

Representing the Communication Services Industry



Ofcom - Fixed Access Market Reviews
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Introduction

The [Federation of Communication Services](#) represents over 300 businesses delivering products and services via wireless, copper and fibre technology. Over 70% of FCS members provide services in the fixed markets and many of these are smaller CPs or new entrants. These FCS members deliver telephony services into both the residential and business markets, but most specialise in serving business customers, a sector which is continuing to grow. This response has been prepared on behalf of the Fixed Service Providers Group within the Federation.

1. Overview

In terms of Ofcom's main conclusions to its review, FCS members broadly agree or have no immediate issues with these. Due to the number of questions raised in the Ofcom consultation, this response deals only with those areas where members had a specific point to make.

Questions that have not been answered directly can be assumed to be generally agreed and/or cause no immediate concern to our members.

2. Market Definitions and SMP analysis

Q 4.1-7.1

The FCS agrees with all proposed definitions and analysis as set out by Ofcom

3. General remedies for Wholesale Fixed access Markets

We welcome Ofcom's decision to require an EOI obligation on BT to provide network access on an equivalent basis. Ofcom will be aware of the difficulties that our members have experienced in relation to equivalence for various legacy services where CPs have not had equivalence of access and have encountered problems when dealing with BT legacy products and we would expect Ofcom to push for equivalence for all CPs in all areas when dealing with Openreach.

Q10.2 Conclusion not to modify SLAs or SLGs as a mechanism for QoS improvement.

The FCS is concerned that at present there are no visible statements of quality set out by Openreach and therefore there is nothing substantial to measure standards or improvements against. We accept the arguments that Ofcom has put forward for no change, but believe that it will be necessary to keep this area under review in order to ensure that other CPs do not suffer detriment as a result of poor performance by Openreach.

Ofcom states in its research that most customers would find anything above a 10 day wait for a first provisioning appointment to be unacceptable, but then does not propose making any changes to the imminent 12 day target. This is a target that our members have no option but to accept, but their customers may not understand where the delay in setting appointments arises and may, as Ofcom suggests, look to an alternative provider.

We accept the level of SLGs should be managed by contract and a reflection of reasonable costs/losses.

Q10.3 Requests for new network access/SoRs

We have raised concerns previously about Openreach being able to reject a SoR on the basis that it is not commercially viable and still feel that this action can negatively affect our members in the way that they are able to provide services. For a truly equivalent market, commercial considerations should not be part of the equation.

Q10.4 Equivalence of Inputs

The FCS strongly supports the requirement on BT to provide network access on an EOI basis in instances as set out in para 10.116. We have referred elsewhere to the difficulties our members face when supplying services to new customers, only to find an incompatible product and inability of the EMP to deal with the situation.

We are currently holding meetings to try to address this with the EAB, in the meantime, our members are faced with having to try and find work-arounds for problem situations. We have also met with Ofcom to provide real examples where our members suffer from this discrimination and we believe that the undertakings (which have already fallen behind targets) need to be accompanied by penalties for non-compliance.

Q10.6/10.7 Specifying services to which SLAs/SLGs apply

The FCS believes that it is entirely appropriate to set and state SLAs and SLGs in relation to a reference offer. We have not identified any services outside the current set identified by Ofcom that should be added to the list.

Q10.8 SLA for GEA

Whilst we note that there is no immediate concern about provisioning/appointment times for GEA, it would seem important to set an SLA at this time in order to confirm expectation and avoid the risk of this drifting into a no-man's land of poor service before the next market review.

Q10.12 Provision of information for Quality of Service

We welcome any requirement on BT (Openreach) to be more open in providing information on its performance and quality of service both against agreed KPIs and more generally. It would also be helpful to provide customer satisfaction statistics to support this information.

Q10.14 Common set of KPIs

The FCS thinks that it is appropriate to include a common core set of KPIs across different markets in order to aid equivalence. We agree that these should be at a level that allows comparison of standards and trends over time.

Ofcom refers to the work of the Business Markets Service Improvement group which has been working for a year now to agree and establish an initial set of business orientated operational KPIs that Openreach will report against to the industry. Ofcom should, as suggested, take these into account when setting a regulated set of KPIs targeted at performance in the business market to include areas such as right first time, first point of contact resolution and so on. Sanctions should be introduced for failure to meet targets and Ofcom should consider introducing an escalating fining system where KPIs are not met.

Q10.16 Presentation of performance against KPIs

We believe that it is absolutely vital that Openreach's performance against agreed KPIs is in the public domain – it is important for CPs to understand the trends and issues that are affecting the quality of service they are able to offer their customers and to be able to involve customers in understanding the causes of delays.

The website of the OTA would seem to be an appropriate location for this data; however, it would be vital to provide information both about what is being measured and performance against these measures, in a customer friendly format.

Q10.17 Minimum standards for Openreach services

Whilst we agree in principle that minimum standards should be set, we believe that Openreach should be looking to maintain suitable resource to operate in the main above these standards. It is not sufficient to be "just" meeting them and then failing in the event of bad weather as has been seen over recent years.

In proposing to adopt the current SLA timescales for WLR and LLU provision, Ofcom should be wary of indicating that 12 days for first appointment is an acceptable time-frame throughout the course of this market review; as has previously been raised, many consumers do not find this acceptable and we would welcome moves to reduce the level further. Imposing the 12 day target under the SMP condition will allow a situation to arise where there is no need to improve on a timescale that has been shown to be unacceptable.

Q10.19 Force majeure

We agree that force majeure affected services should be included in the standards.

4. Remedies: WLA next generation access

Q11.2 Pricing flexibility on VULA

Ofcom should consider introducing charge controls for GEA services as the network upgrades required will need regulation in the same way as WLR and LLU.

Q11.3 Charges for GEA migration

The FCS supports the charge control and the reduction from c£50 to £10 or £15 in principle but would welcome further research/opinion on whether the proposed rate is commercially correct, particularly given the comparable WLR migration cost of c£3.

5. Remedies: WLA current generation access

We agree with the proposal to continue the requirement on BT to provide LLU as there is clearly still a current demand from CPs to be able to access the local loop for service provision.

The FCS agrees with other proposals set out in this section

6. Remedies: WFAEL

The FCS agrees that BT should still be required to provide WLR as there is clearly still a high demand in the retail market for this product and as noted by Ofcom, it is unlikely that the wholesale demand will be met by another competing CP.

We agree with other proposals set out in this section.

7. Remedies: ISDN30 and ISDN2

We support the proposal to require BT to provide wholesale ISDN30 and ISDN2 and once again raise our concern about the problems encountered with equivalence of access on these products with BT failing to meet agreed targets and breaching the undertakings. Ofcom needs to mandate a hard deadline for migrations of all business lines and agree a series of milestones to be met along the way, with accompanying punitive penalties for non compliance, to ensure that all CPs are competing in an equal marketplace.

8. Conclusion

As should be apparent from this response, the FCS believes that Ofcom needs to continue to focus closely on Openreach performance and include tougher measures and sanctions when performance is inadequate.

Openreach needs a clear set of minimum standards by which to operate, enforced through regulation, in order to get to a position where our members can have the certainty of service quality they rightly demand.