

Appendix B: Regulatory Impact Assessment

- 1.1 The analysis presented in this section represents ComReg's RIA. It sets out ComReg's views of the likely effect on stakeholders and competition of the implementation of a Charter.
- 1.2 ComReg has the power to protect consumers and other end-users (including microenterprises, small enterprises and not-for-profit organisations) by means of the introduction of requirements for providers of IAS and publicly available ICS, to have (amongst other things), a customer charter. The customer charter may be in the form and manner which ComReg specifies under section 38 of the Communications Regulation and Digital Hub Development Agency (Amendment Act) 2023¹ ("2023 Act"). Specifically, section 38 (1) of the 2023 Act states that "The Commission may require providers of internet access services or publicly available interpersonal communications services to prepare, publish and keep updated a document to be entitled, and referred to in this Act as, a "customer charter" ("Charter"). Furthermore, section 38(2) of the 2023 Act allows ComReg to specify the form of a Charter, and the information required to be included in a Charter.
- 1.3 ComReg's aim in conducting the RIA is to ensure that any specific obligations regarding the Charter are appropriate, proportionate² and justified in light of the analysis conducted, the responses received to Consultation 23/14 and the Further Consultation and ComReg's consideration of those responses, having regard to our functions and objectives under the Communications Regulation Act 2002 (as amended),³ having regard to general objectives to be pursued by it in the context of its regulatory tasks⁴ and, having regard to ComReg's objectives for a Charter including, to create transparency around the levels of customer service that providers may offer.
- 1.4 The purpose of a RIA is to establish whether regulation is actually necessary, identify any positive or negative effects that might result from a regulatory measure being introduced, and identify and assess any regulatory measures.
- 1.5 Consistent with the RIA Guidelines,⁵ ComReg's RIA considers the effect on

¹ [Communications Regulation and Digital Hub Development Agency \(Amendment\) Act 2023](#)

² Regulation 16(2) of S.I. 333/2011 (the Framework Regulations) provides, inter alia, that "In pursuit of its objectives under paragraph (1) and under section 12 of the Act of 2002, the Regulator shall apply objective, transparent, non-discriminatory and proportionate regulatory principles...".

³ As set out in sections 10 and 12 of the Communications Regulation Act 2002 (as amended) ("the Act").

⁴ ComReg also has general objectives to be pursued by it in the context of its regulatory tasks, as set out in Regulation 4 of the European Union (Electronic Communications Code) Regulations 2022 ("the ECC Regulations") S.I. No. 444 of 2022.

⁵ ComReg (2007), Guidelines on ComReg's Approach to Regulatory Impact Assessment. Accessed [online](#).

stakeholders and competition of ComReg's decision to require Relevant Service Providers to prepare, publish and keep updated a Charter. It also considers the scope of the options open to ComReg regarding requirements for implementing the Charter, in light of the responses to Consultation 23/14 and the Further Consultation, and ComReg's consideration of those responses across each of the policy decisions set out in this Response to Consultation and Decision:

- Which providers Charter requirements will apply to,
- Which classes of end-user the Charter will address,
- The high-level nature of Charter contents,
- Charter form requirements,
- Publishing and updating the Charter,
- Notifying customers about the Charter, and
- Evaluating performance against Charter commitments.

1.6 ComReg has carefully considered in response to Consultation 23/14 (ComReg 25/05C) and in response to the Further Consultation (ComReg 25/38C) the submissions received on its proposals including the draft RIA.

1.7 Having regard to all available evidence collated during the consultation process, including, the submissions received in response to Consultation 23/14, the Further Consultation, and ComReg's statutory objectives, the following sets out ComReg's final RIA in relation to ComReg's requirements for the implementation of Charters by Relevant Service Providers. This final RIA sets out the five steps set out in the RIA Guidelines for conducting RIA's as follows:

1.1 Step 1: Describe the policy issues and identify the objectives

1.8 The policy issues were discussed in detail in chapter 3 of Consultation 23/14 and elaborated further in the revised RIA published alongside the Further Consultation.⁶ In summary, customer service⁷ is a vital aspect of a customer's experience in any service industry. In a well-functioning, competitive market, quality of service should

⁶ [Appendix B Draft Regulatory Assessment – Proposals for Implementing a Customer Charter | Commission for Communications Regulation](#)

⁷ By 'customer service' we refer not only to the core customer service elements of handling customer queries, issues and complaints, but more broadly to the non-technical elements making up the service a customer receives from their service provider. These include processes around billing and providing any refunds, communication during any service outages, and the connection, switching and disconnection processes.

be a key aspect that service providers compete on to attract and retain customers. However, ComReg is of the view that the electronic communications market in Ireland continues to leave significant room for improvement in terms of consumer satisfaction with the quality of customer service received from service providers. There is an identified lack of transparency around levels of quality of customer service that may be expected by end-users in the Irish electronic communications market, a lack of existing commitments by providers, and consumer dissatisfaction with overall customer service levels.

- 1.9 To address these issues, ComReg identified the following objectives for a Charter:
1. Creating transparency around the level of customer service providers offer, and
 2. Driving improvements in overall customer service levels.
- 1.10 ComReg's focus is on creating transparency of quality of customer service levels and other key information (such as, compensation, complaints handling and accessibility) relating to the service, for ECS customers. In doing so, ComReg has had regard to the provisions of the European Electronic Communications Code-EECC Directive (EU) 2018/1972 ("the Code") and the related provisions in Article 103 of the Code as regards transparency and publication of information and in particular the provisions relating to quality of service, set out in Article 104 of the Code.
- 1.11 ComReg is also mindful of our broader statutory objectives in exercising our functions, as set out in the Communications Regulation Act 2002 (as amended). The objectives of particular relevance to this Decision include:
- 1.12 "(1) The objectives of the Commission in exercising its functions shall be as follows—
- (a) in relation to the provision of electronic communications networks, electronic communications services and associated facilities—
 - (i) to promote competition,
 - [... and]
 - (iii) to promote the interests of users within the Community,
- [...]
- 1.13 (2) In relation to the objectives referred to in subsection (1)(a), the Commission shall take all reasonable measures which are aimed at achieving those objectives, including—
- (a) in so far as the promotion of competition is concerned—

[...]

- (i) ensuring that consumers, including disabled consumers, derive maximum benefit in terms of choice, price and quality

[...]

- (ii) ensuring that there is no distortion or restriction of competition in the electronic communications sector,

[...]

- (c) in so far as promotion of the interests of users within the Community is concerned—

[...]

- (iv) promoting the provision of clear information, in particular requiring transparency of tariffs and conditions for using publicly available electronic communications services,

[...]

1.14 (3) In carrying out its functions, the Commission shall seek to ensure that measures taken by it are proportionate having regard to the objectives set out in this section.”

1.15 In addition, ComReg notes the objectives of the Regulator as set out in Regulation 4 of S.I. No. 444 of 2022.

1.2 Step 2: Identify and describe the regulatory options

1.16 In this Decision, having taken account of responses to both Consultation 23/14 and the Further Consultation, ComReg has decided upon all aspects of the proposed regulatory options.

1.17 ComReg, in the Further Consultation, in light of responses to Consultation 23/14 and ComReg’s consideration of those responses, gave consideration to a number of amendments to the regulatory options proposed in the original RIA in Consultation 23/14. The following policy options (or aspects of the options originally proposed) were reassessed in light of responses to Consultation 23/14 and ComReg’s consideration of the same:

- The high-level nature of Charter contents, specifically how Charter Commitments are framed,
- Publishing and updating the Charter, and

- Evaluating performance against Charter Commitments, specifically the requirement for an independent audit of Performance Reports, or in lieu of the annual audit, a sign-off on Performance Reports by a senior officer of the company subsequent to audit of the first Performance Report.

1.18 ComReg now considers the regulatory options available to it as follows:

1.2.1 Overall approach to implementing a Charter

1.19 In terms of the overall approaching to implementing a Charter, four options were identified:

- **Option 1:** Do nothing (do not introduce a Charter),
- **Option 2:** Introduce a Charter containing only provider-set commitments,
- **Option 3:** Introduce a Charter containing only ComReg-set Minimum Quality of Service Standards, and
- **Option 4:** Introduce a Charter containing a combination of provider-set commitments and ComReg-set Minimum Quality of Service Standards.

1.20 Under **option 1**, there would be no change to the status quo, and ComReg would not seek to implement the measure provided for in the 2023 Act regarding implementing a Charter.

1.21 Under **option 2**, Relevant Service Providers would be required to prepare, publish and keep updated a Charter, though in the first instance with flexibility to set out the level of customer service they commit to offer their customers, within parameters defined by ComReg. If Relevant Service Providers did not want to commit to a specific level of customer service within the ComReg-specified parameters and to include that in their Charter, they could choose not to, but would be required to make this explicit in the Charter (i.e., provide a statement in their Charter that they do not offer any quality of customer service levels).

1.22 Under **option 3**, ComReg would seek to define Minimum Quality of Service Standards across one or more of the seven explicit categories under the 2023 Act as regards customer service; and require such information to be published in a Charter. Providers would be able to make Commitments to their customers to provide a higher level of customer service than required by ComReg but could not commit to anything below the required level.

1.23 **Option 4** would be a combination of options 2 and 3.

1.2.2 Which providers Charter requirements will apply to

1.24 Three main options were identified for providers that Charter requirements could apply to, in line with the 2023 Act:

- **Option 1:** Providers of IAS,
- **Option 2:** Providers of number-based ICS, and/or
- **Option 3:** Providers of number-independent ICS.

1.25 For **options 1 to 3** the definitions of IAS, number-based ICS and number-independent ICS providers are set out in the Regulations.

1.26 Two sub-options were considered, that could apply to any or all of the above options 1-3, to take account of proportionality considerations:

- **Sub-option (a):** Apply Charter requirements to all providers within a given category set out above, or
- **Sub-option (b):** Apply Charter requirements to providers over a certain threshold.

1.27 Under **sub-option (a)**, all providers in the relevant category would be required to follow Charter requirements. In contrast, under **sub-option (b)** a threshold would be applied, so only providers over a certain size would be required to follow Charter requirements.

1.2.3 Which classes of end-user the Charter will address

1.28 Three options were identified for the classes of end-user that the Charter could address:

- **Option 1:** All end-users,
- **Option 2:** Consumers, and
- **Option 3:** End-users that are consumers, microenterprises, small enterprises and not-for-profit organisations.

1.29 **Option 1** would cover all classes of end-user, including larger enterprises. **Option 2** would cover consumers (i.e., residential/individual users) only, whereas **Option 3** would include consumers and also cover end-users that are microenterprises, small enterprises and not-for-profit organisations in view that they have a similar level of

bargaining power to consumers (this option excludes larger enterprises).⁸

1.2.4 High-level nature of Charter contents

1.30 In Consultation 23/14, the draft RIA identified two options for the nature of possible Charter contents at a high level:

- **Option 1:** Information on providers' policies and/or procedures relating to key aspects of customer service, and
- **Option 2:** Specific Commitments on the level of customer service a provider offers its customers.

1.31 Under **Option 1**, providers could set out information that isn't published elsewhere or could, through appropriate use of links, provide information that a provider already publishes in a different location. The aim of this option would be for the Charter to act as a 'one-stop shop', with customers being able to find key information about relevant aspects of a provider's customer service in one place.

1.32 Under **Option 2**, providers would be asked to make Commitments as to the specific level of customer service a customer could expect to receive.

1.33 Considering submissions from respondents to Consultation 23/14, in the Further Consultation ComReg identified a further option:

- **Option 3:** Information on providers' policies and/or procedures relating to key aspects of customer service and specific Commitments on the level of customer service a provider offers to its customers.

1.34 Regarding Commitments, in Consultation 23/14, ComReg identified sub-options 2a-d below. In light of the response to Consultation 23/14, and ComReg's consideration of the responses, ComReg, in the Further Consultation, identified a further sub-option 2e.

1.35 There are various options for how such Commitments could be framed, which ComReg has considered as two pairs of sub-options (i.e. sub-options 2a and 2b to be considered together, and sub-options 2c, 2d, and 2e to be considered together):

- **Sub-option 2a:** Commitments are targets against which a provider's performance can be measured, or
- **Sub-option 2b:** Commitments can be updated during the period, i.e., the Charter acts as a service status report, and

⁸ All terms are defined in S.I. No. 444 of 2022.

- **Sub-option 2c:** A Charter contains ‘average’ service level commitments across a provider’s customer base, or
- **Sub-option 2d:** A Charter contains Commitments at the individual customer level, or
- **Sub-option 2e:** A Charter contains Commitments (in respect of a specified category of customer service), using a range of different intervals, articulated as a percentage of that customer service, which the Relevant Service Provider offers to deliver within a timeframe for each specified category.

1.36 The key difference between sub-options 2a and 2b is a provider’s ability to change Commitments once they have been set, to reflect actual performance. Under **sub-option 2a**, providers would set Commitments for a period of time (e.g., for a quarter at a time), and these Commitments would remain unchanged during that period. Providers would only be able to update commitments when setting them for subsequent periods. In this way, Commitments would effectively be targets against which a provider’s performance could be measured.

1.37 In contrast, under sub-option 2b, providers would also initially set Commitments for a period of time but would then be able to update them during the period to reflect actual performance more accurately. Under this option, the Charter would effectively act as a service status report.

1.38 Under sub-option 2c, providers would commit to deliver a certain customer service level over their customer base over the given period. Commitments would therefore be ‘average’ service level Commitments. In comparison, under sub-option 2d, providers would commit to the specific level of customer service an individual customer can expect to receive. This would effectively represent a service level Commitment that any given customer could expect to receive. The third choice in this context, under sub-option 2e, allows flexibility to providers in terms of how they articulate their Commitments, consisting of percentage of that customer service the Service Provider offers to deliver within a timeframe for each specified category (whether that be the number of calls answered or information provided to customers around unplanned service outages, for example).

1.39 The key difference between sub-options 2c, 2d, and 2e is flexibility to providers and the extent to which a Commitment is meaningful at an individual customer level.

1.2.5 Charter form requirements

1.40 Four options were identified relating to the extent to which Charter form requirements are specified:

- **Option 1:** Do not specify form requirements,
- **Option 2:** Specify principles to guide Charter form,
- **Option 3:** Specify limited prescriptive requirements, and
- **Option 4:** Set out template for Charter form.

1.41 Under option 1, there would be no particular form requirements for a provider's Charter, just requirements around Charter content. Options 2, 3 and 4 contain varying levels of prescription around form requirements – option 2 would be the lightest touch, with overarching principles around how a Charter should be formatted, option 3 would have limited elements of Charter formatting specified, and option 4 would set out a template for providers to follow.

1.2.6 Updating the Charter

1.42 Five combinations of Charter Commitment period (the length of time that a Commitment would be in place without being changed) and update period (the frequency with which providers would be allowed to issue a new version of their Charter) were considered:

- **Option 1:** Monthly Commitments and monthly updates,
- **Option 2:** Monthly Commitments and quarterly updates,
- **Option 3:** Quarterly Commitments and quarterly updates,
- **Option 4:** Quarterly Commitments and annual updates, and
- **Option 5:** Annual Commitments and annual updates.

1.43 An update refers to updating the customer service levels committed to, making any updates to information on policies and procedures, or making any changes to the Charter more generally.

1.2.7 Notifying customers about the Charter

1.44 Four options were identified in relation to whether, and how, customers are notified about the existence of the Charter and its purpose:

- **Option 1:** No specific customer notification,
- **Option 2:** Include notification as part of pre-contractual information,
- **Option 3:** Include notification with or on bills, and

- **Option 4:** Standalone customer notification.

- 1.45 Under option 1, customers would be able to access a provider's Charter from their website once published but would not receive a regulatory notification from their service provider that the Charter exists or what it is for.
- 1.46 Under option 2, providers would notify customers about the Charter as part of existing pre-contractual information.
- 1.47 Under option 3, providers would either add messaging about the Charter onto existing bills, or otherwise include information with/alongside the bill.
- 1.48 Under option 4, providers would send a standalone notification (i.e., separate from any other communication the provider sends) to each customer on a regular basis, explaining about the Charter's existence and how the Charter can be accessed.

1.2.8 Evaluating performance against Charter Commitments

- 1.49 Three high-level options were identified in relation to evaluating how providers perform against their Charter Commitments:
- **Option 1:** No evaluation and reporting,
 - **Option 2:** One-off evaluation and reporting, and
 - **Option 3:** Ongoing evaluation and reporting.
- 1.50 Under option 1, no requirements would be placed on providers of IAS and ICS to monitor their performance against Commitments and report this to ComReg. Under option 2, providers of IAS and ICS would be required to monitor their performance against Commitments and report this to ComReg on a one-off basis (with providers potentially also being required to get their reporting independently audited before submitting it to ComReg), with a view to support an evaluation of Charter requirements.
- 1.51 Under option 3, providers would be required to monitor and report their performance against Commitments on a regular basis. In relation to this option, there are two accompanying sets of sub-options considered.
- 1.52 The first set of sub-options relate to the frequency of any ongoing provider reporting (i.e., how often providers would be required to submit performance reports to ComReg):
- **Sub-option 3a:** Monthly reporting,
 - **Sub-option 3b:** Quarterly reporting,

- **Sub-option 3c:** Biannual reporting, and
- **Sub-option 3d:** Annual reporting.

1.53 The second set of sub-options relate to whether ComReg would require any independent audit of Performance Reports:

- **Sub-option 3e:** Do not require providers to arrange for performance reports to be audited,
- **Sub-option 3f:** Require providers to arrange for every report to be audited,
- **Sub-option 3g:** Require providers to arrange for every other report to be audited, and
- **Sub-option 3h:** Require providers to arrange for a report to be audited once a year.

1.54 Considering submissions to Consultation 23/14, ComReg identified another sub-option 3i, as set out in the Further Consultation:

- **Sub-option 3i:** Require providers to arrange for their initial Performance Report to be independently audited (with an audit necessarily carried out for the Performance Report of their initial Charter), and an option of a mandatory audit or have sign-off on Performance Reports (subsequent to the audit of the first performance report) on an annual basis by an Officer of the Company for subsequent years.

1.3 Steps 3 and 4: Determine the impacts on stakeholders and competition

1.55 For the stakeholder analysis, there are 2 groups to consider: end-users and Providers. In order to determine the impact on stakeholders and competition for each of the policy decisions, ComReg has considered respondents' views to Consultation 23/14 and the Further Consultation and has taken into account amongst other things the following:

- Customer service is a vital aspect of a customer's experience in any service industry. In a well-functioning, competitive market, quality of service should be a key aspect that service providers compete on to attract and retain customers.
- There is an identified lack of transparency around levels of quality of customer service that may be expected by end-users in the Irish electronic

communications market, a lack of existing commitments by providers, and consumer dissatisfaction with overall customer service levels.

- ComReg has the objective of promoting the interests of users of ECS.
- ComReg's focus is on creating transparency of quality of customer service levels and other key information (such as compensation, complaints handling and accessibility) relating to the service, for ECS customers.
- Section 38(1) of the 2023 Act states that "The Commission may require providers of internet access services or publicly available interpersonal communications services to prepare, publish and keep updated a document to be entitled, and referred to in this Act as, a "customer charter" ("Charter"). Furthermore, section 38(2) of the 2023 Act allows ComReg to specify the form of a Charter, and the information required to be included in a Charter.
- The provisions of the European Electronic Communications Code-EECC Directive (EU) 2018/1972 ("the Code") and the related provisions in Article 103 of the Code as regards transparency and publication of information and in particular the provisions relating to quality of service, set out in Article 104 of the Code.
- Having a Charter ensures the availability in one place of customer service quality information. This supports the key policy objectives of creating transparency and ultimately driving improvements in customer service quality.
- Charter Commitments are provider-led.
- Respondents' views.

1.3.1 Overall approach to implementing a Charter

	Impact on industry	Impact on customers	Impact on competition
Option 1: Do nothing (do not introduce a Charter)	Under option 1, service providers would continue to have flexibility to operate as they currently do, regarding customer service, so there would likely be no significant impact on industry.	Option 1 would not address the issues that customers face around lack of service provider transparency on customer service and poor customer service. The impact on customers of maintaining the status quo would therefore be a continued lack of transparency of information on customer service quality and, a lack of existing commitments by providers, which could impact the ability of customers to make better informed choices and more effectively choose the provider who promises to deliver them the best overall service. There would also be a risk of poor customer outcomes in relation to experiences of providers' customer service.	There is a lack of information or clear standards on customer service levels. Such information asymmetry and poor customer service inhibits competition from working effectively in terms of choice and quality for the end-user. Option 1 would not address this asymmetry and poor customer service, and so the barriers to effective competition would likely remain under this option, with the result that end-users are not protected.
Option 2: Introduce a Charter containing provider-set Commitments	Option 2 would impose new requirements on service providers, who would be required to develop, publish and keep updated a Charter. This would likely incur some implementation costs (at a time when businesses are concerned with reducing costs in operational areas), particularly in the resources and time necessary to implement a Charter and monitor performance. ComReg would, however, note that no respondent (to either Consultation 23/14 or the Further Consultation) offered a	Option 2 would create more transparency for customers covered by a Charter in terms of what they can expect from their provider in relation to customer service. It would also support customers in comparing offerings between providers (assuming that the Charter was set out in a way that made comparison possible), meaning they could have more confidence in more effectively choosing a provider who promises to	Option 2 would help address the identified information asymmetry, by requiring providers to publish in a Charter information on their customer service quality and general information about a providers policies and procedures in place, and articulate specific Commitments as regards level of customer service. This could support more effective competition by improving transparency and incentivising

	Impact on industry	Impact on customers	Impact on competition
	<p>quantification of costs of implementation of the Charter.</p> <p>As providers would be permitted to include information on Commitments set themselves in their Charter (within parameters set by ComReg), they would likely not need to make substantial changes to their current practices – the Charter would reflect their current customer service offering. If providers did not want to make Commitments under the parameters set by ComReg, they could choose not to (and state the same in their published Charter), meaning the regulatory burden under this option, and the necessary implementation costs, would be limited compared to options 3 and 4.</p>	<p>deliver the best overall service to them.</p> <p>The actual level of customer service a customer would get would still depend on the individual provider, as a Charter would contain provider-set Commitments, so this option would not guarantee the same level of service across the market (and a provider could always choose to make no Commitments). However, if a customer was not happy with the customer service their provider was offering, they could consider switching to another provider and would be supported to do so by better information, which other providers may publish in Charters.</p>	<p>providers to compete on quality of customer service.</p>
Option 3: Introduce a Charter containing ComReg-set Minimum Quality of Service Standards	<p>Option 3 would also impose new requirements on service providers. However, in addition to the implementation costs incurred under option 2 relating to developing, publishing and keeping updated a Charter, option 3 would likely result in additional costs due to providers having to implement ComReg-set Minimum Quality of Service Standards.</p> <p>These costs would depend on providers' current practices relative to the Minimum Quality of Service Standards. It is envisaged that such additional costs could potentially include the hiring of additional staff and/or</p>	<p>Option 3 would have similar transparency benefits for customers as option 2. In addition, the inclusion of information on uniform Minimum Quality of Service Standards would give customers more certainty over the level of quality of customer service they can expect, regardless of which provider they chose.</p>	<p>Option 3 would address the information asymmetry in a similar way as option 2. However, if ComReg set uniform Minimum Quality of Service Standards, this could dampen incentives on providers to compete on quality of service – although providers could still innovate and compete to deliver standards above a ComReg-specified minimum level.</p>

	Impact on industry	Impact on customers	Impact on competition
	<p>changes to systems and processes in order to ensure compliance with any Minimum Quality of Service Standards required.</p> <p>Of the four options identified, this option may have the greater regulatory burden in terms of implementation costs on industry.</p>		
Option 4: Introduce a Charter containing a combination of provider-set Commitments and ComReg-set minimum standards	<p>This option is a hybrid of options 2 and 3. Service providers would incur the costs of developing, publishing and keeping updated a Charter, and may also incur additional costs in relation to complying with any ComReg-set Minimum Quality of Service Standards. These costs would depend on what those standards were and how they compared to providers' existing practices and customer service levels.</p> <p>ComReg would expect that the regulatory burden and implementation costs on industry of option 4 would be in the range between those associated with options 2 and 3.</p>	<p>Option 4 would have similar transparency benefits for customers as those identified under options 2 and 3 and would offer customers the same certainty as option 3 in the areas where ComReg decided to set Minimum Quality of Service Standards.</p>	<p>Option 4 would address information asymmetries in a similar way to option 2. Providers would have flexibility to offer their own Commitments (within parameters set by ComReg) and compete on these in certain customer service categories, and in other areas (where ComReg set Minimum Quality of Service Standards) they would be able to compete above a ComReg-specified minimum level.</p>

1.3.2 Which providers Charter requirements will apply to

	Impact on industry	Impact on customers	Impact on competition
Option 1: Providers of IAS	<p>Under option 1, providers of internet access services would be required to prepare, publish and keep updated a Charter.</p> <p>As of Q4 2024, Charter requirements would apply to thirteen fixed broadband providers and four mobile broadband providers that each had over 0.5% market share. ComReg's Quarterly Key Data Report also showed that there are a number of smaller authorised operators whose individual market share was less than 0.5%.⁹ Charter requirements would not apply to providers of IAS whose market share is less than 0.5%.</p>	<p>Under option 1, end-users of internet access services in Ireland would benefit from access to a Charter.</p> <p>As of Q4 2024, there were 1.69 million fixed broadband subscriber lines, and 391,262 mobile broadband subscriptions in Ireland.¹⁰</p> <p>ComReg's analysis indicates that Charter requirements applying to providers with a 0.5% or greater market share would mean that approximately 97.5% of fixed broadband subscriber lines and approximately 100% of mobile broadband subscriptions are covered.</p>	<p>The evidence set out in chapter 3 of Consultation 23/14, showing issues around a lack of transparency of customer service quality in the market and a lack of commitments by providers and customer level standards, applies to providers of IAS and number-based ICS. Applying Charter requirements to IAS providers would support competition to work more effectively by addressing these issues.</p>
Option 2: Providers of number-based ICS	<p>Under option 2, providers of number-based ICS would be required to prepare, publish and keep updated a Charter.</p> <p>As of Q4 2024, Charter requirements would apply to ten fixed voice providers and seven mobile providers (excluding mobile broadband and machine to machine subscriptions) that each had over 0.5% market share. ComReg's Quarterly Key Data Report also showed that there are a number of smaller authorised</p>	<p>Under option 2, end-users of number-based ICS in Ireland would benefit from access to a Charter.</p> <p>As of Q4 2024, there were approximately 1.08 million fixed voice (PSTN, ISDN and VOIP) subscriber lines, and 5.92 million mobile subscriptions (excluding mobile broadband and machine to machine subscriptions) in Ireland.¹²</p>	<p>The evidence set out in chapter 3 of Consultation 23/14, showing issues around a lack of transparency of customer service quality in the market and a lack of commitments by providers and customer level standards, applies to providers of IAS and number-based ICS. Applying Charter requirements to number-based ICS providers would</p>

⁹ ComReg Quarterly Key Data Report statistics for Q4 2024. Accessed [online](#).

¹⁰ Ibid.

¹² Ibid.

	Impact on industry	Impact on customers	Impact on competition
	operators whose individual market share was less than 0.5%. ¹¹ Charter requirements would not apply to providers whose market share is less than 0.5%.	ComReg's analysis indicates that Charter requirements applying to providers with a 0.5% or greater market share would mean that approximately 98.3% of fixed voice (PSTN, ISDN and VOIP) subscriber lines and approximately 99.7% of mobile subscriptions (excluding mobile broadband and machine to machine subscriptions) are covered.	support more effective competition by addressing these issues.
Option 3: Providers of number-independent ICS	<p>Under option 3, providers of number-independent ICS would be required to prepare, publish and keep updated a Charter.</p> <p>Some providers of IAS and/or number-based ICS also provide number-independent ICS, so it is expected that there will be some overlap between providers covered by option 3 and options 1 or 2. However, option 3 would likely also capture other market players, for example instant messengers, video conferencing and email services.</p>	Under option 3, end-users of number-independent ICS in Ireland would benefit from access to a Charter.	While the evidence set out in chapter 3 of Consultation 23/14 is not based on number-independent ICS providers specifically, applying Charter requirements would still have positive effects on competition, in a similar way as outlined above.

	Impact on industry	Impact on customers	Impact on competition
Sub-option (a): Apply Charter requirements to all providers within a given category set out above	Sub-option (a) would involve applying Charter requirements to all providers of the same type of services, regardless of their size. This would result in a relatively greater regulatory burden on	Under sub-option (a), all end-users of a given type of service would have access to a Charter, regardless of the size of their provider. This would enable all	ComReg is of the view that the requirement for providers to prepare, publish and keep updated a Charter will have a positive impact on competition, as discussed above. Applying this requirement to providers, regardless of size,

¹¹ Ibid.

	Impact on industry	Impact on customers	Impact on competition
	industry as a whole, as more providers would be captured by requirements.	end-users to benefit from Charter provisions. ComReg noted in some responses to Consultation 23/14 a question as to why there should be a distinction, in terms of a threshold as “all customers deserve good service”. ComReg also takes account of the proportionality of its approach with respect to the regulatory burden on smaller providers/new entrants of ECS.	should incentivise all providers to compete on quality of service.
Sub-option (b): Apply Charter requirements to providers over a certain threshold	<p>Sub-option (b) would involve applying Charter requirements to a sub-set of providers of the same type of services. Among respondents to Consultation 23/14, there was general support for a threshold (though differing opinions in terms of the threshold level) above which Charter requirements would apply. ComReg considers that as this threshold would lead to a smaller overall regulatory burden on industry, it is a proportionate way of targeting regulatory intervention. ComReg also takes account of the proportionality of its approach with respect to the regulatory burden on smaller providers/new entrants of ECS.</p> <p>One respondent to the Further Consultation suggested a threshold of a minimum number of subscribers</p>	Under sub-option (b), some end-users of a given type of service would not have (regulated) access to a Charter, if they were served by a provider below the threshold (though any provider of ECS including smaller providers or potential new market entrants may have their own voluntary charter or offer commitments as regards the level of customer service their customers can expect). This would mean that some end-users would not benefit from Charter provisions. In order to mitigate this, ComReg has set the threshold in a way that strikes a balance between being proportionate to relatively small providers of ECS while seeking to ensure as many end-	Targeting Charter requirements at larger providers above a certain threshold might reduce the incentive for providers below that threshold to compete on customer service. However, to the extent that a regulatory burden with Charter requirements could result in undesirable competitive or other unintended consequences for smaller providers of ECS (such as, barriers to entry), a threshold would possibly help to avoid such a risk, if any. On balance, a threshold of 0.5% market share helps to achieve ComReg’s objectives. It would extend the benefit of a Charter to as much of the market as possible while also being proportionate to relatively smaller providers or potential new entrants of ECS. The Charter requirements are anticipated to drive competition in terms of overall levels of customer service across the market. Any provider of ECS including smaller providers or potential new market entrants may have their own

	Impact on industry	Impact on customers	Impact on competition
	<p>(approximate to 0.5% of the relevant market) would deliver the same benefit.</p> <p>Another respondent to the Further Consultation recommended that Charter requirements apply only to B2B-focused providers in instances where “the subset of their total direct to consumer business or micro/small enterprises, or not-for-profit traffic exceeds the 0.5% market threshold.”</p>	users as possible benefit from the Charter provisions.	voluntary charter or offer commitments as regards the level of customer service their customers can expect.

1.3.3 Which classes of end-user the Charter will address

	Impact on industry	Impact on customers	Impact on competition
Option 1: All end-users	<p>If providers were required to prepare, publish and keep updated a Charter addressing all end-users, including business end-users of all sizes, this option would have the highest impact on industry and likely incur the highest implementation costs in terms of the industry overall.</p>	<p>All end-users would benefit from the information and clear articulation by providers of customer service Commitments as to the specific level of customer service they offer their customers, set out in Charters.</p> <p>However, with the Charter being a single document, and Commitments offered potentially varying for larger end-users, this could result in a long and complex document that could be harder for this category of end-users to navigate information in a Charter. Both ComReg and respondents to Consultation 23/14 and the Further Consultation agree that managing the</p>	<p>Providing a Charter may have a positive impact on competition by helping to address an existing information asymmetry (a lack of transparency of customer service quality in the market and a lack of commitments by providers and customer level standards) in the market between providers and end-users and supporting customers receiving the Charter to make a better-informed choice about their provider based on customer service levels offered.</p>

	Impact on industry	Impact on customers	Impact on competition
		amount and complexity of information in the Charter is a key objective.	
Option 2: Consumers	<p>Under option 2, providers would be required to prepare a Charter addressing consumers only.</p> <p>It is likely that a provider's customer service Commitments offered would be the same across all consumers, and so preparing and publishing a Charter would likely be the more straightforward and least costly of the options considered.</p>	<p>Consumers would benefit from key information (such as compensation, complaints handling and accessibility) and clear articulation of Commitments offered as to level of customer service set out in a Charter which provides consumers with one easily accessible and comparable place ('one-stop shop') to get information.</p> <p>Specifically targeted, the Charter would likely be shorter and clearer for consumers to find relevant information, than under option 1.</p>	<p>As this option only covers consumers, there could be a segment of end-users with less bargaining power that would miss out on the benefits of a Charter and greater clarity and Commitments as to the level of customer service they can expect to get from their provider. The potential positive impacts on competition under this option could therefore be smaller than otherwise possible.</p>
Option 3: End-users that are consumers, microenterprises, small enterprises and not-for-profit organisations	<p>Option 3 sits between options 1 and 2 in terms of the likely impact on industry, including with regard to any costs of implementing a Charter.</p> <p>Providers may need to develop different sub-sections of the Charter to cover non-residential organisations, but given those organisations are smaller providers of ECS (i.e., microenterprises, SMEs and not-for-profits, which for the most part in Ireland have smaller staff sizes) and have a similar bargaining power to individual consumers, it would be unlikely that customer service Commitments offered would differ significantly between individual organisations, or in all areas of the Charter.</p>	<p>As under option 2, consumers would benefit from the general information and clear articulation of Commitments offered and customer service standards set out in a Charter, as would other smaller organisations (microenterprises, small enterprises and not-for-profit organisations) that may have similar bargaining power to consumers in general. These end-users have less bargaining power than larger enterprises and would likely benefit from greater clarity and Commitments.</p>	<p>This option would extend the benefits to other end-users that are not consumers, and therefore knock-on potential positive impact on competition, to non-residential end-users with similar bargaining power to consumers, supporting their ability to make better informed choices.</p>

1.3.4 High-level nature of Charter contents

	Impact on industry	Impact on customers	Impact on competition
Option 1: Information on providers' policies and/or procedures relating to key aspects of customer service	<p>Providers would only be required to include information in the Charter on policies and procedures they already have in place, not to develop new policies or procedures. The impact of option 1 would therefore be limited to the time needed to identify relevant information to be included in the Charter, and to draft those sections of the Charter.</p> <p>If providers already published relevant information on their website, they could signpost to this information in the Charter, which could further lower the burden of this option. Indeed, in sections 6 and 7 of the Charter ("Accessibility" and "How we will handle complaints" respectively), ComReg only requires providers to link to relevant statements published on their website. Furthermore, under "Mandatory compensation" in section 5, published information on this issue (e.g. for breaches of switching and porting obligations) should be made available to end-users through appropriate use of links.</p> <p>While ComReg maintains its view that "general information" should be included in the Charter, the revised</p>	<p>Including the information noted in option 1 in one place would support customers by acting as a 'one-stop shop' for information on a provider's customer service quality. This could help customers who have difficulties navigating providers' websites, and also support comparisons between providers.</p> <p>If providers include information on policies/procedures they already have but don't currently publish information on, this would help give customers insight into key elements of customer service their provider offers.</p> <p>While ComReg maintains its view that the inclusion of "general information" in the Charter is beneficial to customers, the revised approach to reduce the amount of information included and refocus the Charter on Commitments goes towards resolving comments raised in response to Consultation 23/14 (notably by Three who said "there is a significant and real risk that the Charter becomes an unwieldy compendium of information that in practice cannot be used by customers for its intended purpose." Three went on to state that "a more focused approach to</p>	<p>Option 1 would help to address identified issues around transparency and information asymmetry and could stimulate competition on the consumer side.</p>

	Impact on industry	Impact on customers	Impact on competition
	<p>approach would reduce the “burden” of information required to be included so that (i) the focus is on Commitments and (ii) weblinks can be used by providers to link out to the information requested.</p> <p>Providers are also given the flexibility to include information on additional voluntary compensation that they may offer (in section 5) under the sub-heading “Other compensation”. While providers are not required to commit to paying compensation for any of the customer service expectations, it is in providers’ interests to promote clear and concise information on customer service levels including Commitments (if any), compensation and general customer care information.</p>	<p>transparency... would yield better outcomes for end-users.”</p> <p>ComReg considers that the revised, more focused approach could produce a better outcome for consumers. ComReg also considers that the inclusion of information on any voluntary compensation, which providers now have the flexibility to include, will increase transparency, to the benefit of end-users.</p>	
Option 2: Specific Commitments on the level of customer service a provider offers its customers	<p>As noted above, providers would only be required to express Commitments in the Charter that they already have/align with existing business practices. They could choose not to make Commitments (in which case they must make this explicit using ComReg-set wording).</p> <p>The impact of option 2 would therefore be limited to the time needed to identify any Commitments in relation to certain customer service categories to include</p>	<p>Including specific Commitments as noted in option 2 would support customers in knowing exactly what their provider is willing to commit to (or not), and so to know what they can expect from their provider.</p> <p>If providers are not willing to make Commitments, this would also be useful for a customer to know and can support customers in making an informed choice about whether a given provider could meet their needs or not.</p>	<p>Requiring providers to explicitly state customer service Commitments in a way that can be compared could also create transparency and could stimulate competition both on the consumer and provider side.</p>

	Impact on industry	Impact on customers	Impact on competition
	in the Charter, and the time necessary to meet ComReg's requirements, in particular with respect to the ComReg-set parameters.		
Option 3: Information on providers' policies and/or procedures relating to key aspects of customer service and specific Commitments on the level of customer service a provider offers to its customers, i.e. a combination of options 1 and 2.	<p>As noted above, the impact of option 3 would be the combined time required to include both information on policies and procedures they already have in place and to express Commitments that align with existing business practices.</p> <p>It would be appropriate that information on mandatory compensation schemes in place would be available to end-users in a Charter, through the appropriate use of links and therefore should place minimal additional regulatory burden on providers. ComReg also considers that it is important for providers to inform their customers about any compensation they may offer where they do not meet their expectations (i.e., Commitments).</p> <p>ComReg considers that this approach supports the policy objectives of such information in one location.</p>	<p>In totality, the combination of both general information and Commitments would further support customers in terms of finding important information and by acting as a 'one-stop shop' of not just one or the other of information or Commitments but the combination of both.</p> <p>The inclusion of information on compensation will facilitate transparency and comparability.</p>	<p>As noted above, the combined approaches of options 1 and 2 would create transparency of customer service information and could stimulate competition both on the consumer and provider side.</p>

	Impact on industry	Impact on customers	Impact on competition
Sub-option 2a: Commitments are targets against which a provider's performance can be measured.	Under sub-option 2a, providers would need to think strategically about what they would expect to face in the period subsequent to the publication of their Charter, in determining what level of Commitment to make (for example, anticipated call volumes to know what call waiting time to commit to). Such historical information would already be available to providers via their internal reporting systems and could provide a guide to providers in setting their Commitments.	Under this sub-option, consumers would know the level of customer service their provider was aiming to achieve for a set period of time, which would give some certainty. However, there could be a risk that their actual experience would differ or be worse than a Commitment made, which could give rise to customer dissatisfaction.	This option would be more likely to incentivise providers to compete on Commitments made than sub-option 2b, especially if this option was accompanied by evaluation of providers' actual performance against Commitments.
Sub-option 2b: Commitments can be updated during the period, i.e., the Charter acts as a service status report.	Under sub-option 2b, providers might not be incentivised to think as carefully about Commitments being made, or to compete on Commitments, as they could update initial Commitments to reflect actual performance. Under this sub-option, providers could continually adjust Commitments so that they were always delivering against those Commitments, so the burden of this sub-option would be arguably lower than with sub-option 2a.	Under this sub-option, it would be harder for customers to rely on Commitments made or potentially know which Commitment would apply to their experience, if a provider could update the Commitment as much as they wanted.	Under this sub-option, providers may be less likely to be incentivised to compete, as they could revise their Commitments either when they see their competitors' Commitments, and/or if actual performance started diverging from their committed target.
Sub-option 2c: A Charter contains 'average' service level	If providers were to make Commitments to average levels of performance, this would likely be a lower burden than	Under sub-option 2c, it would be harder for customers to know if their experience was in line with Commitments or not, as whether	There may be greater incentives for providers to compete under this sub-option than with sub-option 2d, as a

	Impact on industry	Impact on customers	Impact on competition
Commitments across customer base.	under sub-option 2d, as providers could allow for a certain number of outliers while still meeting average targets.	a provider delivered on their Commitment or not would be assessed based on data over a period of time and across the wider customer base. Commitments made in this way would therefore be less meaningful to individual customers, which could undermine the value of the Charter to customers.	provider may be more likely to commit to a higher average service level as it would be easier to deliver than if Commitments were expressed as minimum service levels.
Sub-option 2d: A Charter contains 'minimum' service level Commitments for individuals.	If providers had to meet their committed customer service level for all individual customers, they would have to work harder and apply more resources to ensure no outliers, which would likely have a greater impact on business operations than sub-option 2c.	Under sub-option 2d, it would be easier for an individual customer to know if their experience was in line with a provider's Commitments or not. Customers may therefore find more value in such Charter Commitments.	There could be a risk with this sub-option that providers commit to less ambitious levels of service, to avoid the risk of not meeting a Commitment. This could dampen competitive effects compared to sub-option 2c.
Sub-option 2e: A charter contains Commitments articulated as a percentage of service within defined timeframes (or a provider's own timeframe).	<p>Providers are afforded the flexibility to make Commitments as to the percentage level of quality service it offers using a range of different intervals.</p> <p>Given the responses received to Consultation 23/14, with respect to the originally proposed approach around minimum service level Commitments for individuals, ComReg considers that this alternative approach would be more proportional for providers and gives providers the flexibility to choose to offer Commitments that they believe can be delivered in line with their</p>	<p>ComReg has weighed up the relative importance of flexibility for providers versus comparability of Charters. ComReg considers its revised approach would strike an appropriate balance when requiring providers to offer Commitments. It would allow providers the flexibility to articulate commitments without compromising the transparency and comparability objective of the Charter.</p> <p>The revised approach regarding the framing of Commitments also remains focused on creating one easily accessible and comparable information as to the levels of quality of service offered by providers. This would enable customers to make</p>	Given the more flexible approach with this option, there may be more incentive for providers to compete on service levels under 2e than with sub-option 2d, but in addition, providers may also be incentivised to offer Commitments beyond the average service level, given that they could also state average service levels with this option.

	Impact on industry	Impact on customers	Impact on competition
	current model of customer service and business operations.	better, more informed choices and more effectively choose the provider who promises to deliver them the best overall service.	

1.3.5 Charter form requirements

	Impact on industry	Impact on customers	Impact on competition
Option 1: Do not specify form requirements	<p>Option 1 would give providers the most flexibility to design the form of their Charter themselves, and to potentially innovate in how they presented their Charter.</p> <p>Providers might see this as an opportunity to personalise their Charter to their business, but they might also seek guidance from ComReg as to expectations for what a Charter should look like.</p>	<p>Under option 1, Charters would likely vary substantially between providers. This would make it harder for customers to compare Charters.</p> <p>Without any ComReg-specified form requirements, there is a risk that providers could develop a Charter that was hard for customers to navigate or understand, or did not make important information on customer service (particularly any Commitments offered) easy to identify.</p> <p>If there were no requirements around how Commitments were expressed, there could be a risk that providers would make vague Commitments that were not meaningful or would express Commitments in different ways or use different definitions, meaning they couldn't be compared by end-users. Providers also may not make specific Commitments, but this could be hard to</p>	<p>With more flexibility in form, providers could compete more on the 'look and feel' of their Charter. However, it is likely that providers would express any Commitments differently, which would not support transparency and comparability goals and thus could limit effective competition on customer service quality.</p>

	Impact on industry	Impact on customers	Impact on competition
		tell depending on the wording used, which may lead to customer confusion around what they could actually expect to get from service providers on customer service quality.	
Option 2: Specify principles to guide Charter form	Option 2 would give providers similar flexibility as option 1 to design their Charter but would provide some clarity around ComReg's expectations for what a Charter should look like. Principles tend to be relatively high-level, so this option might still leave providers with some uncertainty over how to interpret principles.	The customer impact of option 2 would likely be similar to option 1, particularly around a lack of comparability. Principles could address some risks around a Charter being hard for customers to understand and compare, but due to their high-level nature they may not address those risks fully.	The impact on competition of option 2 would likely be similar to option 1 – principles would likely not ensure sufficient transparency and comparability of information on customer service quality including on Commitments offered.
Option 3: Specify limited prescriptive requirements	Option 3 would give providers some, but less, flexibility around how they designed their Charter. However, it would highlight the key customer service categories ComReg considered to be important to be consistent across providers' Charters, which could act as helpful guidelines as to ComReg's expectations, and reassure providers that they could take full advantage of the flexibility in other areas within parameters set by ComReg.	Under option 3, ComReg could specify key elements to make it somewhat easier for customers to navigate and compare providers' Charters. This option could include specific requirements on Charter content and form, including how Commitments (if any) were framed/worded, which would address risks outlined under option 1.	Option 3 would still allow for providers to compete on the presentation of their Charter. If specific requirements were included around how Commitments were made, this could support more effective competition than options 1 and 2.
Option 4: Set out template for Charter form	Depending on the nature of the template Charter form, option 4 would give providers the least flexibility around how they designed their Charter. However, it would likely be the clearest way of ensuring providers understood ComReg's expectations for Charter form. ComReg has clarified, in its response to the Further Consultation (regarding a request by	Under option 4, if all providers used the same template Charter form, this would ensure maximum comparability between different providers' Charters to the benefit of end-users. The ComReg-specified template ensures that the Charter is easy to navigate and that key information has appropriate prominence and that it is	A template provides the most consistent grounds for Commitments offered that could be compared, which would support effective competition. The impact on competition of option 4 would likely be similar to option 3 – depending on the nature of the template, providers could still have some ability to tailor their

	Impact on industry	Impact on customers	Impact on competition
	<p>one respondent) to include an exceptions to Commitments section in the Charter, that the decided on approach to the Charter form and content achieves the principles that are important in underpinning the requirements for a Charter, namely that a Charter is clear, transparent and comprehensible, so that customers can easily navigate and understand the content.</p> <p>ComReg notes that providers may, under section 8 of the Charter include “any other key information about a Relevant Service Providers customer service” and so providers may include information on exceptional events that impact Commitments in a manner consistent with the objective of creating transparency and with the principles¹³ that are important in underpinning Charters, namely that a Charter is clear, transparent and comprehensible, so customers can easily navigate and understand the content.</p>	<p>presented as a ‘one-stop shop’, which increases transparency to the benefit of customers and allows for better comparability of the information published by providers in their Charters.</p>	<p>Charter and personalise it to their business. In this respect, ComReg notes the request by one respondent (in response to the Further Consultation) to include an exceptions to Commitments section in the Charter. ComReg does not preclude the inclusion of such information under section 8 of the Charter, giving providers the opportunity to tailor their Charter for exceptional circumstances that may arise. However, as noted, Charter should be clear, transparent and comprehensible, so customers can easily navigate and understand the content.</p>

1.3.6 How and when a Charter will be updated

- 1.56 Options 1 to 5 are on a spectrum, ranging from shorter Commitment periods and more frequently permitted updates, through to longer Commitment periods and less frequently permitted updates. The impacts are discussed in this way, rather than separately for each option, to avoid repetition.

¹³ See paragraph 5.27 of Consultation 23/14.

	Impact on industry	Impact on customers	Impact on competition
Option 1: Monthly Commitments and monthly updates	<p>The more we move toward the option 1 end of the spectrum, the greater the administrative burden (and thus the cost implication) on providers, as they would potentially have to prepare and publish new Charter versions on a more frequent basis.</p> <p>On the other hand, the closer to the option 1 end of the spectrum, the more agile providers could be in adjusting Commitments, if previously made Commitments are either too ambitious or not ambitious enough, which could be beneficial for providers.</p> <p>Moving towards the option 5 end of the spectrum, providers would have to base their Commitments on forecasts with a longer time horizon and thus would be locked into Commitments for a longer period of time. If actual performance varied substantially from Commitments, which could happen due to factors outside a provider's control, providers could effectively be locked into Commitments they are unlikely to deliver on for the rest of the period.</p> <p>Respondents to the Further Consultation demonstrated general support for ComReg's revised approach to options 3, i.e., quarterly Commitments and quarterly updates.</p>	<p>The more we move toward the option 1 end of the spectrum, the more frequently the Charter version could change. This could make it harder for customers to keep track of which Commitments applied to them, leading potentially to customer confusion.</p> <p>However, the more we move toward the option 5 end of the spectrum, the more likely it is that actual provider performance could differ from Charter Commitments (because providers are locked into Commitments for longer). This could mean an increased likelihood of customer dissatisfaction, if their experience is significantly different from what their provider committed to.</p> <p>ComReg's revised approach on this aspect would strike an appropriate balance for providers and end-users alike. It would allow providers the flexibility to set Commitments at whatever level they choose (within the proposed ComReg-specified form requirements as discussed above), minimising any regulatory or administrative burden on providers.</p>	<p>The option chosen could affect the way that providers compete on levels of quality-of customer service.</p> <p>The more we move toward the option 1 end of the spectrum, the more providers could update their Commitments, and potentially change their initial Commitments based on what their competitors commit to, and so the more providers may be incentivised to compete on levels of customer service quality.</p>
Option 2: Monthly Commitments and quarterly updates			
Option 3: Quarterly Commitments and quarterly updates			
Option 4: Quarterly Commitments and annual updates			
Option 5: Annual Commitments and annual updates			

1.3.7 How customers will be notified about the Charter

	Impact on industry	Impact on customers	Impact on competition
Option 1: No specific customer notification	Option 1 would have the lowest impact on industry as this would involve no additional regulatory burden.	The Charter is a new regulatory intervention. If customers don't get a notification alerting them to the existence of the Charter, there could be a high likelihood that the majority of customers would be unaware about the new information available to them in the Charter and what they could use it for. This would undermine the potential benefits of the Charter with the result that end-users are not protected.	Some of the positive impacts on competition that could arise from the Charter depend on the actions of customers stimulating competition, by having more confidence to engage in the market and choose providers based on the customer service Commitments made. If customers are unaware of the Charter and updated Charters, this could limit the realisation of those benefits. Under option 1, the potential positive impacts on competition may therefore not be fully realised.
Option 2: Include notification as part of pre-contractual information	<p>Option 2 would involve some additional impact on industry, to prepare and send the notification.</p> <p>ECS providers are already obliged to provide consumers (and certain other end-users) with specific information as part of the pre-contractual process, and any notification of customers about the Charter and when providers update Charters would likely be short and easily incorporated into existing pre-contractual material. The ongoing cost of sending such a notification would likely be insignificant.</p> <p>As part of this option, providers shall ensure that Charters are provided to a Relevant Customer (who is not able to</p>	<p>Option 2 would increase the likelihood that customers become aware of the existence of the Charter and when providers update Charters, and therefore that the Charter benefits could be realised by all customers.</p> <p>Given customers could use Charter information to make an informed choice about their provider, receiving this information before signing up to a new contract would be beneficial to customers.</p> <p>However, given the volume of information already provided at the pre-contractual stage, there could be a risk that the Charter notification is lost, and customers are overloaded with information. In addition, only customers signing</p>	Option 2 would support the potential positive impacts on competition being realised, by increasing customer awareness of the Charter and updated Charters.

	Impact on industry	Impact on customers	Impact on competition
	access a Charter from provider websites) in a Durable Medium within 5 working days of the receipt of the request. ComReg's originally consulted on position was that providers should provide the Charter in a durable medium within 48 hours of the request. Thus, while the requirement still exists, and this would be a potential burden on providers, ComReg's revised approach is more proportionate on providers.	<p>a new contract with a provider would be notified about the Charter.</p> <p>It would also be beneficial to customers for a Relevant Service Provider to make them aware of the existence of its Charter, its purpose, any updated Charter and how a copy of it can be obtained. This would strike a balance between notification of customers of the existence of the Charter and when providers update Charters, while being mindful of the burden on providers.</p>	
Option 3: Include notification with or on bills	<p>Option 3 would also involve some additional impact on industry; i.e., to prepare the notification.</p> <p>The costs involved would depend on how providers chose to implement the notification. If they added a message onto existing bills, that would likely incur a one-off cost to make system changes to process the amendment to bills, but after this there would likely be minimal ongoing impact.</p> <p>If providers sent an additional notification alongside bills, there would be a one-off cost to develop the notification. For notifications sent alongside paper bills, there would also be an ongoing cost of the additional piece of paper sent in the envelope, though this cost would not exist for bills issued electronically.</p>	<p>Option 3 would also increase the likelihood that customers become aware of the Charter, and therefore that Charter benefits can be realised by customers.</p> <p>Customers would be used to receiving bills, and of all communications there is the greatest likelihood that they open and read their bill, so they may be more likely to pay attention to a notification about the Charter if it comes with a bill. If the notification was included regularly on bills, rather than a one-off notification, there would be a smaller chance that customers miss the notification. However, the notification could get lost among other information included on a bill.</p> <p>In addition, not all customers get bills – customers who pre-pay or buy top-up credit would therefore miss out on the notification and would be less likely to be aware of the Charter.</p>	Option 3 would support the potential positive impacts on competition being realised, by increasing customer awareness of the Charter and updated Charters.
Option 4: Standalone	Option 4 would likely involve a greater additional impact on industry, to prepare	Option 4 would increase the likelihood that a Relevant Customer becomes aware of the	Option 4 would support positive impacts on competition being realised, by

	Impact on industry	Impact on customers	Impact on competition
customer notification	<p>and send a notification to a Relevant Customer addressed by a Charter.</p> <p>The impact would depend on the frequency that the notification was required to be sent, and to some extent on the method of notification – an electronic notification (via email, SMS, app etc) would likely incur lower costs than sending notifications by post.</p>	<p>Charter, and therefore that Charter benefits can be realised.</p> <p>This option would be additional to the regular information customers get and so could lead to information overload.</p> <p>There may also be a risk that customers think that the notification is a marketing message, particularly on the first occasion of receiving the notification, given that it comes from the provider directly and they won't have heard of a Charter before. This could undermine customer confidence in the value of the Charter.</p>	<p>increasing customer awareness of the Charter and updated Charters.</p>

1.3.8 How performance against Charter Commitments will be evaluated

	Impact on industry	Impact on customers	Impact on competition
Option 1: No evaluation	<p>Option 1 would have the lowest impact on industry as this would involve no additional regulatory burden.</p> <p>However, this approach would not hold providers accountable to any Commitments they make, as there would be no mechanism to show whether Commitments offered were met or not. This could result in providers making Commitments that are not honoured, without recourse (or this being apparent to customers).</p>	<p>Under option 1, customers would have no way of being assured that the actual experience they would get with a provider would match the Commitment made. This could potentially undermine customer confidence in Commitments made and dampen the potential benefits of a Charter in terms of creating transparency, comparability of information available on customer service quality and customers' use of Charter information to make informed choices.</p>	<p>Evaluating providers' performances against their Commitments would be a key component to realising the positive expected impacts on competition. Without a reconciliation of actual performance against Commitments, there could be a risk that providers 'compete' on the Commitments they make to attract customers to their proposition, without backing this up with appropriate efforts to deliver on those Commitments. This would not represent a genuinely beneficial impact on competition and would lead to undesirable customer outcomes in terms of quality of customer service.</p>

	Impact on industry	Impact on customers	Impact on competition
Option 2: One-off evaluation	<p>Option 2 would impose a one-off additional burden on industry, with some costs involved in recording performance against Commitments, compiling this into a report and getting it independently audited.</p> <p>This option would hold providers accountable for delivering against Commitments they make, though if evaluation and reporting was only done once then the effect of this may wane after initial evaluation was completed.</p>	<p>Option 2 would provide a one-off snapshot as to whether providers met their Commitments or not and show to what extent Commitments can be relied on going forward. This may address the shortcomings with option 1 to a certain extent. However, these issues could potentially arise after the initial evaluation was completed.</p>	<p>Option 2 would address the risks of option 1, to a certain extent, by incentivising providers to deliver Commitments. However, if evaluation of performance was only a one-off exercise, the risks identified with option 1 could arise for subsequent Commitments after the initial evaluation was completed.</p>
Option 3: Ongoing evaluation	<p>Option 3 would likely have the greatest relative burden on industry, by requiring regular reporting (as well as the annual audit/sign-off of that reporting and keeping underlying data used to generate a Performance Report for one year). However, if automated processes were set up to enable this reporting, the actual ongoing burden of reporting could be relatively lower.</p> <p>The impact on industry is minimised in terms of keeping underlying data used to generate a Performance Report where the relevant period is specified for one year.</p> <p>This option would hold providers most accountable to deliver on their Charter Commitments.</p> <p>ComReg notes that some respondents to Consultation 23/14 submitted an “overhead associated with the proposed option”, which</p>	<p>Option 3 would address the shortcomings of option 1 on an ongoing basis, by providing regular validation of whether providers have honoured their Commitments.</p> <p>Audit/sign-off of reporting to ComReg and keeping underlying data used to generate a Performance Report for one year would ensure the accuracy of data supplied and that customers can trust the commitments their provider make and measured performance.</p>	<p>Option 3 would most reinforce the positive impacts on competition that the Charter could have. If providers are aware that ComReg will evaluate how they have actually performed against their Commitments, this would strengthen incentives both for providers to compete on Commitments and deliver against those Commitments.</p>

	Impact on industry	Impact on customers	Impact on competition
	“places a burden on operators that cannot easily be absorbed.”		

Frequency of ongoing provider reporting

- 1.57 Sub-options 3a to 3d are on a spectrum, ranging from more to less frequent reporting. The impacts are discussed in this way, rather than separately for each sub-option, to avoid repetition.

	Impact on industry	Impact on customers	Impact on competition
Sub-option 3a: Monthly reporting	<p>The impact on industry in terms of cost incurred in regular reporting would likely involve two key components – (i) generating a performance report and (ii) verifying its contents and having the report signed off internally.</p> <p>Assuming automated processes were set up to enable ongoing reporting, the generation of a report would be a minimal burden, regardless of frequency of reporting, as this could be done by the click of a button.</p> <p>The verification and sign-off of a report would likely be a more manual process and so would likely take more time and resource. This burden would likely be higher the more frequent reporting was (i.e., moving towards sub-option 3a).</p> <p>Some respondents to Consultation 23/14 and the Further Consultation commented that the</p>	<p>More frequent reporting – assuming that reporting is to be made visible to customers in some way (e.g., via ComReg publishing a document) – could lead to a better visibility for customers on providers’ actual levels of quality of customer service. In general, this would make it easier for customers to know whether they could trust the Commitments their provider makes in their Charter, supporting customers’ ability to use Charter information to choose if their provider’s customer service levels meet their needs. Even if the detail of performance reporting is not published, customers can be assured that ComReg is receiving performance data on Commitments made by providers.</p> <p>More frequent reporting (i.e., moving towards sub-option 3a) would therefore be likely to have greater benefits for customers</p>	<p>The more frequently providers report actual performance, the greater the incentive to deliver on their Commitments, as with a shorter reporting timeframe any poor performance would be more noticeable.</p> <p>More frequent reporting (i.e., moving towards sub-option 3a) would therefore likely drive a more competitive dynamic than less frequent reporting (moving towards sub-option 3d).</p>
Sub-option 3b: Quarterly reporting			
Sub-option 3c: Biannual reporting			
Sub-option 3d: Annual reporting			

	Impact on industry	Impact on customers	Impact on competition
	proposed ongoing quarterly reporting may be overly burdensome and time-consuming for providers, however no substantiation in terms of quantifying the burden or the time required was provided.	than less frequent reporting (moving towards sub-option 3d).	

Independent audit of provider reporting

- 1.58 Sub-options 3f to 3i are on a spectrum, ranging from more to less frequent auditing. The impacts are discussed in this way, with only sub-option 3e (no audit requirements) separated out, to avoid repetition.
- 1.59 ComReg notes that the impact of sub-options 3f to 3h depend on the frequency of reporting (i.e., whether sub-option 3a, 3b, 3c or 3d was chosen). For example, if sub-option 3a was chosen then sub-option 3f would effectively require monthly audits and sub-option 3g would require bi-monthly audits. In comparison, if sub-option 3d was chosen then sub-options 3f and 3h would be the same (both annual audits) and sub-option 3g would be an audit every other year.

	Impact on industry	Impact on customers	Impact on competition
Sub-option 3e: Do not require providers to arrange for performance reports to be audited.	If providers did not have to arrange for reporting to be independently audited, there would be no additional burden (compared to sub-options 3f to 3i), and so sub-option 3e would have the smallest impact on industry.	<p>If providers submitted performance reports to ComReg without the reports being independently audited, there would be no way to know whether actual performance against Commitments was being accurately reported.</p> <p>This could undermine the veracity of performance reporting, thereby reducing confidence in whether providers were delivering the Commitments made in their Charter.</p>	<p>Without Performance Reports being independently audited, there would be a risk that providers report inaccurately. This could skew competition by making actual provider performance against Commitments look better than it really is.</p> <p>This would undermine the transparency and comparability objectives of the Charter and distort any assessment of levels of quality of customer service.</p>

	Impact on industry	Impact on customers	Impact on competition
Sub-option 3f: Require providers to arrange for every report to be audited.	<p>If a provider were to arrange for an independent audit of Performance Reports, they would need to engage the services of a third party to conduct the independent audit. It is likely that this cost would be proportionate to the frequency with which audits of reports were required, so the financial impact on industry would likely increase the more frequently they were required to get reports independently audited.</p> <p>As noted above, the relative burden on industry of sub-options 3f to 3h may depend on the frequency of reporting.</p> <p>If reporting was monthly, quarterly or biannual, then sub-option 3f is most burdensome (of sub-options f-h) and 3h relatively least burdensome (of sub-options f-h) for industry. If reporting was annual, sub-options 3f and 3h are equally burdensome (annual audit) and 3g would be least burdensome (audit every other year).</p>	<p>Requiring providers to arrange for Performance Reports to be independently audited would help to ensure that reporting of actual performance against Commitments is accurate, so there would be a greater tendency towards full transparency on actual levels of customer service quality offered in the market, which would address identified information asymmetry to the benefit of end-users.</p> <p>The more frequently reports were audited, the more likely this would be to support customer trust in the information published and made available in Charters on customer service quality, with associated positive impacts on confidence and use of Charters to make informed choices.</p>	<p>Requiring providers to arrange for Performance Reports to be independently audited would ensure that actual performance against Commitments was accurately reported, avoiding a risk of skewing of competition. In addition, the more frequently reports were audited, the greater the incentives on providers to both deliver their Commitments and to report performance in this regard to ComReg accurately.</p>
Sub-option 3g: Require providers to arrange for every other report to be audited.			
Sub-option 3h: Require providers to arrange for a report to be audited once a year.			
Sub-option 3i: Require providers to arrange for their initial performance report to be independently audited (with an audit necessarily carried out for the	<p>Providers would be required to submit a mandatory audit of the first Performance Report. However, in subsequent years providers are offered a choice of either an independent audit or sign-off of their Performance Report by an Officer of the company, in accordance with the Form of Sign-off by an Officer of the Company, which is set out in Appendix A: Schedule 4. This template</p>	<p>The performance data relating actual performance against Commitments that is to be independently audited would be statistical in nature measuring how providers measured up against Commitments they make in the Charter. As this is a new regulatory measure, ComReg aims to ensure,</p>	<p>Requiring providers to arrange for Performance Reports to be independently audited would help ensure that actual performance against Commitments is measured and accurately reported, avoiding a risk that competition could be dampened. If providers opt for the sign-off option, ComReg considers that the incentive to</p>

	Impact on industry	Impact on customers	Impact on competition
<p>Performance Report of their initial Charter, and the option of an audit or sign-off of the Performance Report by an Officer of the Company (in lieu of the audit using a ComReg-specified Form for sign-off) on an annual basis in subsequent years).</p>	<p>allows for providers, if they wish, to utilise the sign-off option, which would minimise any regulatory burden in terms of costs of reporting and audit.</p> <p>Some responses to Consultation 23/14 raised the issue of the expense of an annual audit as an objection to ComReg's requirement noting that it is disproportionate and asking why the provision of the information by the operators is not adequate. ComReg's revised approach for sub-option 3h is a proportionate approach in this respect. The ComReg-specified Form for sign-off will provide consistency (if providers choose the option of sign-off by an Officer of the Company) in the approach across those providers that utilise that option and safeguards providers.</p> <p>Most respondents to the Further Consultation agreed with the revised approach made by ComReg with respect to the audit of Performance Reports. One respondent commented that ComReg had taken account of previous submissions regarding the proportionality (especially in respect of the cost implications) of requiring ongoing independent audit of the performance reports.</p>	<p>by utilising an audit, that the measuring and reporting of performance data is accurate, which would benefit end-users in terms of the trustworthiness and usefulness of Charters.</p> <p>ComReg considers that having a mandatory audit (at the very least for the first Performance Report) will ensure that the baseline for performance data is appropriately reviewed and that, while providers may choose (in subsequent years) an annual sign-off of Performance Reports by an Officer of the Company, regardless there is ComReg oversight of the Performance Reports.</p> <p>The ComReg-specified Form for sign-off gives assurance to customers that providers who use this option have followed ComReg's template in terms of signing off on the accuracy of the performance data for which the Form for sign-off is submitted alongside.</p>	<p>deliver Charters and report performance accurately will still remain.</p> <p>The form proposed by ComReg in Schedule 4, Appendix A allows for a level of comparability across providers with respect to the audit statements or Form of Sign-off submitted to ComReg alongside the relevant Performance Report.</p>

1.4 Step 5: Assess the impacts and choose the best option

1.4.1 Overall approach to implementing a Charter

- 1.60 ComReg is of the view that the identified lack of transparency of customer service quality in the market and the lack of existing Commitments by providers are evidence of an information asymmetry that could dampen competition, which may lead to poor customer outcomes. It leaves significant room for improvement in terms of consumer satisfaction with quality of customer service received from Service Providers.
- 1.61 In the absence of regulation, providers have not offered an adequate level of quality of customer service experience for their customers, and maintaining the status quo (i.e., adopting option 1) is likely to result in a continuation of the issues and poor outcomes for end-users identified.¹⁴ ComReg therefore considers that option 1 is not a viable option. It is proportionate and justified to implement Charter requirements in light of the analysis conducted, including the RIA, and the responses received to Consultation 23/14 and the Further Consultation. Responses to Consultation 23/14 demonstrated general support for having a Customer Charter.
- 1.62 The other options considered would each involve the introduction of a Charter to provide in one place, where customers can easily find and compare, information on the quality of customer service. When implementing a Charter, the key difference between options 2-4 would be whether standards of quality of customer service in Charters would be provider-led Commitments (option 2), mandated Minimum Quality of Service Standards set by ComReg (option 3), or a combination of options 2 and 3 (option 4).
- 1.63 In choosing between options 2 to 4, ComReg has weighed up the relative benefits and costs of each option taking the responses to both Consultation 23/14 and the Further Consultation (and ComReg's subsequent assessment of such responses) into consideration. In terms of the benefits of the options, ComReg has considered the extent to which each option would likely deliver its Statutory objectives and policy objectives for a Charter (i.e., creating transparency around the level of customer service providers offer, and driving improvements in overall customer service levels).
- 1.64 With regard to creating transparency, it is ComReg's view that options 2, 3 and 4 would all be likely to achieve this objective, as having a Charter in place would improve the information available to customers on their provider's customer service quality, and act as a 'one-stop shop' for customer service information and

¹⁴ See chapter 3 of Consultation 23/14 and the analysis set out by ComReg in its response to the Further Consultation (ComReg 25/05C).

support customers in overcoming challenges around navigating provider websites. It is envisaged that a Charter prepared under options 2, 3 or 4 would include some form of clearly articulated customer service standards (whether information on provider set Commitments and/or any ComReg set Minimum Quality of Service Standards), which would also create transparency around what levels of quality of customer service can be expected from each provider.

1.65 The key difference between the benefits of options 2, 3 and 4 is likely to be the degree to which providers are incentivised to compete on, and drive up, the quality of overall customer service. Each option has the potential to improve what levels of quality of customer service in different ways.

1.66 Option 2 would focus on stimulating competition in two ways:

- On the consumer side, having clear information on customer service Commitments that is comparable between providers should support customers in making informed choices, and give them more confidence to engage in the market and switch provider if their current provider is not providing customer service levels that meet their needs, and
- On the provider side, having to clearly articulate customer service Commitments that are comparable with other providers' Commitments should incentivise providers to compete on quality of service, to retain existing customers and/or gain new customers.

1.67 Options 3 and 4 would seek to have a Charter in place containing information on any ComReg-set Minimum Quality of Service Standards across the market, to differing degrees (across all explicit categories under the 2023 Act for option 3, and some explicit categories under the 2023 Act under option 4). The overall benefits to customers in terms of information on levels of customer service are likely to be more certain under options 3 and 4 than under option 2 – as customer service standards across providers would not be able to fall below a certain level – but possibly may not be as great as the potential benefits from providers being incentivised to compete more under option 2.

1.68 In terms of the relative costs of options 2 to 4, ComReg considers that these would likely be lower under option 2 compared to option 3. Under option 2, providers would incur some implementation costs in developing and publishing a Charter according to ComReg set parameters. However, by allowing providers further flexibility (which received support from respondents to the Further Consultation) in articulating information relating to quality-of-service levels offered for specified categories of customer service in their Charters, the implementation costs of introducing a Charter may be minimised, as any Commitments are provider-led and providers may tailor Commitments

specifically to their own business operations. In comparison, option 3 could result in providers incurring additional costs to adapt their business operations to meet any ComReg-specified Minimum Quality of Service Standards and publish that information in Charters.

- 1.69 In weighing up the relative benefits and costs of each option, having taken account of the submissions received and the views expressed, ComReg remains of the view that **option 2** (introducing a Charter containing provider-set Commitments) is proportionate and least burdensome in meeting the objectives for a Charter, as the focus of the Charter is on transparency and comparability. This approach was supported by a number of respondents to Consultation 23/14. It allows Relevant Service Providers flexibility to clearly articulate their customer service Commitments to customers, while also enabling ComReg to monitor and evaluate service providers' actual performance in relation to any Charter Commitments they give. Relevant Service Providers can compete on customer service quality and the regulatory burden (cost, time and resources) involved for them to implement the Charter is minimised.
- 1.70 ComReg notes that in a competitive market, it is normal for firms to choose to offer different combinations of price and quality. Low-cost, low-quality providers are valued by customers and, more generally, can drive a competitive dynamic in the wider market. Any intervention in such circumstances therefore needs to be carefully considered. Provided that customers can exercise choice and switch service providers, with the benefit of transparent and reliable information on what they can expect in terms of the level of quality of customer service, competition on price and quality should ensure that overall consumer welfare is promoted.
- 1.71 In that context, option 2 aims to allow competitive dynamics to work more effectively. ComReg's original proposal around option 2 was to take a phased approach to introducing Charter requirements. In Consultation 23/14, ComReg proposed, as part of a phased approach, in respect of the Charter, that subsequent to the publication of the Charters it would conduct an adequacy review as to the levels of customer service commitments before deciding whether to specify Minimum Quality of Service Standards. The Charter process now focuses on achieving transparency and comparability of levels of quality of service for end-users and consumers and not Commitments at the individual level. To be clear, ComReg has decided not to conduct the adequacy review of individual Commitments.
- 1.72 It is also noted that the effectiveness of option 3 would likely rely on ComReg being able to base any Minimum Quality of Service Standard (subject to consultation) on real operational data. ComReg remains of the view that Commitments should be provider-led (Option 2). A number of respondents to Consultation 23/14 agreed with ComReg's approach to introducing a Charter, with one respondent stating that "provider set commitments are appropriate,"

while another respondent noted that they “welcome ComReg’s approach to allow providers to set their commitments, with the aim of minimising the regulatory burden and cost of implementation.” In light of the submissions received, Option 2 allows Relevant Service Providers to clearly articulate their customer service Commitments to customers using a range of different intervals and tailor such Commitments (if any) to their own specific business operations, while also enabling ComReg to monitor and evaluate service providers’ actual performance in relation to any Commitments offered. It is expected that the level of quality of customer service committed to by providers of IAS and ICS will achieve the transparency objective of the Charter and facilitate effective competition and choice. The approach is justified and proportionate, taking account of the benefits for end-users. ComReg considers that option 2 will result in benefits to the end-users which outweigh costs on Service Providers and is ComReg’s chosen option.

1.4.2 Which providers Charter requirements will apply to

- 1.73 For the purposes of setting out the benefits and risks of different options, ComReg has considered the question of which providers Charter requirements will apply to in two parts: (i) which categories of providers (providers of IAS, number-based ICS and/or number-independent ICS – options 1, 2 and 3 respectively), and (ii) whether requirements should apply to all providers within a category (sub-option (a)), or only those above a certain threshold (sub-option (b)).
- 1.74 In considering both aspects of this question, ComReg has been mindful of seeking to ensure that measures taken by ComReg are proportionate, having regard to our statutory objectives (including promoting competition and the interests of users within the community) and objectives for a Charter.
- 1.75 Consultation 23/14 noted that while Charter provisions do not stem from the ECC Regulations, ComReg has considered the extent to which different end-user provisions from the ECC Regulations apply to different categories of providers, to ensure a level of consistency. All of the end-user obligations in the ECC Regulations apply to IAS providers and number-based ICS providers, and so for consistency it would seem appropriate that Charter provisions also apply to those providers. These are also the providers that the evidence in section 3.1 of Consultation 23/14¹⁵ applies to, i.e., where there is an identified need for improvements in transparency on levels of quality of customer service.
- 1.76 Number-independent ICS providers are, since the introduction of the ECC Regulations, now included in the definition of ECS, and so are subject to a series

¹⁵ Evidence presented around customer service levels in the Irish electronic communications services market, including availability and transparency of information about levels of customer service.

of obligations. However, they are yet not subject to the same extent of regulatory requirements as IAS providers and NBICS providers. For example, only a sub-section of end-user provisions in the ECC Regulations apply to number-independent ICS providers.

- 1.77 ComReg considers that there could be benefits to customers and competition from Charter requirements applying to number-independent ICS providers in the longer term. However, given the Charter is a new regulatory measure and taking account of the benefits for consumers and other end-users, ComReg considers that it is proportionate and justified to target the Charter to where there is the greatest evidence of poor customer outcomes – namely the providers of fixed and mobile number based ICS and IAS that serve the majority of the population, as covered by the data set out in chapter 3 of Consultation 23/14. ComReg has chosen to adopt options 1 and 2 and not option 3.
- 1.78 Implementing Charter requirements is anticipated to drive competition including as regards overall levels of quality of customer service across the market. However, ComReg is cognisant of the impact that implementing Charter requirements may have on relatively smaller providers of ECS. While some respondents to Consultation 23/14 commented that all providers should have to publish a Charter regardless of market share, there is also broad agreement with ComReg's suggested threshold of 0.5% or greater market share with one respondent stating that "it will cover 100% of mobile voice and 98.7% of fixed line voice and 96.3% of fixed broadband." It was also noted by one respondent that "to some extent smaller operators should not be expected to invest to the same degree as larger ones, as it may disproportionately affect their operations". While other respondents agreed with a threshold, suggestions by respondents around the percentage market share at which the threshold was set were varied.
- 1.79 ComReg has also had regard to the responses to the Further Consultation on the matter of the 0.5% market share threshold and proportionality for B2B providers and remains of the view that its approach to the threshold strikes the appropriate balance in terms of its impact on end-users and providers alike. It is proportionate towards relatively small providers of ECS and mindful of potential new market entrants, while helping to ensure end-users can benefit from the Charter. The threshold for requiring having a Charter in place does not preclude any provider of ECS, including smaller providers or potential new market entrants, from having their own voluntary charter or offering Commitments as regards the level of customer service their customers can expect.
- 1.80 Having regard to the variation in responses received to both Consultation 23/14 and the Further Consultation, and mindful of proportionality, ComReg has sought to ensure that the regulatory burden of Charter requirements does not have undesirable consequences for smaller providers of ECS and therefore has chosen to adopt **sub-option (b)** (for both options 1 and 2) – that it is on balance

appropriate and proportionate that Charter requirements are imposed on providers of IAS and NBICS, with a market share (in fixed and mobile NBICS and IAS markets) of 0.5% or greater.

1.4.3 Which classes of end-user the Charter will address

- 1.81 Option 1 would cover all classes of end-user, including larger enterprises. As noted in recital 259 of the Code¹⁶, larger enterprises usually have stronger bargaining power and so may not depend on the same contractual information requirements as consumers. ComReg considers it is less likely that larger enterprises would benefit from a Charter, particularly as they may already have a service level agreement or similar with a service provider, that gives them assurance about the relevant aspects of the customer service they will receive. It is therefore likely not proportionate to require providers to have a Charter addressing all end-users, and so option 1 is not the preferred option as regards this policy decision.
- 1.82 Option 2 would cover only consumers, i.e., residential/individual users, whereas option 3 would also cover other end-users that are microenterprises, small enterprises and not-for-profit organisations. Such end-user types are likely to have a similar level of bargaining power in their dealings with their supplier, compared to consumers. Unlike microenterprises and small enterprises, there is no staffing numbers defined for not-for-profit organisations (of which, in Ireland, there are more than 30,000). In Ireland, more than 50% of not-for-profits employ fewer than 10 staff, while less than 8% of not-for-profits employ more than 50 staff.¹⁷ While a number of respondents to Consultation 23/14 raised the issue of whether larger not-for-profits “should be excepted from charter consideration or capture” (as one respondent put it), as already stated above, for the reasons set out in Consultation 23/14 and in response the Further Consultation,¹⁸ ComReg considers it appropriate to extend consumer protections to not-for-profit organisations. ComReg notes that the number of larger not-for-profits in Ireland is small relative to the overall number of that type of organisation.
- 1.83 End-users that are microenterprises, small enterprises and not-for-profit organisations might benefit from equivalent protections to consumers, as they are also likely to be at risk of low countervailing buyer power caused by information asymmetry. These end-users have less bargaining power than larger enterprises and would likely benefit from greater transparency on information on customer service quality and Commitments as to the level of quality of customer

¹⁶ Official Journal of the European Union (2018), Directive (EU) 2018/1972 of the European Parliament and of the Council of 11 December 2018 establishing the European Electronic Communications Code. Accessed [online](#).

¹⁷ Analysis of not-for-profit organisations based on data presented in [benefacts-nonprofit-sector-analysis-2021.pdf \(benefactslegacy.ie\)](#) and [PowerPoint Presentation \(2into3.com\)](#).

¹⁸ See ComReg’s response to question 4 in ComReg 25/05C.

service they can expect from their provider. Consultation 23/14 noted that for key end-user protection provisions in the ECC Regulations, such as those relating to contract information, maximum contract duration and bundles, the approach was taken to extend consumer protections to microenterprises, small enterprises and not-for-profit organisations.

- 1.84 **Option 3** – that Charters will address consumers, microenterprises, small enterprises and not-for-profit organisations is ComReg’s chosen option.

1.4.4 High-level nature of Charter contents

Options 1, 2 and 3

- 1.85 In terms of the two high-level options identified in relation to information that could be required to be published in a Charter, ComReg considers there are benefits to including both categories of information in the Charter, to help achieve the Charter objectives.
- 1.86 All three options could achieve the first objective of creating transparency by acting as a “one-stop shop” which should make it easier for customers to find that information.
- 1.87 Option 1 would improve the information available to customers on their provider’s customer service, for example information more usually available to customers on contacting customer care, and about a provider’s policies in respect of customer service.
- 1.88 Option 2 would introduce clearly articulated customer service standards and enable these Commitments to be easily compared between providers.
- 1.89 Option 3 combines both Options 1 and 2 where Charters are a ‘one-stop shop’ location to get easily accessible and comparable information on Commitments, and other key information (such as, compensation, complaints handling and accessibility) relating to the service, for ECS customers.
- 1.90 Option 2 would likely be more effective in helping to drive improvements in overall customer service quality, by creating transparency of quality of customer service levels and other key information and stimulating competition, and behaviour on both the consumer and provider sides geared towards driving a more competitive dynamic. ComReg has responded to submissions regarding the content of information to be included in a Charter. The focus of the proposed Charter content is on key information that customers need and to where there is greatest evidence of poor customer outcomes. Therefore, ComReg has decided to adopt **option 3**, (i.e. the combination of options 1 and 2) for Charter requirements, *inter alia*, that it is appropriate that both categories of information are required to be included in the Charter. This approach is considered proportionate and

appropriate taking account of the benefits to end-users and as the focus of the Charter is on transparency. ComReg notes that many of the respondents agreed that such information published in a Charter would improve the information available to customers on their provider's customer service, effectively as a "one stop shop".

Sub-options 2a and 2b

- 1.91 In terms of sub-options 2a to 2b, the key difference is a provider's ability to change Commitments once they have been set, to reflect actual performance.
- 1.92 Under sub-option 2b, providers would be able to update Commitments during the period to reflect actual performance more accurately. Providers could potentially update Commitments multiple times in a quarter, to track performance, which risks undermining the Charter objectives. In contrast, frequently changing Commitments could be less transparent, as it would be harder for customers to know which Commitments were relevant. If providers could update Commitments to reflect actual performance, however, such flexibility might provide less of an incentive for providers to compete on the level of quality of customer service they offer their customers. In such circumstances, levels of quality of customer service may not improve overall in the ECS market.
- 1.93 On balance, ComReg considers that sub-option 2a helps to avoid such a risk, by requiring providers to set Commitments in advance for a set period of time and not changing the Commitments. This is likely to better achieve both Charter objectives and ComReg's statutory objectives. Therefore, ComReg has decided to adopt **sub-option 2a**.

Sub-options 2c, 2d and 2e

- 1.94 The key difference between sub-options 2c, 2d and 2e is the extent to which a Charter Commitment is meaningful to an individual customer. Average service level commitments (sub-option 2c) are likely to be less meaningful to an individual customer, as it would be hard for them to know whether their experience was in line with a provider's Commitments or not.
- 1.95 In comparison, with any customer service level Commitments (sub-option 2d) it would be easier for an individual customer to know if their experience was in line with a provider's Commitments or not.
- 1.96 In its Further Consultation, ComReg identified a further sub-option 2e, whereby a Charter would contain Commitments articulated as a percentage within defined timeframes (or a provider's own timeframe). This sub-option allows providers the flexibility to base any Commitment(s) they chose to offer to their customers as to levels of quality of customer service using a range of different intervals. The meaningfulness of this approach compared to sub-options 2c (average) and 2d

(at the individual level) depends on the approach followed by providers.

- 1.97 Providers have the option to follow an approach more aligned with 2c, whereby they could choose medium timeframes and similarly mid-range percentages of service. Alternatively, a provider could follow an approach more aligned with 2d, whereby they could choose shorter timeframes and percentages of service that approach Commitments at the individual level envisaged in 2d. The meaningfulness to customers may depend on the approach followed by the provider. Another aspect to consider when weighing up sub-options 2c, 2d and 2e is the potential impacts on incentives for providers to compete on levels of quality of customer service. It is arguably easier for a provider to comply with average service level Commitments (the medium timeframes and mid-range percentages of service described above) – by the very nature of averages, in a large sample size it is possible for outliers to exist without the average being dramatically affected. In comparison, with any minimum service level Commitments, providers ought to meet a minimum level for every individual customer, geared towards avoiding any risk of outliers in terms of poor levels of customer service.
- 1.98 Providers would take this into account when considering the specific level of customer service they offer their customers. All being equal, it is likely that if providers were to make Commitments to average levels of performance, they would be more ambitious than when making any Commitments to minimum levels of performance.
- 1.99 Some responses to Consultation 23/14 noted that “averages must be the starting point for specific commitments with explanation in any required sentences that these are commitments on average and there are some circumstances over which providers have no control over” and that “it is widely accepted that without the use of averages in industry call centre metrics and KPIs, call centre costs would increase exponentially.” With respect to this preference expressed by some respondents, under option 2e, a Relevant Service Provider can make Commitment(s) as to the level of quality service it offers (in respect of a specified category of customer service), using a range of different intervals. Providers should make realistic Commitments if any and compete on such Commitments to the benefit of end-users. However, while providers are not required to express Commitments at individual customer level, it is also appropriate that a Charter could contain Commitments that apply to, and are relevant for, individual customers. With average Commitments, there is a risk that a customer experiences an outcome that is worse than the average service level a provider promises, but the provider is still delivering against the Commitment overall, and the customer loses confidence in the value of the Charter. This could undermine customer confidence in the Charter.
- 1.100 Having considered the submissions made to Consultation 23/14, and having

taken into account the views expressed, ComReg revised its view to allow providers further flexibility to base any Commitment(s) they chose to offer to their customers using a range of different intervals. ComReg proposed that providers choose where on this range to offer Commitments and to express those Commitments, if offered, as a percentage within the timeframes (as defined in accordance with ComReg specified form requirements in Schedules 2 and Schedule 3) taken to meet the service. Responses to the Further Consultation were generally supportive of the revised approach.¹⁹ Therefore, ComReg has decided to adopt **sub-option 2e** which strikes the balance between ensuring that end-users are protected while also allowing flexibility for providers with respect to Commitments (if any) they wish to set and can deliver on, tailored to specific business operations.

1.4.5 Charter form requirements

- 1.101 The options identified relating to Charter form sit on a spectrum, ranging from option 1 (not specifying any form requirements) that offers providers the most flexibility, through to option 4 (specifying a Charter template).
- 1.102 The more specific ComReg is in specifying form requirements (i.e., the more toward the option 4 end of the spectrum), the easier it will be for customers to compare Charters between providers. This would support customers evaluating the customer service offer of different providers, which is a key part of ComReg's objectives for the Charter. However, it is also important that providers have some flexibility in tailoring their Charter to their brand and business proposition.
- 1.103 Some responses to Consultation 23/14 noted the "highly prescriptive wording for commitments" which may create difficulty for providers who "strive to remain consistent in their tone of voice and language" when communicating with customers. According to such responses, this could mean that the prescriptiveness of the language set out in the template leads to the Charter serving to confuse customers. Having considered the submissions made to Consultation 23/14, and having taken into account the views expressed, the Charter template form, as described in option 4, was revised to accommodate (i) a reordering of the proposed Charter sections, and (ii) a proposed change to the sections included in the Charter.
- 1.104 In deciding where on this spectrum to choose, ComReg weighed up the relative importance of flexibility for providers versus comparability of Charters. ComReg considers that comparability is absolutely vital for the Charter objectives to be achieved. If providers are allowed complete flexibility to determine Charter form, different providers will include different information, with different levels of detail,

¹⁹ See Appendix C (Response to Consultation, ComReg 25/38C) and Appendix D (Submissions to Further Consultation, ComReg 25/38D) to the Decision.

and presented in different ways. This would make it very difficult for customers – or ComReg – to compare the customer service offering between providers. Without certain ComReg-set parameters as to the form of a Charter, it will be much harder to create transparency or to incentivise greater competition on customer service Standards.

- 1.105 Regarding the form of a Charter, ComReg maintains the view that having a template Charter form²⁰ that Relevant Service Providers would fill in according to ComReg specified instructions,²¹ using ComReg-defined metrics²² is the approach most likely to ensure consistency and comparability. It helps to ensure that all end-users including those with disabilities can effectively engage with their provider throughout their customer journey. ComReg considers that the revised approach to the Charter form will ensure that end-users benefit in terms of a streamlined, short and easy to read Charter.²³ ComReg considers that the prescriptive wording is necessary as it is the clearest way of ensuring providers understand ComReg's expectations for Charter form. Furthermore, the level of prescriptiveness required by ComReg ensures comparability between different providers' Charters.
- 1.106 On balance, ComReg has therefore decided that **option 4**, a template for all providers' Charters to follow, is the most appropriate option. This approach is considered proportionate and appropriate as the focus of the Charter is on transparency. This option should place minimal additional burden on a Relevant Service Provider where it could articulate and tailor such Commitments (if any) to their own specific business operations. ComReg's decided on approach strikes the appropriate balance between flexibility for providers, transparency and comparability of Charters.

1.4.6 How and when a Charter will be updated

- 1.107 The options for how long Commitments are set for, and how frequently a Charter is updated, are also on a spectrum, ranging from shorter Commitment periods and more frequently permitted updates (option 1), through to longer Commitment periods and less frequently permitted updates (option 5).
- 1.108 In deciding where on this spectrum to choose, the key factors ComReg has considered are, the incentives on providers to compete, the customer experience (both ease of customers knowing which commitments apply to them, and the likelihood of customers receiving an experience that is in line with Commitments), and any administrative burden on providers. In addition, some responses to

²⁰ Pursuant to Schedule 1, Appendix A.

²¹ Pursuant to Schedule 2, Appendix A.

²² Pursuant to Schedule 3, Appendix A.

²³ See ComReg's response to questions 6, 7 and 10-17 in Appendix C of the Further Consultation (ComReg 25/05C).

Consultation 23/14 requested clarity on the periodicity of Commitments.

- 1.109 The shorter the Commitment period, the less forecasting a provider would have to do when considering what level of customer service to commit to, and so the better placed they should be to accurately assess what level of customer service they could comfortably commit to. The more frequently providers can update their Charter (i.e., the shorter the period(s) a provider has to set Commitments for in one go), the more agile providers could be in adjusting Commitments if previously made Commitments are either too ambitious or not ambitious enough. Providers would also be able to observe Commitments made by their competitors and potentially adjust their own in response.
- 1.110 These factors combined would suggest that the more we move toward the option 1 end of the spectrum, the more providers should be incentivised to compete on levels of quality of customer service. In contrast, the more we move toward the option 5 end of the spectrum, the more providers would have to base Commitments on a forecast and would be locked into Commitments for a longer period of time. If actual performance varied substantially from Commitments, which could happen due to factors outside a provider's control, providers could effectively be locked into Commitments they are unlikely to deliver on for the rest of the period.
- 1.111 In terms of the consumer experience, the more we move toward the option 1 end of the spectrum, i.e., the more frequently the Charter version could change, this could make it more difficult for customers to keep track of which Commitments applied to them, which could cause customer confusion. However, toward the option 1 end of the spectrum it is also more likely that customers would get an experience in line with what their provider committed to (all else being equal), as providers would be setting their Commitments closer to the time and based on less of a forecast.
- 1.112 In contrast, the more we move toward the option 5 end of the spectrum, the more likely it is that actual provider performance could differ from Charter Commitments (because providers are locked into Commitments for longer). This could mean an increased likelihood of customer dissatisfaction, if their experience is significantly different from what their provider committed to.
- 1.113 In practical terms, more frequent Charter updates (closer to the option 1 end of the spectrum) could result in more administrative burden for providers, due to preparing and publishing new Charter versions on a more frequent basis.
- 1.114 ComReg has also considered responses received to Consultation 23/14 on the issue of how and when a Charter will be updated.²⁴

²⁴ See ComReg's response to question 8 of Appendix C to the Further Consultation (ComReg 25/05C).
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- 1.115 Bringing these factors together, in addition to responses to Consultation 23/14, ComReg has decided that somewhere toward the middle of the spectrum is the most appropriate approach, in order to strike an appropriate balance between the impacts on providers and effects for customers. ComReg has decided to allow 'quarterly commitments and quarterly updates' (i.e., **option 3**) and that this is the appropriate and necessary approach. The quarterly Commitment period aligns with how frequently a Charter is updated (i.e., quarterly). ComReg also notes that submissions to the Further Consultation were broadly supportive and welcomed ComReg's revised approach.

1.4.7 How customers will be notified about the Charter

- 1.116 A Charter will likely be more effective in meeting ComReg's stated objectives if customers are aware of their existence, made aware when providers update Charters, and of what they can use the Charters for. Given the Charter is a new regulatory measure to assist end-users, customers are unlikely to be aware of it without some kind of notification. There was consensus support expressed by respondents to Consultation 23/14 on this issue. ComReg therefore considers it is important that providers are required to proactively notify customers about their Charter at some point after it has been published for the first time, and so option 1 (no specific customer notification) is discarded.
- 1.117 Of the other options considered, there are pros and cons to each. Relevant factors ComReg gave consideration to include; how many customers would receive a notification, how any notification(s) would add to the overall amount of information customers are receiving, the likelihood of customers noticing/paying attention to any notification(s), appropriate times to possibly prompt customers about the existence of the Charter and when providers update Charters, and the accessibility of the Charter to all customers, including those with disabilities.
- 1.118 On the latter, ComReg took into account responses to Consultation 23/14, which agreed to support the proposed measure to ensure that the Charter is available on request and in an accessible format. Having taken respondents' views into account, ComReg revised its approach regarding the period within which a Relevant Service Provider must provide a copy of the Charter in Durable Medium to a Relevant Customer (who is not able to access the Charter from a provider's website), from 48 hours to "within 5 working days". ComReg considers that this is an appropriate and proportionate approach with respect to providers and justified taking account of the benefits to end-users.
- 1.119 Options 2, 3 and 4 would all involve regular notifications to various groups of customers. Coverage of customers by a notification increases moving through the options:
- Option 2 would only cover customers switching to a new contract,

- Option 3 would cover all customers who receive a bill. This would cover the majority of customers, though would exclude a significant minority of mobile customers – in Q4 2024 40.8% of mobile subscriptions (excluding mobile broadband and machine-to-machine subscriptions) were prepaid²⁵, and
- Option 4 would cover all customers.

- 1.120 Given that the notification requirement under options 2, 3 or 4 would be a new requirement, all options would add to the amount of information customers receive. The extent of this would depend on how providers designed the notification (e.g., how much information was included), and for options 2 and 3, whether providers just include a sentence or two on an existing communication or send something more substantial at the same time.
- 1.121 With options 2 and 3 the Charter messaging could be lost among other pre-contractual or billing information, while the standalone nature of the communication under option 4 could be an advantage for capturing customer attention.
- 1.122 In terms of appropriate times to notify customers about the Charter, options 2 and 4 would arguably be most relevant. Option 2 would come at a time when customers are switching provider and could benefit from clarity around the specific level of customer service they offer their customers, alongside contract commitments. As option 4 would be a new communication, it could be timed for just after the Charter was first published or when a provider changed and updated their Charter.
- 1.123 It is noted that provider-led communications are advantageous as providers have a relationship with their customers and so are best placed to communicate directly with their customers about matters such as new customer service commitments. However, ComReg also runs information campaigns and publishes consumer news articles. ComReg could also play a role in raising awareness about the existence of the Charter and what it can be used for.
- 1.124 Taking into account the consensus support expressed by respondents with respect to notifying customers, ComReg is of the final view that it is most appropriate to notify customers about what they can expect relating to customer service before they sign a new contract with their provider (**option 2**). This option should also place minimal additional burden on providers, given they already send pre-contractual information to customers and the form of communication proposed is that in which providers ordinarily communicate regulatory notifications to their customers. However, ComReg expects that Relevant

²⁵ ComReg Quarterly Key Data Report statistics for Q4 2024. Accessed [online](#).

Service Providers will notify existing customers, as the proposed Charter notification requirement does not differentiate between new and existing customers. Relevant Service Providers should ensure that customers are made aware of the existence of the Charter and made aware of the existence of any updated Charter. Consistent with the objectives of transparency and usefulness, it would be necessary for customers to be made aware when providers update their Charters.

- 1.125 ComReg notes the practical suggestions put forward in responses to Consultation 23/14 in relation to how customers are notified. In light of those suggestions, ComReg considers that Relevant Service Providers have the flexibility on the means of notifying customers, with the communication that is sent being similar to how providers would ordinarily communicate with their customers as regards regulatory notifications. Striking the appropriate balance between notification of customers of the existence of the Charter, while being mindful of the ongoing burden on providers, ComReg has decided that Relevant Service Providers should ensure that a Relevant Customer is made aware of the existence of its Charter, its purpose, any updated Charter and also how a copy of it can be obtained.

1.4.8 How performance against Charter commitments will be evaluated

- 1.126 ComReg considers that providers' measuring actual performance against their Charter Commitments is a key part of achieving our statutory objectives and aims for the Charter. In the absence of measuring performance there is a risk that providers could make Commitments without backing them up with appropriate efforts to deliver on those Commitments. This would not represent a genuinely beneficial impact on competition and could lead to undesirable customer outcomes. Furthermore, taking account of the responses to Consultation 23/14 particularly, there was a common understanding among respondents that some form of measuring performance is necessary. In light of the analysis conducted, the response to Consultation 23/14 and further consideration by ComReg, option 1 (no evaluation) was therefore discarded.
- 1.127 When considering options 2 and 3, there is a trade-off between benefits to customers and competition, and costs to industry. ComReg considers the benefits of measuring performance against Commitments are key to the effectiveness of the Charter. The performance evaluation informs ComReg as to a Relevant Service Provider's performance against the Standards (Commitments) set out in its Charter. Reporting on actual performance ensures providers are accountable to their Commitments.
- 1.128 Such benefits are likely greater, and sustained, with option 3 compared to option

2. Under option 2 (one off evaluation and reporting) there is a likelihood that benefits would only be felt for the duration of the initial Charter, and that under subsequent Charters, the issues noted with option 1 could arise. ComReg considers that requiring Relevant Service Providers to get their Performance Reports independently audited (or in lieu of an audit subsequent to the audit of the first Performance Report, signed off by an Officer of the Company) brings additional benefits, in terms of allowing ComReg to assess the accuracy and reliability of performance results, given that this is a new regulatory measure. It would give customers confidence (when customers know that the Commitments will either be audited on an annual basis or at least that the Performance Reports would be signed off by an Officer of the Company) that the information published in Charters (and measured performance reported to ComReg) is reliable. Such benefits are supported by requiring Relevant Service Providers to keep the underlying data used to generate a Performance Report for one calendar year from the date it submits a Performance Report to ComReg.

- 1.129 In terms of the costs of options 2 and 3, there may be two key elements to any costs – generating Performance Reports and getting those reports independently audited. On the former, there would be an initial cost to set up a reporting process, that would be the same with option 2 or 3. Once that process is set up to enable automated reporting, the incremental cost of generating ongoing reports would likely be lower, and so the costs of option 3 would not necessarily be substantially higher in that regard. ComReg notes, however, that some responses to Consultation 23/14 highlighted the proportionality of imposing such “an extensive regulatory reporting burden on operators.” While ComReg acknowledges that more frequent reporting will lead to an increased cost burden to providers, respondents did not offer any supporting evidence that such increased costs will be, as one respondent (to Consultation 23/14) stated “overkill” or overly onerous. ComReg’s response to Question 18 of Consultation 23/14 (ComReg document 25/05C) addresses these issues in detail.
- 1.130 However, as noted in Consultation 23/14 getting reports independently audited would likely incur a similar cost for each occasion the audit was required, as a Relevant Service Provider would engage an external auditor. In the Further Consultation, ComReg sought to mitigate this cost by revising its view on a mandatory recurring independent audit and allowing the option for providers to have sign-off on Performance Reports by an Officer of the Company (subsequent to the audit of the first Performance Report). If Relevant Service Providers choose regular annual audits under option 3 (ongoing off evaluation and reporting), the costs of this option would be higher than option 2 and would likely increase the more frequently audits were required.
- 1.131 For the reasons set out in Consultation 23/14, due to the benefits of the Charter being reliant on the transparency of the information on Commitments published

in Charters (and measured performance reported to ComReg), ComReg has decided to adopt **option 3**. However, in considering options for reporting and audit requirements, we have been mindful of weighing up any additional burden on Relevant Service Providers versus the benefits to customers and competition.

Frequency of ongoing provider reporting

- 1.132 In general, the more frequently providers submit Performance Reports to ComReg, the greater we expect potential benefits to customers and competition could be, as set out in the table at paragraph 1.54 above.
- 1.133 More frequent reporting would likely also act as a stronger incentive for Relevant Service Providers to deliver on their Commitments, as any poor performance would be more noticeable within a shorter reporting timeframe. It would also allow ComReg to observe any negative trends in customer service experiences closer to real time.
- 1.134 However, the more frequently Relevant Service Providers are required to report, the greater the cost to them, predominantly in the time needed to verify reports and sign-off internally. Weighing up costs, the generation of reports themselves should be able to be automated (supported by the Reporting Template at Schedule 3, Appendix A). In that context, the incremental regulatory burden on Relevant Service Providers of generating reports is minimised, though we note from responses to both Consultation 23/14 and the Further Consultation that some providers state that they will require some time for technical development (before reporting can become automated). This issue is addressed by the implementation period afforded to Relevant Service Providers to prepare and publish their Charters.
- 1.135 Weighing up the costs and benefits and, having regard to the comments received to Consultation 23/14 and the Further Consultation, regarding the periodicity of reporting (several respondents stated that annual reporting is more appropriate), ComReg has decided to adopt **sub-option 3d**, i.e., quarterly reporting. We consider receiving Performance Reports on a quarterly basis strikes the appropriate balance between delivering on the transparency objective for the Charter, while being mindful of the ongoing burden on Relevant Service Providers.

Independent audit of provider reporting

- 1.136 ComReg considers that an audit of Performance Reports will play an important role in ensuring the accuracy of Performance Reports, supporting customer confidence that the information published in Charters (and measured performance reported to ComReg) is reliable and will avoid a risk of skewing of competition by inaccurate reporting of performance.

- 1.137 However, introducing audit requirements would impose an additional cost for industry, and this was indeed stated by a number of responses to Consultation 23/14, and also highlighted in responses to the Further Consultation. The magnitude of such additional costs is likely to be relative to the frequency with which audits are required. Some responses to Consultation 23/14 pointed out, among other things, that “the overhead associated (with an audit) is overkill... and places a burden on operators that cannot be easily absorbed”, and that the audit is essentially “not justified or proportionate”.
- 1.138 Having considered the responses to both Consultation 23/14 and the Further Consultation, ComReg has decided that the benefits of an audit (i.e. allowing end-users to consider that the information presented to them has been assessed independently and is trustworthy) outweigh the costs to industry of carrying out an audit. However, in the draft RIA, published alongside the Further Consultation, ComReg identified a new sub-option 3i. Under this sub-option, Relevant Service Providers would be required to submit a mandatory audit of the first Performance Report, but are offered a choice of either an independent audit or Sign-off of their Performance Report by an Officer of the Company, in accordance with a Form of Sign-off by an Officer of the Company (see Schedule 4, Appendix A). This Form of Sign-Off would allow for Relevant Service Providers, if they wish, to utilise the sign-off option, which would minimise any regulatory burden in terms of costs of reporting and audit. This provides for a level of consistency in the statement that Relevant Service Providers make with respect to the accuracy of the performance data submitted and the completeness of the review on the basis of the definitions used and the requirements set out by ComReg (performance is measured and reported according to the Data Dictionary and Reporting Template Schedule 3, Appendix A). If a Relevant Service Provider does not give such Sign-off of its Performance Report by an Officer of the Company, then it must submit to ComReg a mandatory independent audit of the Performance Report.
- 1.139 ComReg has now decided that, on balance, this approach (i.e., the approach set out in **sub-option 3i**) will minimise the regulatory burden on Relevant Service Providers for measuring and reporting on performance, while setting the incentives for accurate and comprehensive reporting, safeguarding customers and providers alike and is the option chosen.