

OFCOM Review of the Universal Service Obligation

Comments from PhoneAbility

1. PhoneAbility welcomes the opportunity to comment on the current stage of the USO Review. As several members of the PhoneAbility Steering Group have already commented through their own organisations, these comments will be kept very brief.

2. In the course of the European Commission's review of the scope of universal service, we have made plain our view that the concept of universal service needs to evolve so that the basic service model which it defines continues to be updated in the light of current practice. If this is not done, then the minimum set of services which constitute the obligation will quickly become outmoded and could then represent a service pattern from which the majority of users had long since migrated. Updating, in the present context, would necessarily lead to the full inclusion of mobile services and the introduction of some aspects of broadband in the USO. We fully appreciate that OFCOM cannot advance in this direction unless and until the Universal Service Directive is amended, but we would hope that OFCOM is supportive of such an approach. At the very least, the removal of the words 'at a fixed location' from Article 4 of the Directive would open the way for meeting reasonable requests for connection either by mobile or by fixed line. National Regulators could then apply Article 4.2 to both fixed and mobile networks, with a consequent rationalisation of the obligations required of either.

3. We are disappointed that there is not a more positive approach to the matter of availability and affordability of accessible terminal equipment. (Page 38 of the document refers). OFCOM's duty under Section 10 of the Communications Act is to encourage such provision where it cannot mandate it, and an outline set of proposals to achieve this would have been welcome. Reliance upon EU moves in the area of public procurement is at best a medium term measure, because of the time scale for producing the necessary harmonised procurement standards. A programme to stimulate awareness of accessibility issues among terminal manufacturers could be developed, using links with those network operators who supply terminals on sale or rental as part of their service package. As terminal equipment supply within a service provision will fall within the scope of the Disability Discrimination Act, this would seem to be a powerful incentive, although we accept that OFCOM cannot require any undertaking to offer equipment on rental if that would not form part of the undertaking's normal business.

4. We very much welcome the proposal to set up an Advisory Panel on Relay Services, although PhoneAbility will not seek a place on that Panel because our Steering Group members will be doing that through their own organisations.

5. In respect of Questions 2, 3, & 4, we would comment that the availability of Public Call Boxes for use in emergencies should eventually come to determine the minimum level of provision. As revenue-earning use declines through greater reliance upon mobiles, some form of funding support will come to be necessary if an adequate emergency coverage is to be maintained. Perhaps a dialogue should be opened on where this support should come from, as it would seem to be more analogous to the provision of motorway telephones than a universal service issue.

6. In response to Question 9, we find that on broadband, and the definition of Functional Internet Access, there does seem to be some inconsistency. The present Universal Service Directive requires only narrowband connections and even ISDN is excluded from its scope. However, it is not clear to us whether that excludes broadband services that are delivered over primarily narrowband connections, as in xDSL. It could be argued that all data services carried over the connection, ie the copper wire pair of the local loop, are potentially within the scope of the Directive. Our concern here is that new generation services delivered over the local loop (but not within the voice band) are developing at a great rate and are seen to be exempt from the USO and, more importantly, the 'User's Rights' section of the Directive. By the time that such broadband services are recognised as appropriate for inclusion, it is likely that patterns of service will have developed that are difficult to regulate. We would wish to see the providers of such services observing where appropriate the obligations that are part of a publicly available telephone service, instead of relying upon the provider of the voice band service to meet them.

On the matter of data rates, OFCOM is retaining 28.8 kbits/s as the threshold for dial-up connections while noting that most subscribers obtain data rates well in excess of this. A low level of functionality is therefore implied. If features such as video relay are to be seriously contemplated, broadband connections will be needed. We would like to see further clarification of the bandwidth issues, perhaps set out as a graded set of options for user selection, from minimal Internet function (at 28.8 kbits/s), through the fastest reasonable dial-up rates and into broadband at the lower levels. The objective should be that all these options are available to subscribers on reasonable request, with regulatory intervention to correct the situation if they are not. We note that the Directive, in 2002, appeared to take 56 kbits/s as the normal rate for dial-up modems (Recital 8) and proposed the use of the universal service mechanism to meet the costs of upgrades to deficient lines. This does seem to us to be an area where the advancing technology is outpacing the activities of the Regulators, potentially leading to a situation from which it could be difficult to recover.

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