely independently of the Price Comparison Service of the other provider. But, in any event, the Price Comparison Service may not be maintained by a third party that also manages another Ofgem accredited Price Comparison Service.

- (D) A Service Provider may make its tariff database and calculator available to third parties. Where it does so:
 - i. the third party may state that it uses the Service Provider's calculator or tariff database and state that the Service Provider is accredited to the Confidence Code, but the third party must not use the Confidence Code logo;
 - ii. the Service Provider's arrangements with the third party must provide that the third party may only make such statements in (i) if it has followed the same rules as the Service Provider for making the comparisons and meets the requirements of the Confidence Code; and

- iii. the Service Provider is responsible for ensuring that the third party complies with the arrangements in (ii). Any failure by the third party to meet the requirements of the Confidence Code can be determined as a breach of the Confidence Code by the Service Provider.

Requirement four – Payment methods

- (A) A Service Provider must provide consumers with an explanation of the following payment methods:
- Standard credit by cash/cheque;
 - Monthly and quarterly Direct Debit;
 - Prepayment meter.

Requirement five – Results and filters

Opt-in filters

- (A) ~~Taking filters into account, a price comparison provided to a consumer must list (on a single page) no fewer than 10 of the cheapest tariffs available in the region where the consumer wants supply. The prices must include VAT (and state that they do so)~~ Not used.
- (B) A Service Provider may provide filters so that consumers may search results based on different criteria selected by the consumer (eg the different types of tariff available or an energy supplier's service rating etc), but these must be opt-in only.
- (C) A Service Provider must clearly explain the potential impact to consumers who select an opt-in filter, so that consumers are fully aware of the effect and limitations this may have on the results.
- (D) Where the Service Provider provides a filter for green or environmental tariffs, it must explain the methodology for filtering these tariffs. Green results should be displayed by order of fuel mix then price.
- (E) A Service Provider must provide a facility or follow-through page(s) so that consumers have the ability to view a list of their price comparison results free from any opt-in filters selected.

The display of a Partial View

- (F) ~~A Service Provider may (subject to requirement 5(G) below) display a Partial View as a default option or by offering a filter option before the results page.~~ Not used.
- (G) ~~At any point of filtering which may lead to a Partial View, the Service Provider must ensure that messaging around this choice is prominent, clear and intelligible, so that consumers are aware what view of the market they will see on the results page~~ Not used.

- (H) At any point where the Service Provider displays a Partial View (either as a default or after a filter is applied), the Service Provider must, on the results page:
- i. ~~ensure that the consumer can quickly and easily access the page that shows the Wide Results without re-entering their details or going back to a previous page or link~~ Not used;
 - ii. ~~provide a clear and intelligible statement prominently on the results page explaining that the consumer is seeing a Partial View on the results page, and that they are able to access the Wide Results; and~~ Not used
 - iii. provide a prominent, clear and intelligible statement summarising the extent of the market coverage provided by the Partial View which is reflective of the service the customer is actually offered and is not misleading; and
 - iv. display a clear, prominent and accessible link to the Citizens Advice Comparison Tool with an accompanying statement to indicate that a wider view of the market, including the tariffs available on the Service Provider's website and other tariffs, is available on the Citizens Advice Comparison Tool. Such statement must not be misleading.
- (I) ~~A Service Provider must test the prominence, clarity and intelligibility of the messaging required to fulfil requirements 5(G), (H)(i) and (H)(ii) with consumers and provide information on the test methodology, sample size and results of this testing to Ofgem~~ Not used.

Requirement six – Quality of service and signposting to information

Quality of service

- (A) The Service Provider may assign ratings to a supplier's performance and invite the consumer to consider quality of service issues, including any such supplier service ratings.
- (B) The Service Provider may assign supplier performance ratings provided they either:
- i. send their methodology to Ofgem for review; or
 - ii. use ratings adopted by other recognised consumer organisations (eg Citizens Advice).
- (C) In developing a supplier ratings methodology and, where appropriate, when using supplier ratings, a Service Provider should adhere to the following principles:
- i. the methodology should be evidence-based and objective;
 - ii. the methodology should be applied consistently across suppliers;
 - iii. the resultant ratings should offer a comprehensive coverage of suppliers. Where a supplier is not assigned a rating, where appropriate, it should be clear that this is not necessarily an indication of poor performance;
 - iv. the data used should be statistically significant;
 - v. the rating values should be refreshed at least once every 12 months and the last updated date should be displayed to consumers; and

- vi. explanatory messaging around the ratings should be clear and objective.
- (D) If a Service Provider either:
- i. has applied their current supplier ratings methodology prior to 25 March 2015;
 - ii. plans to apply any supplier ratings for the first time; or
 - iii. plans to amend any existing supplier ratings methodology,
- it should provide Ofgem with evidence and an explanation of how its methodology meets the principles in (C).

Energy efficiency information

- (E) A Service Provider must, on the homepage or during the Consumer Journey, provide signposting to independent sources of advice on energy efficiency matters that will be of benefit to all energy consumers. At a minimum, we require that the following sources should be clearly signposted by the Service Provider:
- i. Energy Saving Trust;
 - ii. Government energy grants calculator; and
 - iii. Citizens Advice.
- (F) This signposting should be prominent, clear and intelligible, so that consumers are aware what information is available within these sources.

Warm Home Discount scheme

- (G) A Service Provider must, during the Consumer Journey, alert relevant consumers to the possibility that if they move to certain suppliers, they could lose support from government energy support schemes such as the Warm Home Discount benefit. This messaging may include signposting to relevant websites.

Requirement seven – Accuracy and updating tariffs

- (A) Prices and price comparisons must be accurate and state when they were last updated. **The prices must include VAT (and state that they do so).**
- (B) A Service Provider must state the date that its Price Comparison Service and database has been updated.
- (C) Ofgem may review any new form of tariff and issue Service Providers a formal direction as to how such a tariff should be treated in relation to compliance with the Confidence Code. The formal direction shall have effect as if it were part of this document.

Estimating the consumer's consumption

- (D) A Service Provider can estimate a consumer's current spend if the consumer is unable to provide certain information. For example, a Service Provider can

estimate consumption by asking questions about the size of property, number of bedrooms, etc. In these cases, it should be clear that this information is estimated.

However, Service Providers must emphasise to consumers the importance of entering accurate information to get the best comparison and should encourage consumers to input their annual consumption figures in order to do this.

Calculation methodology and assumptions

- (E) Where a Service Provider provides a comparison for a time period, the estimated costs of all tariffs (including a consumer's current tariff) must be calculated as a default based on Estimated Annual Cost.
- (F) Not used.
- (G) A Service Provider may, if it wishes, provide an additional alternative methodology to calculate estimated costs for the consumer's current tariff and, where applicable, estimated savings, but this methodology must not be used as a default.

Calculation messaging

- (H) At a minimum, a Service Provider must provide a link or message on the results page explaining:
 - (i) what is included in the Estimated Annual Cost, what it is and what it is used for, and outlining any assumptions that have been made in its calculation;
 - (ii) details of any alternative methodology where offered; and
 - (iii) that the consumer may incur a termination fee if switching to a new tariff.
- (I) Where a Service Provider displays an estimate of the savings a consumer could make by switching to a tariff, as a minimum, a Service Provider must provide a link or messaging on the results page explaining how the savings figure is calculated, including:
 - i. what two figures are used to calculate savings and assumptions behind these figures; and
 - ii. that the savings figure is an estimate only, and will change if the consumer's situation changes.
- (J) If an alternative methodology is offered under (G), the consumer must be provided with a link on the results page allowing the consumer to switch from the default methodology to the alternative and vice versa.
- (K) Messaging to fulfil requirements (H), (I) and (J) must be prominent, clear and intelligible.

Updating tariffs

- (L) A Service Provider must use all reasonable endeavours to:
 - update tariffs;

- ~~add tariffs for a new supplier;~~
 - correct any errors/issues highlighted by Ofgem;
 - ~~add new tariff information in a manner that complies with the Confidence Code.~~
- (M) A Service Provider must ~~add new~~ update tariff information as soon as possible, but no later than two working days after the details and confirmation of the effective date being provided to it by the relevant energy supplier (or Ofgem), or from the tariff being made available to consumers, whichever is ~~the latter~~ later.
- (N) A Service Provider should not include a new or updated tariff on their Price Comparison Service more than six weeks before it becomes available to consumers.
- (O) For the purposes of requirement (N), where the tariff is new or updated because of changes in price of an existing tariff, the date it is 'available to consumers' is to be determined as the date that the price change takes effect.
- (P) A Service Provider must inform Ofgem immediately of any circumstance that prevents it from complying with requirements (L), (M), (N) or (O). Ofgem will consider each individual case on its own merits and determine whether the Service Provider has used all reasonable endeavours to comply with the requirement or is in breach of the Confidence Code.

Displaying current tariff and spend details

- (Q) A Service Provider must display the details of a consumer's current tariff, based on the information the consumer has entered, in the format of a Tariff Information Label. The Tariff Information Label must be accessible either within or from the main results page.
- (R) A Service Provider must give the consumer an Estimated Annual Cost before the consumer completes a switch to a tariff through the Service Provider's Price Comparison Service.

Requirement eight – Audits and monitoring

- (A) The Service Provider must comply with an annual audit done by an auditor independent of the Service Provider, working according to terms of reference supplied by Ofgem. The cost of each audit will be borne by the Service Provider, unless otherwise advised by Ofgem prior to commencement.
- (B) The Service Provider must comply with audits and monitoring undertaken internally by Ofgem.
- (C) The Service Provider must provide the auditor with access to its premises and to its systems, and all other assistance, that the auditor reasonably requests.
- (D) The Service Provider must provide Ofgem with any information and assistance that it reasonably requests.

Requirement nine – Complaint handling

- (A) The Service Provider must establish and operate an effective consumer complaint and enquiry handling procedure and respond to any complaint or enquiry within seven working days of receipt.
- (B) A Service Provider must provide Ofgem with a contact name and number for complaint referrals received in relation to the Service Provider. A Service Provider must acknowledge a complaint referred by Ofgem within two working days and the Service Provider must use all reasonable endeavours to resolve this complaint within seven working days. Ofgem should be copied into any response to the consumer.

Appendix 3: Code wording under Requirement 10 (clean)

Requirement one – Independence and impartiality

- (A) The Service Provider must be independent of any gas or electricity supplier.

A Service Provider will be considered independent of any gas or electricity supplier when it is not an affiliate or related undertaking of any supplier or of a company that is an affiliate of any energy supplier.

- (B) A Service Provider must not provide advice that is biased in favour of or against any particular gas or electricity supplier. It can take commission from suppliers but this must not influence how it provides any information, data or advice it gives to consumers.

A Service Provider will be treated as completely impartial only if it is not intended to operate, and does not have the effect of operating in practice, in a way that is biased in favour of or against any particular supplier.

For avoidance of doubt, where a Service Provider does not provide a Wide View in accordance with Requirement 10, including where they only display tariffs for which they receive commission, this would not amount to bias.

- (C) The Service Provider must not present any information or data in such a way that is deemed by Ofgem to be, or potentially to be, misleading or confusing to consumers.
- (D) Not used.
- (E) Advertisements from energy suppliers, their agents, affiliates, or brands operating under the licence of a supplier must not be displayed on the home/main page or on the energy price comparison pages of the Service Provider's Price Comparison Service.
- (F) Where a consumer chooses to search by price, or where a consumer does not choose what order their results should be in, results must be presented strictly by cheapest price first.

Commission arrangements messaging

- (G) The Service Provider must clearly identify any supplier with whom it has a commission arrangement for switches completed through the Service Provider's Price Comparison Service. The requirement for clear identification shall be met where the supplier's name is listed as part of a single list which identifies all suppliers from whom the Service Provider receives a commission.
- (H) The list required in (G) must be prominently displayed, or be accessible from a prominent and clearly-labelled link;
- i. at least once during the Consumer Journey; and
 - ii. on the Partial View results page.

- (I) The Service Provider must provide, alongside the list required in (G), (wherever it appears):
 - iii. a brief description of the Service Provider’s business model if they take commission from suppliers. At a minimum, this description must state whether the Service Provider operates under a commission-based model; and
 - iv. a statement explaining if, and where applicable, how any commission arrangements from suppliers influence the tariffs displayed on any results page.
- (J) Messaging to fulfil requirements (G) to (I) must be prominent, clear and intelligible.

Requirement two – Tariffs and price comparisons

- (A) (i) Not used.
 - (ii) When signposting consumers to, or displaying any results page the Service Provider must not use wording that would in any way imply that it contains every possible tariff available from all suppliers via any means unless this statement is factually accurate. For the avoidance of doubt, descriptions that should not be used include, but are not limited to, wording to the effect of ‘whole of market’ or ‘all tariffs’.
 - (iii) Not used.
- (B) The Service Provider must use all reasonable endeavours to include information on Historic Tariffs for the purposes of comparison if a consumer’s current tariff is a Historic Tariff.
- (C) Not used.
- (D) A Service Provider must provide a copy of the Tariff Information Label, accessible either within or from the main results page, for each tariff displayed on the main results page.
- (E) A Service Provider may include price comparisons for meters other than single rate and Economy 7 meters at its discretion.
- (F) A Service Provider is responsible for obtaining, updating and ensuring the accuracy of all data displayed on its Price Comparison Service covering licensed supplier tariffs (including those of its agents, affiliates and any associated brands).
- (G) Service Providers must ensure that the length of the comparison period defaults to 12 months from the date of comparison; however filters can be created for other comparison periods.

Requirement three – Control and management

- (A) The Service Provider must manage and control its Price Comparison Service and

use its own tariff database and calculator.

(B) A Service Provider will be treated as managing its Price Comparison Service where:

- i. it has full control over the information content provided on the Price Comparison Service and how that content is presented; or
- ii. it has that degree of control referred to in (i), even where the Price Comparison Service is maintained by a third party on behalf of the Service Provider.

(C) However, where:

- i. a Price Comparison Service is maintained by a third party; and
- ii. that third party also maintains a Price Comparison Service on behalf of any other Service Provider (whether accredited by Ofgem or not),

the Service Provider will be treated as managing the Price Comparison Service only where that third party maintains the Price Comparison Service entirely independently of the Price Comparison Service of the other provider. But, in any event, the Price Comparison Service may not be maintained by a third party that also manages another Ofgem accredited Price Comparison Service.

(D) A Service Provider may make its tariff database and calculator available to third parties. Where it does so:

- i. the third party may state that it uses the Service Provider's calculator or tariff database and state that the Service Provider is accredited to the Confidence Code, but the third party must not use the Confidence Code logo;
- ii. the Service Provider's arrangements with the third party must provide that the third party may only make such statements in (i) if it has followed the same rules as the Service Provider for making the comparisons and meets the requirements of the Confidence Code; and
- iii. the Service Provider is responsible for ensuring that the third party complies with the arrangements in (ii). Any failure by the third party to meet the requirements of the Confidence Code can be determined as a breach of the Confidence Code by the Service Provider.

Requirement four – Payment methods

(A) A Service Provider must provide consumers with an explanation of the following payment methods:

- Standard credit by cash/cheque;
- Monthly and quarterly Direct Debit;
- Prepayment meter.

Requirement five – Results and filters

Opt-in filters

- (A) Not used.
- (B) A Service Provider may provide filters so that consumers may search results based on different criteria selected by the consumer (eg the different types of tariff available or an energy supplier's service rating etc), but these must be opt-in only.
- (C) A Service Provider must clearly explain the potential impact to consumers who select an opt-in filter, so that consumers are fully aware of the effect and limitations this may have on the results.
- (D) Where the Service Provider provides a filter for green or environmental tariffs, it must explain the methodology for filtering these tariffs. Green results should be displayed by order of fuel mix then price.
- (E) A Service Provider must provide a facility or follow-through page(s) so that consumers have the ability to view a list of their price comparison results free from any opt-in filters selected.

The display of a Partial View

- (F) Not used.
- (G) Not used.
- (H) At any point where the Service Provider displays a Partial View (either as a default or after a filter is applied), the Service Provider must, on the results page:
 - i. Not used;
 - ii. Not used
 - iii. provide a prominent, clear and intelligible statement summarising the extent of the market coverage provided by the Partial View which is reflective of the service the customer is actually offered and is not misleading; and
 - iv. display a clear, prominent and accessible link to the Citizens Advice Comparison Tool with an accompanying statement to indicate that a wider view of the market, including the tariffs available on the Service Provider's website and other tariffs, is available on the Citizens Advice Comparison Tool. Such statement must not be misleading.
- (I) Not used.

Requirement six – Quality of service and signposting to information

Quality of service

- (A) The Service Provider may assign ratings to a supplier's performance and invite the consumer to consider quality of service issues, including any such supplier service ratings.
- (B) The Service Provider may assign supplier performance ratings provided they

either:

- i. send their methodology to Ofgem for review; or
- ii. use ratings adopted by other recognised consumer organisations (eg Citizens Advice).

(C) In developing a supplier ratings methodology and, where appropriate, when using supplier ratings, a Service Provider should adhere to the following principles:

- i. the methodology should be evidence-based and objective;
- ii. the methodology should be applied consistently across suppliers;
- iii. the resultant ratings should offer a comprehensive coverage of suppliers. Where a supplier is not assigned a rating, where appropriate, it should be clear that this is not necessarily an indication of poor performance;
- iv. the data used should be statistically significant;
- v. the rating values should be refreshed at least once every 12 months and the last updated date should be displayed to consumers; and
- vi. explanatory messaging around the ratings should be clear and objective.

(D) If a Service Provider either:

- i. has applied their current supplier ratings methodology prior to 25 March 2015;
- ii. plans to apply any supplier ratings for the first time; or
- iii. plans to amend any existing supplier ratings methodology,

it should provide Ofgem with evidence and an explanation of how its methodology meets the principles in (C).

Energy efficiency information

(E) A Service Provider must, on the homepage or during the Consumer Journey, provide signposting to independent sources of advice on energy efficiency matters that will be of benefit to all energy consumers. At a minimum, we require that the following sources should be clearly signposted by the Service Provider:

- i. Energy Saving Trust;
- ii. Government energy grants calculator; and
- iii. Citizens Advice.

(F) This signposting should be prominent, clear and intelligible, so that consumers are aware what information is available within these sources.

Warm Home Discount scheme

(G) A Service Provider must, during the Consumer Journey, alert relevant consumers to the possibility that if they move to certain suppliers, they could lose support from government energy support schemes such as the Warm Home Discount benefit. This messaging may include signposting to relevant websites.

Requirement seven – Accuracy and updating tariffs

- (A) Prices and price comparisons must be accurate and state when they were last updated. The prices must include VAT (and state that they do so).
- (B) A Service Provider must state the date that its Price Comparison Service and database has been updated.
- (C) Ofgem may review any new form of tariff and issue Service Providers a formal direction as to how such a tariff should be treated in relation to compliance with the Confidence Code. The formal direction shall have effect as if it were part of this document.

Estimating the consumer's consumption

- (D) A Service Provider can estimate a consumer's current spend if the consumer is unable to provide certain information. For example, a Service Provider can estimate consumption by asking questions about the size of property, number of bedrooms, etc. In these cases, it should be clear that this information is estimated.

However, Service Providers must emphasise to consumers the importance of entering accurate information to get the best comparison and should encourage consumers to input their annual consumption figures in order to do this.

Calculation methodology and assumptions

- (E) Where a Service Provider provides a comparison for a time period, the estimated costs of all tariffs (including a consumer's current tariff) must be calculated as a default based on Estimated Annual Cost.
- (F) Not used.
- (G) A Service Provider may, if it wishes, provide an additional alternative methodology to calculate estimated costs for the consumer's current tariff and, where applicable, estimated savings, but this methodology must not be used as a default.

Calculation messaging

- (H) At a minimum, a Service Provider must provide a link or message on the results page explaining:
 - (i) what is included in the Estimated Annual Cost, what it is and what it is used for, and outlining any assumptions that have been made in its calculation;
 - (ii) details of any alternative methodology where offered; and
 - (iii) that the consumer may incur a termination fee if switching to a new tariff.
- (I) Where a Service Provider displays an estimate of the savings a consumer could make by switching to a tariff, as a minimum, a Service Provider must provide a link or messaging on the results page explaining how the savings figure is calculated, including:

- i. what two figures are used to calculate savings and assumptions behind these figures; and
 - ii. that the savings figure is an estimate only, and will change if the consumer's situation changes.
- (J) If an alternative methodology is offered under (G), the consumer must be provided with a link on the results page allowing the consumer to switch from the default methodology to the alternative and vice versa.
- (K) Messaging to fulfil requirements (H), (I) and (J) must be prominent, clear and intelligible.

Updating tariffs

- (L) A Service Provider must use all reasonable endeavours to:
- update tariffs;
 - correct any errors/issues highlighted by Ofgem;
- (M) A Service Provider must update tariff information as soon as possible, but no later than two working days after the details and confirmation of the effective date being provided to it by the relevant energy supplier (or Ofgem), or from the tariff being made available to consumers, whichever is later.
- (N) A Service Provider should not include a new or updated tariff on their Price Comparison Service more than six weeks before it becomes available to consumers.
- (O) For the purposes of requirement (N), where the tariff is new or updated because of changes in price of an existing tariff, the date it is 'available to consumers' is to be determined as the date that the price change takes effect.
- (P) A Service Provider must inform Ofgem immediately of any circumstance that prevents it from complying with requirements (L), (M), (N) or (O). Ofgem will consider each individual case on its own merits and determine whether the Service Provider has used all reasonable endeavours to comply with the requirement or is in breach of the Confidence Code.

Displaying current tariff and spend details

- (Q) A Service Provider must display the details of a consumer's current tariff, based on the information the consumer has entered, in the format of a Tariff Information Label. The Tariff Information Label must be accessible either within or from the main results page.
- (R) A Service Provider must give the consumer an Estimated Annual Cost before the consumer completes a switch to a tariff through the Service Provider's Price Comparison Service.

Requirement eight – Audits and monitoring

- (A) The Service Provider must comply with an annual audit done by an auditor independent of the Service Provider, working according to terms of

reference supplied by Ofgem. The cost of each audit will be borne by the Service Provider, unless otherwise advised by Ofgem prior to commencement.

- (B) The Service Provider must comply with audits and monitoring undertaken internally by Ofgem.
- (C) The Service Provider must provide the auditor with access to its premises and to its systems, and all other assistance, that the auditor reasonably requests.
- (D) The Service Provider must provide Ofgem with any information and assistance that it reasonably requests.

Requirement nine – Complaint handling

- (A) The Service Provider must establish and operate an effective consumer complaint and enquiry handling procedure and respond to any complaint or enquiry within seven working days of receipt.
- (B) A Service Provider must provide Ofgem with a contact name and number for complaint referrals received in relation to the Service Provider. A Service Provider must acknowledge a complaint referred by Ofgem within two working days and the Service Provider must use all reasonable endeavours to resolve this complaint within seven working days. Ofgem should be copied into any response to the consumer.

Appendix 4 – Consultation questions and general feedback

We would like to hear your views on any of the issues raised in this document. We especially welcome responses to the questions below. Please send your response to the CDConsultations@ofgem.gov.uk by 30 May 2018.

Question 1: Do you agree that our minded-to option is the best means of achieving the benefits and mitigating the risks of removing the WoM requirement?

Question 2: Do you agree that our proposed drafting of the Code is the best means of achieving the benefits and mitigating the risks of removing the WoM requirement?

Unless marked confidential, all responses will be published in Ofgem’s library and on our website www.ofgem.gov.uk. You may ask for your response to be kept confidential which we will respect subject to any obligations to disclose information, for example, under the Freedom of Information Act 2000 or the Environmental Information Regulations 2004. If you would like your response to be kept confidential, please clearly mark your document(s) accordingly.

If the information you give in your response contains personal data under the Data Protection Act 1998, the Gas and Electricity Markets Authority will be the data controller. Ofgem uses the information in responses in performing its statutory functions and in accordance with section 105 of the Utilities Act 2000.

General feedback

We believe that consultation is at the heart of good policy development. We are keen to hear your comments about how we’ve conducted this consultation. We’d also like to get your answers to these questions:

1. Do you have any comments about the overall process of this consultation?
1. Do you have any comments about its tone and content?
2. Was it easy to read and understand? Or could it have been better written?
3. Were its conclusions balanced?
4. Did it make reasoned recommendations for improvement?
5. Any further comments?

Please send any general feedback comments to stakeholders@ofgem.gov.uk.