Quick, easy and reliable switching

Proposals for a new landline and broadband switching process and to improve information for mobile switching

Quick, easy and reliable switching – Welsh overview

Contents

1. Overview

People should be able to switch telecoms provider easily to take advantage of the range of services available. Easier switching allows people to shop around with confidence to find the best price and service for their needs.

Unnecessary difficulties can create barriers that prevent customers from changing providers. Effective switching is also important to support competitive investment in, and take-up of, faster and more reliable broadband.

We recently confirmed new switching rules for providers of landline, broadband and mobile services, which will come into force in December 2022. This consultation sets out proposals on the process that residential landline and broadband customers will use to switch from that date. It also proposes some limited changes to the information mobile providers must give residential customers when they want to switch. [1]

What we are proposing

Easier landline and broadband switching

We propose that providers develop and implement a new 'One Touch Switch' process for all residential customers who switch landline and broadband services, regardless of who their provider is or the technology or network their provider uses. This new process would replace the existing arrangements from December 2022 onwards.

Using One Touch Switch, customers would only need to contact their new provider, who would arrange and manage the switch on their behalf. This will be a familiar process for many customers switching within the Openreach network – such as between BT, Sky and TalkTalk. It will mean customers switching between networks – for example from Virgin Media to Hyperoptic or a provider delivering services using the CityFibre or Openreach network – will no longer need to manage the switch themselves and coordinate with their new and existing provider. It will also apply to customers switching between providers of full-fibre broadband services on the same network. All customers will be able to use one process that is easy, quick, reliable and ensures their informed consent.

Better information for mobile switchers

We also propose improving the information providers must give to customers who are considering switching their mobile phone service. From December 2022, the current provider would need to tell customers about the impact of the switch on other services they have with the provider. This would include any bundled services or specific services for disabled customers. This will help customers understand the implications of switching so they can make informed decisions about whether to switch.

---

[1] See paragraph 2.43-2.45 for a full description of the services and customers to which the proposals in this document apply.

Background

Improving switching processes

1.1   Making sure customers can switch providers easily and reliably is a long-standing priority for us in light of our duties. We have made several reforms to switching processes to help achieve this.

1.2   In October 2020, we put in place new switching rules that will come into effect in December 2022. These rules apply to residential and business customers switching landline, broadband and mobile services. These include requirements that:

- a customer's new provider takes the lead in managing the switch;
- customers are kept adequately informed before and during the switch and are not switched without their express consent;
- the switch happens in the shortest possible time and on the date agreed by the customer;
- providers minimise or avoid loss of service during the switch; and
- customers are compensated if things go wrong.

Current switching arrangements and the need for change

1.3   At present, some customers switching landline and broadband services within the Openreach and KCOM networks can use the existing regulated 'Notification of Transfer' process. [2] This process does not cover customers switching between full-fibre broadband services or between networks. In these scenarios, customers need to coordinate the switch themselves.

1.4   The current arrangements for switching landline and broadband will need to change in order to comply with our new switching rules. There needs to be a process that covers all types of landline and broadband switches, including full-fibre broadband services or switches between networks. The existing Notification of Transfer process will need to be replaced as it does not meet the requirements of the new switching rules, particularly in relation to information and consent.

1.5   We believe the mobile Auto-Switch process is consistent with most of the new switching rules, including the requirement that the new provider takes the lead in managing the switch. However, we think some changes are needed in order to give full effect to the new information and consent rules.

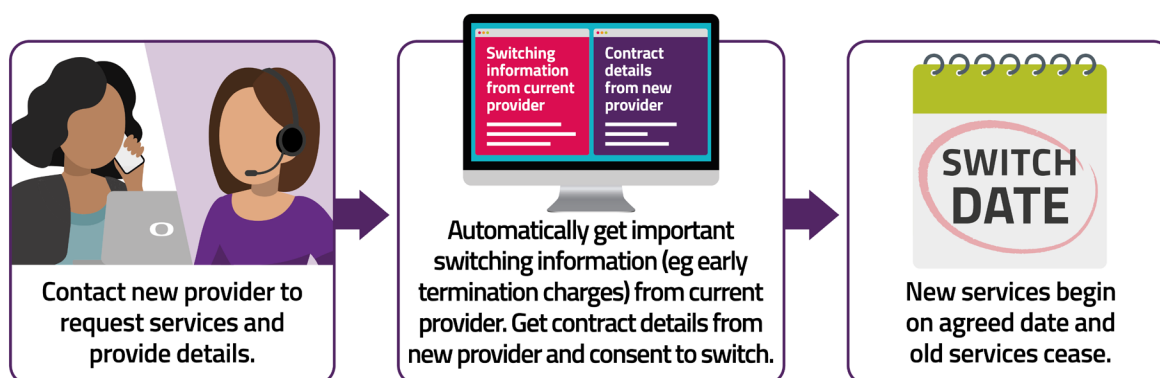[2] This process is explained in section 3.

New switching process for landline and broadband services

Industry proposals

1.6   Industry, with the support of the Office of the Telecommunications Adjudicator (OTA), has been working to develop a process for all residential customers switching their landline and broadband services. We asked industry to design a new process in line with the new switching rules in recognition that change would be needed and a new process would require cross-industry collaboration to implement.

1.7   However, industry has been unable to agree on a single process and does not appear to have a clear route towards being able to comply with the new switching rules from December 2022. At present, there are two main options supported by different providers.

1.8   We considered whether we should leave industry to comply with the new switching rules. We are concerned that, without further intervention from Ofcom, the absence of industry consensus would result in either no new process being put in place or not all providers being part of any system that is developed. This could cause confusion for customers and may result in unnecessary switching difficulties or deterrents. There is also a risk of confusion and additional costs for providers.

1.9   To avoid consumer harm, at this stage, we consider it would be more effective for us to specify the process to be implemented.

1.10   The two industry options are: our preferred approach, One Touch Switch (see Figure 1.1); and Code to Switch (see Figure 1.2).

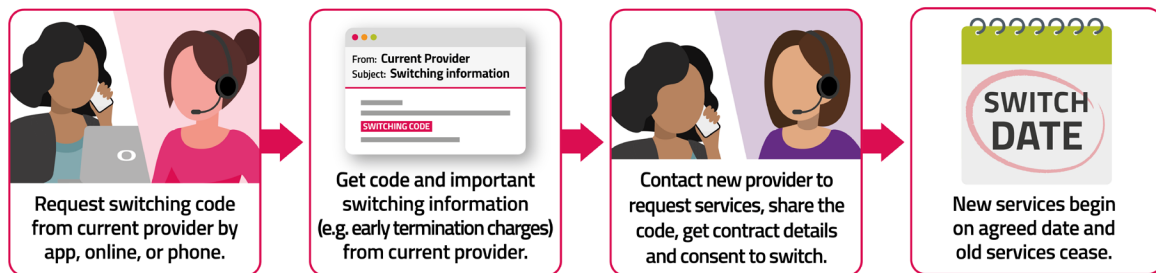**One Touch Switch (our preferred approach)**

Figure 1.1: One Touch Switch process overview

Contact new provider to request services and provide details.

Switching information from current provider — Contract details from new provider — Automatically get important switching information (eg early termination charges) from current provider. Get contract details from new provider and consent to switch.

SWITCH DATE — New services begin on agreed date and old services cease.

1.11   Under One Touch Switch, a customer contacts their chosen new provider and provides their details. The current provider automatically gives the customer switching information (for example early termination charges, the impact of the switch on other services). If they decide they want to go ahead, they confirm this with their new provider. The new provider then manages the switch.

Code to Switch

Figure 1.2: Code to Switch process overview

Request switching code from current provider by app, online, or phone.	Get code and important switching information (e.g. early termination charges) from current provider.	Contact new provider to request services, share the code, get contract details and consent to switch.	New services begin on agreed date and old services cease.

1.12   Under Code to Switch, a customer must first contact their current provider by app, online or phone to get information about the implications of switching as well as a switching code. If they decide they want to go ahead with the switch after considering the switching information, they contact the new provider and give them the switching code. The new provider then manages the switch.

Proposal to require implementation of One Touch Switch

1.13   We believe the One Touch Switch process would ensure residential customers can switch their landline and broadband services using an effective and efficient process that complies with our switching rules. It would allow customers to switch easily and would not create unnecessary difficulties or barriers that may stop customers going through with a switch.

1.14   It could potentially reduce the switching time down to one day and reduce the risk of loss of service during a switch. It would also make sure customers are provided with the right information before consenting to a switch and include protections against them being switched without their consent.

1.15   We believe One Touch Switch would be easier to use than Code to Switch, because it would:

- be simpler to understand and follow than Code to Switch. It would be a 'one touch' process for landline and broadband switching where customers only have to contact the new provider and follow the instructions given by them. Code to Switch, on the other hand, requires two steps. One Touch Switch would also be familiar to customers that use the existing Notification of Transfer process and avoid making switching harder for these customers.

- give greater control to customers over the extent and type of contact they have with their current provider than Code to Switch. This would avoid the potential difficulties and deterrents in relation to contact with the current provider including difficulties contacting the current provider (such as long call wait times), unwanted save activity, as well as the hassle of contacting more than one provider. Unlike Code to Switch, it would also avoid introducing potential difficulties and deterrents for customers that do not arise in the current Notification of Transfer process.

- likely to involve less effort for most customers. In most circumstances, it would require fewer instances in which the customer would need to actively engage in order to switch. In particular, when switching landline and broadband by phone, customers would only need to make one phone call rather than two.

1.16   We do not consider that Code to Switch, as proposed, would be as effective as One Touch Switch. Code to Switch would require customers to contact their current provider to switch and they may face unnecessary difficulties doing so. Unlike Auto-Switch for mobile switches, customers using Code to Switch would not be able to text their provider to get a code. Code to Switch does not have any similar system that is easy to use and which limits customer interaction with their current provider. Instead all customers would have to get a code online or by phoning their current provider.

1.17   We also believe some customers might find switching harder under Code to Switch than they do under existing switching arrangements. We are concerned this may constrain customer choice and mean customers miss out on lower prices, services that better meet their needs, or both. It might also dampen, rather than promote, competition between providers undermining the benefits this brings in terms of choice, lower prices, better service and innovation.

1.18   Given our view set out above, we propose to require providers to develop and implement the One Touch Switch process. We propose that customers should be able to start using this process in December 2022, when the new switching rules come into force. At the same time, customers would no longer use the Notification of Transfer process.

Improved information in the mobile Auto-Switch process

1.19   We propose that, from December 2022, mobile providers should be required to provide residential customers with information regarding the impact of a switch on any other services they have with the current provider. For example, bundled services or additional support services.

1.20   We believe these changes would ensure residential customers using the Auto-Switch process are fully informed in line with the information and consent requirements of the new switching rules, ensure consistency for fixed and mobile customers, and provide protections for customers using additional support services.

Next steps

1.21   We invite responses to this consultation by **31 March 2021**.

1.22   Subject to considering the views and evidence submitted in responses, we aim to publish a policy decision on our preferred landline and broadband switching process, and the Auto-Switch information requirements in Q2 2021. The statement will include a consultation on any changes to our rules required to implement our decisions. We would then aim to publish a statement on the changes to the rules in Q3 2021.

2. Background and introduction

2.1   It is important that customers can exercise choice and take advantage of competition in communications markets by being able to switch provider easily. Unnecessary difficulties when switching can cause harm or create barriers that prevent customers switching. Effective switching is also important to support future competitive investment in, and take-up of, faster and more reliable broadband.

2.2   Ensuring customers can switch easily is a long-standing priority for Ofcom and we have previously put in a place a number of reforms to help achieve this. As part of our recent work, we have put in place new switching rules for providers of fixed voice and broadband, and mobile services that come into force in December 2022.

2.3   These require, amongst other things, that customers can switch their fixed voice and broadband services using a process led by the gaining provider regardless of the network or technology their provider uses. [3] At the same time, industry has been working to design a new process to meet these requirements that can be used by residential customers who want to switch fixed voice and broadband services. [4]

2.4   In this document we set out our views on industry proposals to deliver a switching process that customers should be able to use from December 2022. [5] We set out for consultation:

    a)   our assessment of the fixed voice and broadband processes developed by industry, our preferred option and our proposal to require providers to develop and implement the One Touch Switch process; and

    b)   our proposal to make limited changes to information requirements in the Auto-Switch rules for mobile switches.

2.5   This document does not set out the detailed legal text of any specific changes to our rules that may be required to implement our proposed changes. We will consult on these when we publish our statement on the policy proposals in this document. [6]

2.6   The remainder of this section sets out our switching process work to date, our policy objectives and the relevant legal framework.

---

[3] For example, a switch between Virgin Media and a provider using the Openreach network or a full-fibre network provider such as CityFibre.

[4] In this document, we refer to 'voice and broadband' to cover: voice only; broadband only; and voice and broadband combined. As the focus of the proposals in this document relate to residential customers, we refer to 'customers' to mean residential customers only, unless we state otherwise. See paragraph 2.43-2.44 for a full description of the services and customers to which the proposals in this document apply.

[5] See paragraph 2.43 for the scope of our work and the customers to which the proposals in this consultation apply.

[6] See section 7.

Switching process work to date

Previous Ofcom proposals and reforms to switching

Enhancing the Notification of Transfer process for fixed services

2.7   Since 20 June 2015, customers have been able to switch their voice and broadband services within the Openreach and KCOM copper networks (including fibre to the cabinet) using an enhanced Notification of Transfer process. [7] Prior to this, a small proportion of broadband switches within these networks had to go through the Migration Authorisation Code (MAC) process. We found that having multiple processes for switching the same service caused confusion and a lack of clarity over how to switch. We also found that customers were experiencing switching difficulties and deterrents with the MAC process, including delays and unwanted save activity when they had to call the losing provider for the code. We therefore decided to remove the MAC process and harmonise switching, using the Notification of Transfer process.

2.8   Alongside harmonisation, we made several improvements to the Notification of Transfer process. These included measures to improve the information given to customers about the implications of switching and to help address concerns about customers being switched without their knowledge or consent ('slamming').

Triple play switching proposed changes

2.9   In 2016, we consulted on changes to make it easier for customers to switch triple play services (one or more of their voice, broadband or Pay TV services) between different networks. [8] Specifically, we proposed changing the process so that a customer would only need to contact the gaining provider to initiate the process. The gaining provider would then coordinate the switch with the losing provider.

2.10   Our consultation sought to address a number of difficulties or deterrents that customers faced when trying to switch triple play services between networks. Our research identified three main concerns:

   a) **loss of service**, particularly due to delays in service(s) being installed or activated when switching, and difficulties co-ordinating the end of the old service(s) and the start of the new service(s) [9];

   b) **double paying for services that overlap**, to avoid a loss of service or due to difficulties co-ordinating the end of the old service(s) and the start of the new service(s) [10]; and

---

[7] Ofcom, August 2013. A statement and consultation on the processes for switching fixed voice and broadband providers on the Openreach copper network. Ofcom, December 2013. Statement on GPL NoT+ elements (Notification of Transfer Statement). Ofcom, March 2015. Statement and consultation on switching fixed voice and broadband on the KCOM network.

[8] Ofcom, July 2016. Making switching easier and more reliable for consumers (Triple play switching consultation).

[9] Triple play switching consultation, 2016, paragraphs 3.22-3.32, pages 22-26.

[10] Triple play switching consultation, 2016, paragraphs 3.33-3.40, pages 26-28.

c) **difficulties contacting their losing provider/cancelling the old service(s)**, particularly due to restricted and, at times, lengthy methods of cancellation. Notably, a number of switchers reported the need to contact their losing provider by phone as a barrier and some experienced difficulty with unwanted save activity. [11]

2.11 In 2017, we decided not to proceed with our proposed changes. We noted, however, that our decision did not preclude us from taking action in future and that we would keep it under review. [12]

Introduction of Auto-Switch for mobile services

2.12 Since 1 July 2019, mobile customers have been able to switch provider and port up to 24 numbers using the regulated Auto-Switch process. [13] The process enables customers to request and automatically receive a unique switching code by text, or through their online account, which they can give to the gaining provider to switch and, where relevant, port their mobile number. This means customers do not need to call their losing provider to initiate the switching process should they prefer not to do so.

2.13 When considering reforms to mobile switching, our research showed that there was a significant minority of customers who either found the previous process difficult or were deterred from switching. [14] Notably, some customers experienced difficulties when contacting the losing provider to transfer their number or cancel their old service, including unwanted save activity. [15]

2.14 To address these barriers and ensure a quicker and easier process, Auto-Switch allows customers to control the contact they have with the losing provider when they are considering switching their service, including avoiding a phone conversation if they do not want one. In addition, customers only need to contact the gaining provider once – to buy a new service, redeem the switching code to transfer their existing number or cancel their old service if they do not want to transfer their number. After they have done this, and on SIM activation, the number transfer or cancellation occurs automatically, and the new service starts.

Implementing the European Electronic Communications Code

2.15 The European Electronic Communications Code (EECC) is an EU Directive which updates and replaces the four Directives that made up the EU regulatory framework for electronic communications. [16] [17] It entered into force on 20 December 2018 and EU Member States

[11] Triple play switching consultation, 2016, paragraphs 3.41-3.55, pages 29-32.
[12] Ofcom, July 2017. Ofcom's decision on switching landline, broadband and/or pay TV between different platforms.
[13] Ofcom, December 2017, Consumer switching: Decision on reforming the switching of mobile communication services (Auto-Switch Statement).
[14] Auto-Switch Statement, paragraph 1.2.
[15] Auto-Switch Statement, paragraph 1.3.
[16] Directive (EU) 2018/1972 of the European Parliament and of the Council of 11 December 2018 establishing the European Electronic Communications Code (Recast).
[17] Framework Directive (2002/21/EC), Authorisation Directive (2002/20/EC), Access Directive (2002/19/EC) and Universal Service Directive (2002/22/EC), all as amended.

had until 21 December 2020 to transpose it into national law. The 'End User Rights' chapter, set out at Title III of Part III of the EECC, contains a package of measures to protect end-users of internet access services (IAS) and number-based interpersonal communications services (NBICS). Article 106 of the EECC addresses the switching and porting of these services.

2.16   The UK left the EU on 31 January 2020, with a transition period until 31 December 2020. During the transition period, under the terms of the Withdrawal Agreement, the UK remained under an obligation to implement EU directives into domestic law. This included the EECC.

2.17   In July 2020, the UK Government stated that Ofcom should proceed to implement the customer protections in the EECC, including those related to switching, in full. [18]

2.18   As part of transposing the EECC into UK law, the Government made the Electronic Communications and Wireless Telegraphy (Amendment) (European Electronic Communications Code and EU Exit) Regulations 2020. These made amendments to the Communications Act 2003 (the Act), with effect from 21 December 2020. These include certain changes to implement the end-user rights provisions, such as introducing a new express power for Ofcom to impose GCs relating to 'bundled contracts' and new definitions of 'bundle' and 'electronic communications service', amongst others.

Switching requirements of the EECC

2.19   The EECC sets high-level protections to enable customers to make an informed choice and to change providers when it is in their best interest to do so unhindered by legal, technical or practical obstacles including contractual conditions, procedures and charges. [19]

2.20   It emphasises that the possibility of switching between providers is important for effective competition. The availability of transparent, accurate and timely information on switching should increase customers' confidence in switching and make them more willing to engage actively in the competitive process. [20]

2.21   To achieve these objectives, the EECC envisages switching and porting as a "one-stop shop" and a seamless experience for end-users, [21] with Article 106 of the EECC requiring that the processes must:

a)   be gaining provider led;

b)   be efficient and simple;

c)   be carried out in the shortest possible time on a date and within the timeframe agreed with the end-user;

---

[18] DCMS, July 2020. Government response to the public consultation on implementing the European Electronic Communications Code.
[19] Recital 273, EECC.
[20] Recitals 277-283, EECC.
[21] Recital 281, EECC.

    d) ensure continuity of service, unless technically not feasible;

    e) ensure loss of service is no greater than one working day;

    f) allow end-users to port their number for at least a month after termination;

    g) include automatic termination of the end-user's contract with the losing provider;

    h) involve no cost for the end-user to port their number;

    i) ensure that end-users are adequately informed and protected;

    j) ensure that switching and porting is only carried out with explicit consent; and

    k) ensure end-users are compensated when things go wrong.

2.22 Article 107 of the EECC extends certain provisions of Article 106 to all services that are bundled with IAS or NBICS, namely requirements b) to e) and i) listed above.

2.23 In addition to these requirements, Article 106(6) of the EECC confirms that national regulatory authorities can establish the details of the switching and porting processes, taking into account national provisions on contracts, technical feasibility and the need to maintain continuity of service for end-users.

New switching rules

2.24 In October 2020, we published our policy statement on implementing the customer protections in the EECC (October Statement). [22] We published a statement concerning changes to the GCs on 17 December 2020 (December Statement). [23] Alongside this we published an unofficial consolidated version of the GCs that are to take effect from 19 December 2022. [24] To implement Articles 106 and 107, of the EECC, the revised GCs include new requirements relating to:

- switching - where a customer changes their provider; and
- porting – where a customer keeps their phone number when they change provider.

2.25 We refer to these GCs throughout this document as the 'new switching rules'. These rules apply to all customers (residential and business) and to the switching of IAS or NBICS, or both (which encompasses both fixed and mobile services). [25]

2.26 The new switching rules cover:

    a) maintaining switching processes;

    b) the process being gaining provider led;

---

[22] Ofcom, October 2020. Fair treatment and easier switching for broadband and mobile customers: Implementation of the new European Electronic Communications Code (October Statement).

[23] Ofcom, December 2020, Implementing the new European Electronic Communications Code: Changes to the General Conditions, Metering and Billing Direction and the National Telephone Numbering Plan (December Statement).

[24] Ofcom, General Conditions of Entitlement Unofficial Consolidated Version with effect from 19 December 2022. Where we refer to specific GCs in this consultation, these correspond to our revised GCs with effect from 19 December 2022, unless we state otherwise.

[25] See paragraph 2.43-2.45 for a description of the services and customers to which the proposals in this document apply and use of terminology.

    c)   timing and date of a switch;

    d)   continuity of service;

    e)   responsibilities of third-party providers;

    f)   information;

    g)   refunds;

    h)   porting;

    i)   compensation; and

    j)   consent. [26]

2.27   As required by Article 107, of the EECC, a subset of the new switching rules apply to services or terminal equipment when provided as part of a bundle. These relate to: maintaining processes; timing and date of a switch; continuity of service; and information. [27] We also put in place rules that apply to residential customers only (in relation to both fixed and mobile services), covering: information; consent; notice period charges; and compensation. [28]

2.28   Providers need to comply with the new switching and porting rules by 19 December 2022, which is 24 months after the publication of the notification of the revised GCs. In setting this implementation date, we took into consideration providers' concerns regarding the changes needed to implement the requirements, particularly in relation to the development of a new switching process for voice and broadband services.

2.29   With reference to the discretion we have to establish the details of the switching and porting processes, we noted in our October Statement our plan to publish a further consultation concerning a new switching process for residential customers switching fixed services. [29]

2.30   In our October Statement we said that we would not proceed with proposed changes to the existing GCs relating to the Notification of Transfer and Auto-Switch processes to consolidate them with our new switching rules. We said we would address these issues in the switching process consultation. [30] [31]

---

[26] October Statement, paragraphs 9.21-9.54 (pages 164-170), 9.55-9.68 (pages 170-173), 9.78-9.185 (pages 175-194)

[27] October Statement, paragraph 9.11, pages 162-163.

[28] October Statement, paragraphs 9.59-9.61 (page 171), 9.71-9.75 (pages 173-175), 9.131-9.133 (page 185), 9.177-9.179 (page 193). The unofficial consolidated version of the GCs with effect from 19 December 2022 excludes switches within the scope of the Notification of Transfer and Auto-Switch processes from the information requirements for residential customers. We noted in that version of the GCs (page 76), our intention to consider this as part of our switching process consultation. See also October Statement, paragraph 9.186-9.188, page 194-5.

[29] Articles 106(1) and 106(6), EECC; October Statement, paragraph 9.5, page 161.

[30] October Statement, paragraphs 9.186-9.188, pages 194-195.

[31] This document does not propose any specific changes to our rules that may be required to implement our proposals. We will consult on the GC changes when we publish our statement on the policy proposals in this document. See paragraph 2.41-2.47 concerning the purpose of this document.

Industry work to develop a new fixed switching process

2.31   In July 2019, we asked the Office of the Telecommunications Adjudicator (OTA) to establish and coordinate an industry working group to develop a new switching process for residential customers switching fixed services in line with the EECC requirements. [32]

2.32   We asked industry to support the working group to ensure agreement on the new switching process could be reached. We highlighted to providers the importance of switching processes that are easy and reliable for customers and that do not create unnecessary difficulties and deterrents, regardless of the network their provider uses to provide their services. [33] We asked industry to lead on the design and implementation of the new process because, in this particular instance, our view was that providers were better placed to work through the detailed design issues and propose a process that will deliver a good customer experience, be technically feasible and comply with our new requirements in relation to switching and porting.

2.33   In December 2019, the OTA submitted the report of the working group to Ofcom. This concluded that fundamental differences in views on the approach prevented industry from agreeing on a single recommendation. Consequently, the report presented two different options for a new switching process.

2.34   In January 2020, we wrote to providers to say that we intended to assess which of the two industry processes we considered most appropriate, and to consult on our assessment. We noted that, in the absence of an agreement on a single process, industry did not appear to have a clear route towards being able to comply with the new switching rules. We said that, if necessary, we would consult on requiring providers to follow a specific process but reiterated that we were keen to work with industry to agree a process that could be developed for the benefit of consumers.

2.35   Throughout 2020 we had further engagement with the working group and the proponents of each of the two processes to further refine them and gather information on their operation. As part of this engagement, we explained to industry our view that the existing Notification of Transfer process does not meet the express consent requirement of the new switching rules. We said that, consequently, we intended to consult on removing the Notification of Transfer rules, alongside the introduction of a new single switching process for fixed and broadband services. [34]

2.36   Industry, with the support of the OTA, has carried out work to develop detailed specifications of the processes, to update them in response to our comments and to provide further information for our assessment. We welcome the constructive engagement of providers throughout this process. We have published relevant documents

---

[32] Ofcom, 5 July 2019. Letter to the OTA: switching and porting. We subsequently provided clarification to the OTA regarding the scope of the process we expected them to develop. In particular that: it should address switching provider of the services within scope of the new switching rules at the same location (and hence does not need to incorporate home moves); and, should focus on residential customers' services only rather than businesses customers' services.
[33] Ofcom, 1 August 2019. Letter to industry: fixed switching and porting working group.
[34] Ofcom, June 2020. Letter to fixed switching and porting working group.

from the working group and Ofcom correspondence to industry alongside this consultation.

2.37 To date, there is still no agreement on a single process and instead there are two principal options supported by different providers.

Information requirements in the mobile Auto-Switch process

2.38 In our December 2019 Consultation, we set out our view that the Auto-Switch process was consistent with the EECC requirements. [35] Therefore, we did not propose any substantive changes to the process and instead proposed minor amendments to consolidate our Auto-Switch rules with the new switching rules. [36]

2.39 In July 2020 we wrote to providers to inform them that we considered there may need to be additional changes to the rules in light of the further analysis we had done in relation to switching processes for fixed services. In particular, we said our position on express consent may mean there need to be changes to the information presented as part of the Auto-Switch process. [37]

2.40 In our October Statement we confirmed that we consider the Auto-Switch process, as currently designed, to be consistent with the EECC requirement that the gaining provider should lead the switching process on behalf of customers. [38] We also said that we were going to proceed to implement the EECC consent requirements as proposed in our December 2019 consultation. We confirmed that we would consider further how the consent requirements should operate and any required changes to GCs relating to the Auto-Switch process as part of our forthcoming process consultation. [39]

This consultation

The purpose of this consultation

2.41 This consultation is a continuation of our work to improve switching processes following the October Statement concerning implementation of the EECC.

2.42 In particular, we set out for consultation:

---

[35] Ofcom, December 2019. Fair treatment and easier switching for broadband and mobile customers: proposals to implement the new European Electronic Communications Code (December 2019 Consultation), paragraphs 7.52, 7.197 and 7.227.

[36] December 2019 Consultation, paragraphs 7.197, 7.211-7.215.

[37] Ofcom, 10 July 2020. Letter to fixed switching and porting working group: consent and the new fixed switching process for residential customers.

[38] October Statement, paragraph 9.50.

[39] October Statement, paragraphs 9.184-9.188. As noted in paragraph 2.46 this document does not propose any specific changes to our rules that may be required to implement our proposals. See paragraph 2.42 on the purpose of this document. We will consult on changes to the GCs when we publish our statement on the policy proposals in this document.

a) our assessment of the fixed voice and broadband processes developed by industry, our preferred option and our proposal to require providers to develop and implement the One Touch Switch process (see sections 3, 4 and 5); and

b) our proposal to make limited changes to information requirements in the Auto-Switch rules for mobile switches (see section 6).

2.43 As noted in paragraph 2.25, the new switching rules apply to the switching of IASs or NBICS, or both (which encompasses both fixed and mobile services). For ease of reference in this document, in discussing the switching of providers at the same location we refer to an IAS, an NBICS, or both an IAS and NBICS provided together as 'fixed voice and broadband services' or 'voice and broadband' services. The options for reform of fixed switching developed by industry, and our proposals in section 5, relate to the switching of these services by residential customers only. [40] This is consistent with the direction we gave to the working group concerning the scope of the process we asked them to develop. [41] In this document we refer to 'customers' to mean residential customers only, unless we state otherwise.

2.44 Our request that the working group only develop a fixed voice and broadband switching process for residential customer reflects the decision we took in our October statement to put in place rules covering information, consent, notice period charges, and compensation that apply to residential customers only (see paragraph 2.27). This was in recognition that business and residential customers can sometimes have different needs when switching and that there is diversity among business which means it may not be appropriate to specify certain rules that would apply to all business customers in the same way as to residential customers. [42]

2.45 Our proposed changes to the Auto-Switch process in section 6 address residential customers switching or porting a mobile service involving up to 24 numbers.

2.46 This document does not propose any specific changes to rules that may be required to implement our proposals. We will consult on the GC changes when we publish our statement on the policy proposals in this document (see section 7).

2.47 We invite stakeholder comments on any of the proposals set out in this document. The deadline for responding is **31 March 2021**.

---

[40] The options for reform, and our proposals, do not address switches when customers are moving locations (e.g. moving home) or provider-initiated migrations (e.g. providers migrating their customers from copper to full-fibre broadband).
[41] See paragraph 2.31.
[42] See October statement, paragraph 9.17. We noted that businesses are generally better equipped with the skills and resources to manage their communications services than residential customers, and they are likely to have better knowledge of the services provided under their contract and more resources to find out about those services and to consider the implications of switching providers. In addition, the business landscape is large and varied, and there are differences in the composition, character and behaviour of businesses.

Our policy objectives

2.48   For clarity we set out separately our objectives in relation to fixed voice and broadband services, and mobile services below. Our objectives are formulated in light of our statutory duties, which we explain in the next sub-section.

Fixed voice and broadband services

2.49   In relation to fixed voice and broadband services, our policy objective is to ensure residential customers can switch their voice and broadband services using an effective and efficient process that complies with our new switching rules and does not create unnecessary difficulties or deterrents. In fulfilling our objective, we aim to ensure that customers can use a process that is easy, quick, reliable and based on informed consent.

2.50   In formulating our policy objective, we have had particular regard to our principal duty, which is to further the interests of citizens in relation to communications matters and the interests of consumers in relevant markets, where appropriate by promoting competition. In addition, in performing our duties we must have regard to, amongst other things, the desirability of encouraging investment and innovation in relevant markets and targeting our regulatory activities only at cases in which action is needed.

2.51   Effective and efficient switching processes enable consumers to exercise choice and take advantage of competition in communications markets. They give people the confidence to shop around and switch providers in order to access the services that best meet their needs or switch away if they are dissatisfied with a provider. Greater consumer confidence and willingness to switch supports competition and, in turn, investment in faster, more reliable broadband services.

2.52   Conversely, difficulties when switching can constrain choice or create barriers that prevent customers switching. This can be harmful both to individual customers and to competition and investment by competing networks. It is for these reasons that ensuring customers can switch easily and reliably has been a long-standing priority for Ofcom and the focus of a number of reforms. [43]

2.53   This long-standing priority also supports our duty to promote connectivity and access to very high capacity networks. Investment will ensure the availability of very high capacity networks to a greater number of consumers, and more effective switching processes will make it easier to take new services on those networks.

2.54   The goal of having a smooth switching process is also part of our Fairness for Customers work programme and aligns with the Fairness Commitments, in particular, the pledge by providers to ensure that customers who are leaving do not face additional barriers or hassle compared to those who are signing up to new services. [44]

---

[43] October Statement; Auto-Switch Statement; and Notification of Transfer Statement.
[44] In June 2019 Ofcom published a number of voluntary commitments that providers signed up to. The aim of these is to help ensure people are always treated fairly by their provider – whether they are signing up to a new deal, trying to fix a

2.55 Our objective reflects the Government's Statement of Strategic Priorities for telecommunications which include that Ofcom should continue to improve industry processes for broadband switching, including across different physical networks. [45] The Government's priorities state that Ofcom should ensure that switching processes are easy, reliable and transparent, which is important at the retail level for consumers and at the wholesale level for retail providers. We are required to have regard to the Statement of Strategic Priorities for telecommunications when carrying out our functions relating to telecommunications.

2.56 Our objective also ensures that the switching process that is put in place complies with the new switching rules which we were required to put in place as part of the UK's implementation of the EECC.

Mobile services

2.57 In relation to mobile services, our policy objective is to ensure that residential customers using the existing Auto-Switch process are fully informed in line with the information and consent requirements of the new switching rules, which we were required to put in place as part of the UK's implementation of the EECC.

2.58 In formulating our policy objective, we have had regard to our principal duty, which is to further the interests of citizens in relation to communications matters and the interests of consumers in relevant markets, where appropriate by promoting competition. We have also taken account of the requirement for us to perform our duties having regard to the principle under which regulatory activities should be targeted only at cases in which action is needed.

2.59 Our objective reflects the fact that we have already concluded that the Auto-Switch process, as currently designed, is consistent with the requirement that the gaining provider should lead the switching process on behalf of customers. [46] Therefore, it focuses on those limited remaining areas that we have identified as requiring specific action rather than considering the Auto-Switch process in its entirety again.

2.60 It also supports our duty to have regard to the needs of persons with disabilities. The new switching rules introduced specific information requirements for customers that use additional support services and it is important that the Auto-Switch process fully meets these obligations.

Legal framework

2.61 We set out below our domestic powers and duties that are relevant to the proposals set out in this consultation document.

---

problem or switching to a new provider. The list of signatories includes BT; EE; Giffgaff; O2; Plusnet; Post Office; Sky; TalkTalk; Tesco Mobile; Three; Virgin Media and Vodafone.

[45] DCMS, October 2019. Statement of Strategic Priorities.

[46] See paragraph 2.40.

Our general duties

2.62   The Act places a number of duties on us that we must fulfil when exercising the regulatory powers and functions we have been given. Section 3(1) of the Act states that it shall be our principal duty, in carrying out our functions:

a) to further the interests of citizens in relation to communication matters; and

b) to further the interests of consumers in relevant markets, where appropriate by promoting competition. [47]

2.63   In performing our duties under section 3(1) of the Act, we are required to have regard to the principles under which regulatory activities should be transparent, accountable, proportionate, consistent and targeted only at cases in which action is needed, as well as any other principles appearing to us to represent best regulatory practice (section 3(3) of the Act).

2.64   Section 3(4) of the Act provides that we must have regard, in performing our duties, to a number of matters, as they appear to us to be relevant in the circumstances, including the desirability of promoting competition in relevant markets; the desirability of encouraging investment and innovation in relevant markets; the needs of persons with disabilities, of the elderly and of those on low incomes; the opinions of consumers in relevant markets and of members of the public generally; and the extent to which, in the circumstances of the case, the furthering or securing of the matters mentioned in section 3(1) is reasonably practicable.

2.65   In addition, section 3(5) of the Act requires that, when performing our duty to further the interests of consumers, we must have regard, in particular, to the interests of those consumers in respect of choice, price, quality of service and value for money.

2.66   As required by section 2B(2)(a) of the Act, we have also had regard to the UK Government's Statement of Strategic Priorities for telecommunications, management of radio spectrum and postal services as referred to above at paragraph 2.55.

Powers and duties in relation to general conditions

2.67   Section 45 of the Act says that we may set general conditions which contain provisions authorised or required by one or more of sections 51, 52, 57, 58 or 64. Under section 51(1)(a), we may set general conditions making such provisions as we consider appropriate for the purpose of protecting the interests of end-users of public electronic communications services.

2.68   Section 51(2) sets out a non-exhaustive list of the specific types of general conditions that we may set in pursuance of this purpose. This includes:

---

[47] 'Consumer' is defined in section 405(5) of the Act and includes people acting in their personal capacity or for the purposes of, or in connection with, a business.

- section 51(2)(a), which gives Ofcom the power to set conditions relating to the supply, provision or making available of goods, services or facilities in association with the provision of public electronic communications services;
- section 51(2)(b), which gives Ofcom the power to set conditions to provide protection for end-users that is the same as, or similar to, any protection that was required by Title III of Part III of the EECC immediately before the end of the transition period;
- section 51(2)(c), which gives Ofcom the power to set conditions to specify requirements in relation to the provision of services to disabled end-users;
- section 51(2)(h), which gives Ofcom the power to set conditions to ensure that conditions and procedures for the termination of a contract do not act as a disincentive to an end-user changing communications provider; and
- section 51(2)(i), which gives Ofcom the power to set conditions specifying requirements in relation to arrangements that enable an end-user to change communications provider on request.

2.69   Section 47(2) of the Act governs the circumstances in which we can set or modify a general condition. It states that a condition can be set or modified where it is objectively justifiable in relation to the networks, services, facilities, apparatus or directories to which it relates, not such as to discriminate unduly against particular persons or against a particular description of persons, proportionate to what the condition or modification is intended to achieve, and transparent in relation to what it is intended to achieve. [48]

2.70   Section 4(2) of the Act requires Ofcom to act in accordance with six requirements described when carrying out certain functions, including those in relation to setting or modifying general conditions as set out above. These requirements include:

a) to promote competition in the provision of electronic communications services;

b) to promote the interests of all members of the public in the United Kingdom; and

c) to promote connectivity and access to very high capacity networks by members of the public and businesses in the United Kingdom.

Impact assessment

2.71   Where appropriate, we have included analysis in this document which constitutes an impact assessment for the purposes of section 7 of the Act. This states that generally Ofcom has to carry out impact assessments where its proposals would be likely to have a significant effect on businesses or the general public, or when there is a major change in Ofcom's activities. As a matter of policy, Ofcom is committed to carrying out impact assessments in relation to the great majority of its policy decisions. The form of our impact

---

[48] Section 47(3) states that the setting of a general condition is not subject to the test of being objectively justifiable, although we are likely to consider this in any event when assessing whether the condition is proportionate.

assessments depends on the nature of the proposals under consideration and the legal framework in which we are operating. [49]

2.72 In relation to fixed voice and broadband switching, we have assessed how the proposed process options meet our policy objective and the new switching rules. To comply with the new switching rules that will enter into force in December 2022 (set out in our October and December 2020 Statements), providers will need to invest in and incur costs to update their existing systems and processes and/or adopt new systems and processes irrespective of the option that is put in place. Compliance with the rules mandated by the EECC and implemented in our GCs will therefore entail a degree of costs and burden for industry, both in terms of set up costs and ongoing costs. In this context, we have also considered the cost information provided to us by industry of implementing and operating the new process. We have assessed whether this is proportionate, would give rise to effects that are disproportionate to our policy objective, and whether there are any features which mean that significant costs might be imposed that are not necessary to achieve our policy objective.

2.73 For mobile, we have assessed the limited proposed changes to the Auto-Switch information provisions against the new switching rules that we put in place to implement the EECC requirements on information and consent. [50]

Equality impact assessment

2.74 We have given careful consideration to whether the proposed changes contained in this document will have a particular impact on persons sharing protected characteristics (race, age, disability, sex, sexual orientation, gender reassignment, pregnancy and maternity, marriage and civil partnership and religion or belief), and in particular whether they may discriminate against such persons or impact on equality of opportunity or good relations. This assessment helps us comply with our duties under the Equality Act 2010 and the Northern Ireland Act 1998. We do not envisage that our proposals would have a detrimental impact on any particular group of people. Moreover, we consider that our proposed changes to the information requirements under the mobile Auto-Switch process will have positive impacts for disabled customers and help promote equivalent access and choice for those customers.

Structure of this document

2.75 The rest of this document is set out as follows:

---

[49] More information about Ofcom's approach to impact assessments is available at: Better Policy Making, Ofcom's approach to Impact Assessment.
[50] As noted in paragraph 2.59, we are not proposing changes to the broader Auto-Switch process.

Fixed voice and broadband switching

- Section 3 describes the existing switching arrangements, the two industry options and alternative options to ensure a process is put in place.
- Section 4 sets out our assessment approach.
- Section 5 sets out our provisional assessment of the options and our provisional conclusions.

Mobile switching

- Section 6 sets out proposals to make changes to the switching process information requirements.

General

- Section 7 sets out our proposed next steps.

2.76   The Annexes are set out as follows:

- Annex 1: Responding to this consultation
- Annex 2: Ofcom's consultation principles
- Annex 3: Consultation coversheet
- Annex 4: Consultation questions
- Annex 5: Glossary and abbreviations
- Annex 6: Consumer research technical notes
- Annex 7: Estimated costs of Code to Switch and One Touch Switch

3. Fixed switching: options for reform

3.1   In this section we set out the details of switching processes for fixed voice and broadband services. We describe:

- the existing processes;
- the two options industry proposed that we assess in section 5; and
- alternative options to ensure a process is put in place.

3.2   We set out our assessment approach in section 4 and our assessment of the two options in section 5.

Existing switching processes

3.3   Our GCs currently place specific process obligations on providers when switching customers in certain circumstances. These rules apply to a sub-set of voice and broadband switches based on the type of customer, the network and technology, and in relation to porting.

3.4   Below we summarise the existing arrangements for customers wanting to move between providers of voice and broadband services.

Notification of Transfer process

3.5   The existing regulated Notification of Transfer process allows customers to switch their voice and broadband services between providers using the Openreach or KCOM copper networks (including fibre-to-the-cabinet services). [51] When using this process, the customer contacts the gaining provider who coordinates the end of their old service and start of their new service. The steps in this process are summarised in Figure 3.1.

Figure 3.1: Summary of the Notification of Transfer process

Step	Description
Step 1: The customer signs up with the gaining provider	The customer chooses and signs up for a new service with the gaining provider.
Step 2: The gaining provider contacts the losing provider	The gaining provider contacts the losing provider and arranges the transfer of the services. [52] [53]

---

[51] Notification of Transfer Statement; See GCs C7.3-7.15 in Ofcom, Revised General Conditions of Entitlement Unofficial Consolidated Version with effect from 31 December 2020. The existing Notification of Transfer process rules apply to residential customers and small business customers with up to 10 employees.

[52] Contact between the gaining provider and losing provider happens via the network provider.

[53] We refer to 'services' in this section to mean, where relevant, either a customer's individual service (i.e. standalone voice or standalone broadband) or multiple services (i.e. voice and broadband).

Step 3: Both providers write to the customer with details about the switch	The customer receives a letter from the gaining and losing provider (by post or, with the customer's agreement, electronically) informing them about the switch. The letter from the gaining provider includes details of: • the estimated switch date; • the services that will be switched; and • the right to cancel the new contract free of charge, how long the right applies for and how to exercise it. The letter from the losing provider includes: • the estimated switch date; • information on the services that will be affected/unaffected; and • an explanation: – that the switch will automatically happen on the estimated date and no contact with the losing provider is necessary; – of any early termination charges that would apply at the estimated switch date; and – of how the cost of any remaining services will be affected if they are only switching some of their services. If a customer receives these letters and decides to cancel the switch, they can contact the gaining provider to cancel their request. If the gaining provider has tried to switch the customer without their knowledge or consent, the customer can also contact the losing provider to stop the switch.
Step 4: The gaining provider coordinates the switch	The gaining provider coordinates switching the services. [54] The date of the switch is based on a transfer period of a minimum of 10 working days.

'Cease and re-provide' approach

3.6   The GCs do not currently mandate a specific process to be used where a customer is switching:

a)   between providers using different physical networks (e.g. between Virgin Media and a provider using the Openreach or CityFibre networks); or

b)   to or from full-fibre broadband providers even when delivered over the same physical network.

---

[54] The network provider coordinates the switch on behalf of the gaining provider, although the gaining provider has ultimate responsibility for the switch.

3.7   Customers need to coordinate these switches themselves using an approach sometimes known as 'cease and re-provide'. [55] This involves the customer contacting both the losing and gaining providers to end their old service and start their new service. When doing so, the customer may attempt to co-ordinate the start and end of the services, or they may have a break or overlap in their services.

Keeping a phone number when switching

3.8   Customers can choose to keep their phone number when they switch provider. They can do this irrespective of whether they are switching using the existing Notification of Transfer process or the cease and re-provide approach. [56] The customer needs to tell the gaining provider if they want to keep their phone number. The gaining provider then manages the porting process on their behalf. Under the GCs, the gaining provider must complete the port within one working day (once all necessary validation is complete, the network connection is ready for use, and it has received the losing provider's request to activate the port).

Industry proposals for a new process

3.9   As discussed in section 2, to date there is no industry agreement on a single process for residential customers switching voice and broadband services and instead there are two principal options supported by different providers. In this document we refer to these processes as:

- Code to Switch; [57] and
- One Touch Switch. [58]

3.10   We summarise these below based on the process specifications and information provided by industry. Some of the terminology we use differs from the industry documents as we have set out the two options in a consistent way where possible. We have noted where we have included some additional details to the industry proposals (e.g. to reflect a requirement in the GCs).

Code to Switch

3.11   We set out an overview of the Code to Switch process and the main steps for customers to follow in Figure 3.2. [59]

---

[55] The process is also sometimes known as 'provide then cease.'

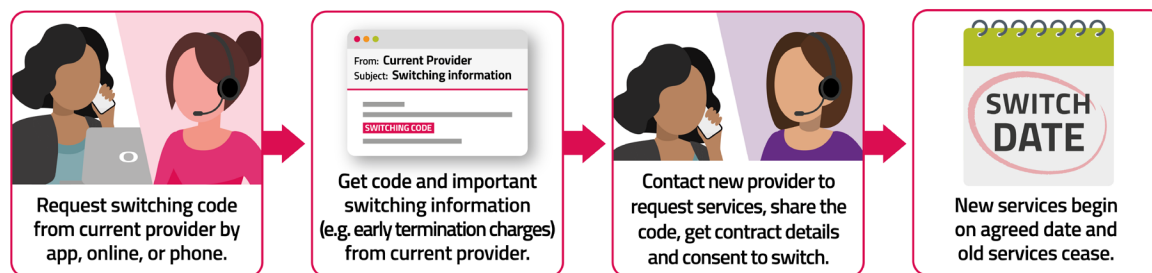[56] See GCs B3 and C7 in Ofcom, Revised General Conditions of Entitlement Unofficial Consolidated Version with effect from 31 December 2020.

[57] The industry working group referred to this as 'Option X' and it was developed by Sky and Virgin Media. Option X, March 2020. Broadband and voice switching proposal: response to Ofcom.

[58] The industry working group referred to this as 'Option Y' and specifically the 'YHub' version of Option Y. It was developed by Air, Bridge Fibre, BT, CityFibre, Federation of Communications Services, Gigaclear, Hyperoptic, Independent Network Cooperative Association, Post Office, Swish Fibre, TalkTalk and Vodafone. Option Y, August 2020. Gaining Provider Led Switching – the Option Y proposal; YHub and YGP switching process flows; YHub switching process description.

[59] Option X, March 2020. Broadband and voice switching proposal: response to Ofcom.

Figure 3.2: Code to Switch process overview

| Request switching code from current provider by app, online, or phone. | Get code and important switching information (e.g. early termination charges) from current provider. | Contact new provider to request services, share the code, get contract details and consent to switch. | New services begin on agreed date and old services cease. |

Step	Description
Step 1: Customer contacts losing provider for a switching code and switching information	• The customer contacts the losing provider (by phone, online [60] or app) and tells them the services they want to switch and whether they want to keep their phone number. • The losing provider gives the customer a switching code (valid for 30 days) and switching information (e.g. early termination charges, impact on other services). [61] It provides this via the communication channel the customer is using and additionally by email or text (within 60 seconds, with a design target of 10 seconds). The losing provider can send a letter with the code/switching information to those customers without access to email or text, which would add time to the process. [62]
Step 2: Customer contacts the gaining provider and consents to the switch	• The customer contacts their chosen gaining provider, at a time of their choosing (within the 30 day switching code validity period). • The customer chooses the new services, confirms if they want to keep their phone number, and agrees a switch date (this can be as soon as the next day, but can take

---

[60] The proponents of Code to Switch indicated that a 'self-serve' web page to request the switching code would be available to a customer after they log into their online account. Option X, May 2020. Broadband and voice switching proposal, response to Ofcom's initial questions, page 4.

[61] The switching code is generated by the 'Hub' described in more detail in paragraph 3.13. The Code to Switch proposal states that no save activity would be allowed once the customer requests a switching code and it must be "quick and simple for a customer to initiate a request for code generation" (Option X, March 2020. Broadband and voice switching proposal: response to Ofcom, page 5). We set out our switching information rules in GCs C7.10-13 and explain them in more detail in Annex 9 of our October Statement. In line with the approach set out in footnote 24, our references to specific GCs in this section correspond to our revised GCs with effect from 19 December 2022, unless otherwise stated.

[62] The Code to Switch specifications do not specify that the code and losing provider switching information may be provided by letter/post. However, we would expect providers to make this option available, given our requirement for losing providers to share switching information with customers in a durable medium (see GC C7.13(b)).

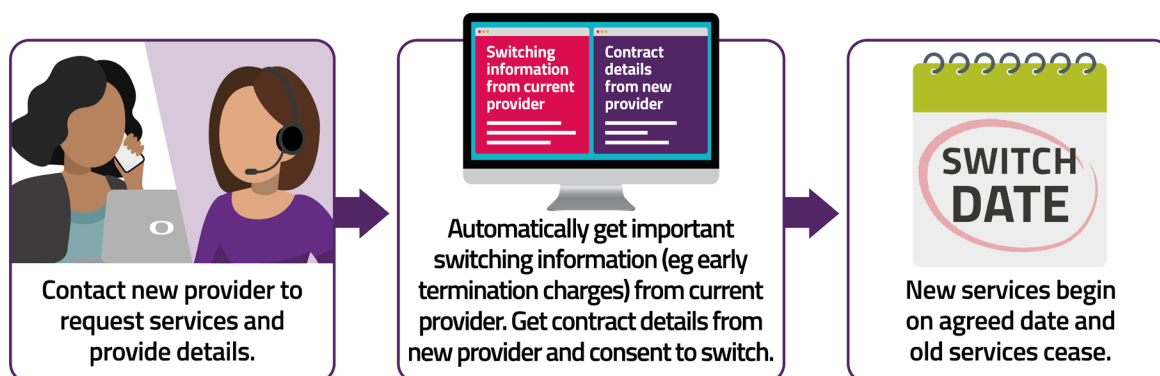|	longer). The provider confirms whether any engineer visits are necessary. [63] • The gaining provider gives the customer information about their new contract. • After having the opportunity to consider the information, if the customer is happy to proceed, they give the gaining provider their switching code and personal details. This identifies the correct customer and services to switch and confirms their consent to switch. The gaining provider retains a record of consent. [64] • The gaining provider confirms the start date and the services being provided. The losing provider confirms the cease date and final losing provider switching information (e.g. exact early termination charges).
Step 3: Customer's new services begins on agreed date	• On the agreed date, the new services start and the old services end. If requested, the customer's phone number is transferred. • The customer does not have to pay any notice period charges beyond the switch date.

One Touch Switch

3.12 We set out an overview of the One Touch Switch process and the main steps for customers to follow in Figure 3.3. [65]

---

[63] The Code to Switch specifications do not specify that the gaining provider would confirm whether any engineer visits are necessary. However, we would expect this to occur in line with our requirement on gaining providers to inform the customer of the arrangements for the provision of their service (see GC C1.3 and Annex to Condition C1).

[64] The Code to Switch specifications do not specify that the gaining provider would retain a record of consent. However, we would expect this to occur in line with our requirement for gaining providers to retain a record for at least 12 months of a customer's consent to switch (see GCs C7.15 and C7.16).

[65] Option Y, August 2020. Gaining Provider Led Switching – the Option Y proposal; YHub and YGP switching process flows; YHub switching process description. As noted above, the version of One Touch Switch we are consulting on is referred to as YHub in industry's documents.

Figure 3.3: One Touch Switch process overview

Step	Description

Step 1: Customer contacts the gaining provider and provides details	• The customer contacts their chosen gaining provider (in store, online or by phone) and requests to switch their services.
	• The customer shares their:
	    ○ name;
	    ○ address and postcode;
	    ○ contact details;
	    ○ losing provider's name; and
	    ○ the services they want to switch.
	• The customer chooses the new services, confirms if they want to keep their phone number and agrees a switch date (this can be as soon as the next day, but can take longer). [66] The provider confirms whether any engineer visits are necessary.
	• The gaining provider identifies the correct customer and services to switch. [67] If this is unsuccessful, the provider asks the customer for more details (e.g. account number, phone number or serial number on their equipment).

Step 2: Losing provider automatically gives customer switching information and customer gives the gaining provider their consent to the switch	• The losing provider automatically gives the customer switching information (e.g. early termination charges, impact on other services) without the need for the customer to request it. [68] The information is provided by the method the customer chooses e.g. as part of the gaining provider's online order process (downloadable afterwards), email, text or letter.

[66] The One Touch Switch specifications do not specify that the gaining provider would confirm if customers want to keep their phone number. However, gaining providers would need to comply with GC C7.5(b), which requires the gaining provider to allow customers who so request to make use of the porting process.

[67] The gaining provider identifies the correct customer and services by matching the details the customer provides against the losing provider's records through the Hub (see paragraph 3.13 for more detail on the role of the Hub).

[68] See description in paragraph 3.13.

	• The gaining provider gives the customer information about their new contract. • After having the opportunity to consider the information, if the customer is happy to proceed, they give the gaining provider their consent to switch (who retains a record of consent). This can happen in 'real time' during their phone or online conversation. • The gaining provider confirms the start date and the services being provided. [69]
Step 3: Customer's new services begin on agreed date	• On the agreed date the new services will start and the old services will end. If requested, the customer's phone number is transferred. • The customer does not have to pay any notice period charges beyond the switch date.

Messaging Hub for Code to Switch and One Touch Switch

3.13 Providers need to be able to communicate and share information with each other to support customers switching between different networks or within the same network. Both Code to Switch and One Touch Switch would use some form of messaging 'Hub', although the precise functions of the Hub differ between the options:

- Under Code to Switch, the Hub would generate, store and send a switching code on request to the losing provider to share with the customer. The Hub would allow both providers to communicate regarding any updates or amendments during the switching process. It would also allow the losing provider to receive the order to cease the customer's old services.

- Under One Touch Switch, the Hub would allow the gaining provider to share the customer's details with the losing provider, in order to check their systems to identify the correct customer and services to switch. After a correct match of the customer's name, address and services, the losing provider would share its switching information with the Hub which would then give it to the customer. The customer would receive the information in a 'durable medium' either via a 'pop up' as part of the gaining provider's online order process, or by email, text or letter. [70],[71] The gaining provider would not be able to access the information.

---

[69] The One Touch Switch specifications do not specify that the provider would confirm the start date and services being provided with the customer after establishing their consent to switch. However, we would expect this to occur in line with our requirement on gaining providers to inform the customer of the arrangements for the provision of their service, including date of provision (see GC C1.3 and Annex to Condition C1).

[70] The One Touch Switch process description explains that the information would be "linked to via inline content, similar to a bank '3D Secure' card validation pop-up, retrievable later by customer." See Option Y, August 2020. YHub switching process description, step 6.

[71] The Hub will send the information directly to the customer using the contact details provided by the losing provider, but also to the details provided by the gaining provider, if these are different. See Option Y, August 2020. YHub switching process description, step 6.

- In One Touch Switch, the Hub would allow the losing and gaining providers to coordinate order flows and share information about the pending switch. [72]
- Under both processes the Hub would retain an audit trail of the switch which could be referred to if any issues arise.

Alternative options

3.14   Below we describe other options we have considered since we initially asked the industry to develop a new switching process. We also explain why we consider these options would not meet our policy objective and why they were not taken forward for a fuller assessment in section 5.

No further intervention from Ofcom

3.15   The new switching rules come into effect on 19 December 2022. [73] Currently, industry does not have a clear route towards being able to comply with the new switching rules. However, it is clear industry must act to:

a) address the absence of switching processes in certain circumstances, in particular, for switches between different physical networks and between providers of full fibre broadband services within the same network; and

b) replace the Notification of Transfer process which, in our view, does not comply with the new switching rules (we address this separately below).

3.16   We are concerned that, without further intervention from Ofcom, customers would suffer harm and that our policy objective will not be met. There is a risk that, without agreement across all of industry on a new switching process, there will be a coordination failure. This could result in either no new process being put in place or not all providers being part of any industry system that is developed. This could cause confusion for customers and may result in unnecessary switching difficulties or deterrents.

3.17   There is also a risk of confusion and additional costs for providers. Any new process will require cross-industry support and engagement in order to develop and implement it effectively. Without clarity on the work needed to implement a new process and its future operation, providers will be unable to plan and allocate resources efficiently and may incur unnecessary costs.

3.18   We note that, when the new switching rules come into force in December 2022, we will be able to take enforcement action against any provider that is not complying with the rules. Enforcement action could result in penalties of up to 10% of relevant turnover and require providers to remedy the consequences of any breach found following investigation.

---

[72] In Code to Switch similar coordination or information sharing may be done via the network provider or another third party depending on how the Hub access arrangements are set up. There are different views within industry over whether the retail provider or network provider should connect to the Hub. We encourage industry to put in place a model that works effectively.

[73] See paragraph 2.28.

However, enforcement of non-compliance is clearly a less optimal outcome for consumers and industry.

3.19   We consider that, at this stage, and in the absence of industry agreement, it would be more effective to achieve our objective by identifying a single switching process to be developed than to leave industry to comply with the new switching rules. This would ensure the delivery of our policy objective, provide more clarity for industry and reduce the risk of harm to consumers.

Maintaining the Notification of Transfer process

3.20   In our view the existing Notification of Transfer process does not meet the requirements of the new switching rules. Therefore, maintaining the process would not meet our policy objective. For example, we do not consider it meets the requirements concerning information and express consent. [74]

3.21   The rules will require providers to "take all reasonable steps to ensure they do not switch customers without their express consent." The rules define 'express consent' as "the express agreement of a Customer to contract with a Communications Provider, or to transfer their Public Electronic Communication Service(s) or port their Telephone Number(s), where the Communications Provider has obtained such consent in a manner which has enabled the Customer to make an informed choice". [75] In addition, the rules require providers to take all reasonable steps to ensure customers are adequately informed before and during the switch. [76]

3.22   We note that the decision on the part of a customer to switch services involves both:

- a decision to accept a contract for new services with a gaining provider; and
- a decision to cancel a contract for services with the losing provider.

3.23   It follows from these two decisions that in order for a customer to make an informed choice about whether to switch their services, and therefore to be in a position to give their express consent to a switch, the customer needs to have been given information about both:

- the new services they are taking with the gaining provider; and
- the consequences of their decision to cancel their services with the losing provider.

3.24   Under the Notification of Transfer process, customers do not receive the losing provider's switching information as part of the switching process before agreeing to the switch. Nor are customers required to take any further active steps to confirm their consent having received the losing provider switching information. Therefore, we consider the Notification of Transfer process would not enable gaining providers to ensure that they do not switch a

---

[74] We wrote to industry to set out our views on express consent. Ofcom, 17 June 2020. Letter to fixed switching and porting working group.
[75] See GC 7.9 (a) and the definitions in the GCs.
[76] See GC 7.10 (a) and the definitions in the GCs.

customer without their express consent. Neither would it enable them to ensure customers are adequately informed before the switch.

3.25   For these reasons, we consider that customers should no longer use the Notification of Transfer process when the new switching rules come into force and we propose to remove the rules relating to this process with effect from 19 December 2022. By that date industry will need to have put in place a process to replace Notification of Transfer that complies with the new switching rules. As set out in section 5, we propose to require providers to develop and implement the One Touch Switch process. Therefore, those residential customers that currently are able to use Notification of Transfer would use One Touch Switch from that date. [77]

Modifications to Code to Switch: alternative channels for obtaining a switching code

3.26   We asked the industry proponents of Code to Switch whether the process would allow customers to obtain a switching code by text or webchat.

3.27   The industry proponents of Code to Switch noted that their switching process was designed to mimic the mobile Auto-Switch process by providing real time (e.g. phone, in store) and non-real time request methods (e.g. app or online). They noted that, while webchat and text methods to request a code were technically possible, they had not proposed them as they considered they would be less effective than an app or online method, given the need for customers to be authenticated. [78]

Webchat

3.28   The group noted that customers would need to be logged into an online account and authenticated for webchat to be effective and secure. They considered, therefore, that it would be more effective to direct the customer to request their code online. The group was also concerned that a webchat option could result in disproportionate costs for smaller providers who do not have pre-existing webchat functionality.

3.29   Given the proponents of Code to Switch did not consider it likely that the webchat channel would make the switching process more effective for customers, we do not at this stage consider it would contribute to meeting our objective and have not specifically included such a modification to the industry proposal in our assessment in section 5. However, we note that the Code to Switch proponents' view is that it could be a supplementary communication channel, although it would most likely be used to direct customers to the online channel. Therefore, the impact of the webchat channel on the effectiveness of the proposed process may be captured, to some extent, by our assessment of the online channel.

---

[77] We plan to consult on removing these rules alongside our statement on the policy proposals in this document and at the same time as we consult on any GC changes required to implement those proposals (see section 7).
[78] Option X, May 2020. Broadband and voice switching proposal, response to Ofcom's initial questions, pages 3-5.

Text

3.30   The group said the inclusion of the text channel to request a code was likely to undermine the key benefits of their proposal. In particular, in relation to customer authentication, service identification and consent. They also noted the potential for it to be used for fraudulent activity.

3.31   They highlighted the different circumstances surrounding the use of text messages as a request route in Code to Switch compared to Auto-Switch. In Auto-Switch the service the customer wishes to switch is clearly identified when using the text route because the customer uses the device associated with the service to make the request. The customer only has to indicate whether they also wish to port their number which is also associated with that service. They note that for more complex switches, such as for multi-SIM accounts, customers must use the online or phone route.

3.32   If using a text route when switching fixed voice and broadband services, most customers would be using a mobile device that is not associated with the account and services they wish to switch. This would make text a less secure route. The group said that, in their view, similar considerations apply to the use of the text route for switching fixed voice and broadband service as for switching a multi-SIM account mobile service. They suggested it would not be practical without introducing a multi-stage process which would be less customer friendly.

3.33   Given the group's view that it would weaken their proposal, we did not ask them to develop a variant of Code to Switch with a text channel to request the code and we have not considered one as part of our assessment in section 5 at this time. We note the group's concerns that the text route may create issues for consent or that additional steps in the process to address any concerns might make the process more difficult to use. For these reasons, we consider that adding a text route to Code to Switch as presented would be unlikely to meet our objective.

Alternative versions of One Touch Switch

3.34   The proponents of One Touch Switch developed other versions of the process which we have not considered in our assessment in section 5. We explain these briefly below.

Initial 'Option Y' proposal

3.35   The proponents of One Touch Switch initially submitted a proposal ('Option Y') that provided for switching information to be given to customers at a different point in the process as to that presented in the One Touch Switch process above. It was modelled on the existing Notification of Transfer process. In particular, the process differed from One Touch Switch in that:

- The losing provider switching information would be provided to the customer after agreeing to the switch. The customer would be given seven days to consider the information before the switch would happen.

- If the customer decided they did not want to go through with the switch, they could contact the gaining provider to cancel within the seven-day window.
- If the customer wanted to switch sooner, they could give the gaining provider a code contained in the losing provider switching information to confirm their wish to do so.
- Otherwise, the customer would not be required to take any further steps to confirm their consent to the switch after receiving the losing provider switching information.

3.36   Similar to the position set out in paragraphs 3.20 to 3.25 in relation to the Notification of Transfer process, we do not consider the initial Option Y process would comply with the new requirements for customers to be adequately informed before the switch and not switched without their express consent. This version of the process does not ensure all customers would receive the losing provider switching information before agreeing to the switch.

3.37   We wrote to the group to inform them of our view and give them an opportunity to update their proposals. [79]

'YGP'

3.38   After we informed the group of our view that the initial Option Y proposal did not meet the new requirements, the group submitted two new versions of the process:

a)   the One Touch Switch process as presented above (see Figure 3.3); and,

b)   another option referred to as 'YGP'. [80]

3.39   Under 'YGP', the losing provider would give its switching information (e.g. early termination charges, impact of switching on other services) to the gaining provider who would then share it with the customer. This differs from One Touch Switch where the customer receives this information via the Hub and the gaining provider is not able to access it.

3.40   As a result, there are possible concerns about gaining providers having access to potentially commercially sensitive information from competitors under 'YGP'. Given these potential risks we did not consider it appropriate to further assess this option.

---

[79] Ofcom, 17 June 2020. Letter to fixed switching and porting working group.
[80] Option Y, August 2020. Gaining Provider Led Switching – the Option Y proposal, p. 1-7; YHub and YGP switching process flows.

4. Fixed switching: our assessment approach

4.1   Our policy objective, in light of our statutory duties as discussed in section 2, is to ensure customers can switch their fixed voice and broadband services using an effective and efficient process that complies with our new switching rules and does not create unnecessary difficulties or deterrents.

4.2   We also noted in section 2 that in fulfilling our objective, we aim to ensure that customers can use a process that is easy, quick, reliable and based on informed consent. To support our assessment of the options in section 5 we have used an assessment framework based on these aspects of customer experience. This framework supports our consideration of how effective each option is in meeting our policy objective described above.

4.3   In this section we set out: the assessment framework; factors we take into account when considering the options under the framework; how we will consider costs and other factors as part of our overall assessment; and our approach to proportionality.

4.4   Our assessment of the options is in section 5.

Assessment framework

4.5   We set out below the issues we consider when assessing the options against our policy objective. For each aspect of customer experience, we set out the relevant rules and any previous statements we have made on these issues. [81]

Easy to use

4.6   The switching process should be easy for customers to use. In particular, it should:

a) **Be simple to understand and follow**. A lack of understanding of the process can deter customers from switching and create difficulties for those going through the process. [82] An effective process is one that customers have confidence in using. We consider that customer confidence will be greater the fewer and clearer the steps they need to take, and the less they need to understand or remember.

---

[81] In line with the approach set out in footnote 24, our references to specific GCs in this section correspond to our revised GCs with effect from 19 December 2022.

[82] Our consumer research shows that almost three in ten considerers said not knowing what to do to switch was a factor in their decision to remain with their current provider Ofcom, 2020 Switching Experience Tracker extra analysis. Q44A/B/C, (29% - 10% major, 18% minor factor) Ofcom, 2018 Switching Experience Tracker extra analysis Q44A/B/C (23% - 8% major 15% minor factor); and just under a third of switchers experienced difficulties understanding the relevant steps to take to switch provider. Ofcom, 2020 Switching Experience Tracker extra analysis. Q19A/B/C (29% - 9% major, 20% minor difficulty). Ofcom, 2018 Switching Experience Tracker extra analysis. Q19A/B/C (20% - 3% major, 16% minor difficulty). For the purpose of this consultation, we have based our analysis of 'switchers' on those who were interviewed about switching their landline and/or broadband service either in combination with other services or, in the case of broadband, as a standalone product. We have based our analysis of 'considerers' on those who considered switching either dual play or triple play services.

b) **Be led by the gaining provider and enhance customers' control**. It is central to our reforms that gaining providers manage key elements of a switch on a customer's behalf to remove the difficulties a customer might experience when coordinating the switch on their own. In addition, previous switching interventions have highlighted the importance of customer control over the process. [83] Enabling customers to have a degree of control over the process allows them to avoid certain experiences that they find difficult or would deter them from switching. [84]

c) **Minimise the effort needed to complete the process**. An efficient and easy to use process has as few points at which a customer needs to actively engage as is reasonably possible. Too many steps may add unnecessary difficulties to the customer's switching journey and may lead them to consider it is too much hassle to switch.

Figure 4.1: Rules and statements supporting our aim of an easy to use switching process

Criteria	Relevant switching rules and previous positions
Simple to understand and follow	• GC C7.4(a) requires providers to maintain switching processes that are simple.

Process led by the gaining provider and enhances customers' control	• GC C7.5 requires the gaining provider to allow customers to use a switching process and the gaining provider to lead the switching process.
	• GC C7.7(b) requires losing providers to ensure that the customer's contract is automatically terminated on the day of the switch.
	• GC C7.3(a) requires that, where technically possible, the switch date should be that requested by the customer.
	• GC C7.4(c) requires providers to ensure that they do not abuse the switching process.
	• In our October Statement, we noted that central to the gaining provider managing the switch is that a customer does not have to:
	
	   – coordinate the end of one service and the start of another;
	   – contact the losing provider to terminate the old contract; or
	   – deal with two providers throughout the process or if something goes wrong. [85]

---

[83] One of the main policy aims of the Auto-Switch reforms was to give customers control over the contact they had with the losing provider including through the communication methods they could use to get their switching code. Auto-Switch Statement, paragraphs 4.45-4.54, pages 48-50.

[84] Our 2020 Research shows that: two fifths of considerers cited the hassle of needing to contact more than one provider to switch as a factor in the decision not to switch. Ofcom, 2020 Switching Experience Tracker extra analysis. Q44A/B/C, (41% - 14% major, 27% minor factor). Ofcom, 2018 Switching Experience Tracker extra analysis. Q44A/B/C, (35% - 11% major, 24% minor factor). One third (30%) cited a difficulty contacting their current provider in particular. Ofcom, 2020 Switching Experience Tracker extra analysis Q44A/B/C, (30% - 12% major, 18% minor factor). Ofcom, 2018 Switching Experience Tracker extra analysis Q44A/B/C, (23% - 8% major, 15% minor factor).

[85] October Statement, paragraph 9.46.

	- In addition, previous Ofcom switching interventions have noted the importance of customers having:
	
	   – control over the extent and nature of the contact they have with their losing provider, in particular the option to avoid speaking in person to their losing provider if they do not want to; [86] and
	   – a choice of communication methods. [87]

Minimise the effort need to complete the process	- GC C7.4(a) requires providers to maintain switching processes that are efficient for customers.
	- GC C1.8 requires that conditions or procedures for contract termination do not act as disincentives to switch.
	- GC C7.4(c) requires providers to ensure that they do not delay or abuse the switching process.
	- Our December 2019 Consultation noted that the Fairness Commitments should be taken into account in the design of the new switching process. [88] These state that customers:
	
	   – should be able to sign up to, change and leave their services quickly and smoothly; and
	   – who are leaving should not face additional barriers or hassle compared to those signing up to new services. [89]

Quick

4.7   Switching processes should allow customers to switch quickly. Switching processes that are too slow may deter customers from switching. [90]

Figure 4.1: Rules and statements supporting our aim of a quick switching process

Criteria	Relevant switching rules and previous positions
Process is completed quickly	- GC C7.4(c) requires providers to ensure that they do not delay the switching process.

---

[86] Auto-Switch Statement, paragraphs 3.63-3.72, 4.35 and 4.38, pages 28-29 and 45. Auto-Switch sought to remedy the difficulties that customers faced when contacting their losing provider or cancelling their old service, particularly unwanted save activity. The process provides customers with the ability to control the degree of contact they have with their losing provider and to avoid talking directly with their losing provider, should that be their preference. Triple play switching consultation, paragraphs 3.41-3.55, pages 29-32. Our proposed reforms to triple play switching also sought to address the same difficulties; a number of switchers reported the need to contact losing providers by phone as a barrier and some experienced difficulty with unwanted save activity.
[87] Auto-Switch Statement, paragraph 4.38, page 45. Under Auto-Switch, customers can choose to contact their losing provider to request their switching information and switching code by text, via their online account, or by phone.
[88] December 2019 Consultation, paragraph 7.43, page 80.
[89] Ofcom, Fairness for customers commitments: commitment 5.
[90] 43% of considerers said that it being too time-consuming to go through the process of switching was a factor in their decision not to switch. Ofcom, 2020 Switching Experience Tracker extra analysis. Q44A/B/C, (43% - 17% major, 25% minor factor). Ofcom, 2018 Switching Experience Tracker extra analysis Q44A/B/C, (38% - 14% major, 24% minor factor).

Reliable

4.8 Switching processes should be reliable. In particular, the process should:

a) **Ensure the switch happens when the gaining provider says it will**. Customers should be able to avoid difficulties getting a switch to happen when they want by being able to use an effective process that ensures the switch occurs on an agreed date. [91]

b) **Minimise any loss of service**. One of the key aims of our reforms is to enable all customers to use a process that ensures no loss of service (where possible), so that the prospect of a loss of service does not deter them from switching and so they can avoid the difficulties of arranging for there to be no gap in their service. [92]

c) **Minimise the chance of errors and enable a customer's services to be restored quickly where an error does occur**. An effective process minimises the risk of errors by design, but there should also be processes in place to ensure customers do not experience further difficulties when an error does occur. [93]

Figure 4.3: Rules and statements supporting our aim of a reliable switching process

Criteria	Relevant switching rules and previous positions
Switch happens on the day the gaining provider says it will	• GC C7.4(e) requires that the switch is completed on the migration date. This should be the date agreed with the customer when arranging the switch.
Minimise any loss of service	• GC C7.4(d) requires providers to ensure there is continuity of service, where technically feasible, and that any loss of service does not exceed one working day.

---

[91] Some (12%) fixed switchers had difficulty getting the switch to happen on the date they wanted. Ofcom, 2020 Switching Experience Tracker extra analysis. Q19A/B/C, (12% - 4% major, 8% minor difficulty). Ofcom, 2018 Switching Experience Tracker extra analysis. Q19A/B/C, (9% - 3% major, 6% minor difficulty).

[92] Our research shows over half of considerers said a factor in their decision not to switch was that they were worried about being without broadband during the switching process Ofcom, 2020 Switching Experience Tracker extra analysis. Q19A/B/C, (56% - 28% major, 28% minor difficulty). Ofcom, 2018 Switching Experience Tracker extra analysis. Q19A/B/C, (50% - 20% major, 30% minor difficulty), and a third were worried about being without a fixed line phone service during the switch. Ofcom, 2020 Switching Experience Tracker extra analysis. Q19A/B/C, (38% - 16% major, 22% minor difficulty). Ofcom, 2018 Switching Experience Tracker extra analysis. Q19A/B/C, (35% - 12% major, 22% minor difficulty). Almost a third of switchers had difficulty arranging a switch so they always had access to services Ofcom, 2020 Switching Experience Tracker extra analysis. Q19A/B/C, (31% - 11% major, 20% minor difficulty). Ofcom, 2018 Switching Experience Tracker extra analysis. Q19A/B/C, (23% - 6% major, 17% minor difficulty). Nine percent of landline switchers and 16% of broadband switchers experienced an unwanted loss of service. Ofcom, 2020 Switching Experience Tracker extra analysis. Q34, Ofcom, 2018 Switching Experience Tracker extra analysis. Q34, (10% of landline switchers and 16% of broadband switchers).

[93] We asked the industry working group for details of how the risk of erroneous transfers is minimised in their proposals and how any issues identified are resolved in a timely manner. Ofcom, March 2020. Switching process Option X – checklist to consider; and Switching process Option Y – checklist to consider.

	• GC C7.7(a) requires losing providers to ensure that, where technically feasible, they continue to provide their service until the switch is completed and the new service is activated.
Minimise errors and enable quick service restoration	• GC 7.7(c) requires that, where the porting process fails, the losing provider must reactivate the number and relevant services until the porting process is successfully completed.

Based on informed consent

4.9   A switch must only happen with the informed consent of the customer. In particular, in circumstances where both:

a) **A customer has expressly agreed to it**. Customers should only be switched where they have clearly agreed to the specific arrangements set out by providers. They should not be misled about the provider or services they are switching to. This is particularly the case where a customer is potentially vulnerable. [94]

b) **Information is provided enabling customers to make an informed choice**. Customers should not be deterred from switching because they are unsure whether or not they have all the relevant information to make their choice. Neither should they experience difficulties because they were not fully aware of the impacts of their switch.

Figure 2.4: Rules and statements supporting our aim of a switching process based on informed consent

Criteria	Relevant switching rules and previous positions
A switch only occurs where a customer has expressly agreed to it	• GC C7.9(a) requires gaining providers to take all reasonable steps to ensure they do not switch a customer without their express consent (the definition of 'express consent' states that this means express agreement of the customer). • GC C7.9(a) requires gaining providers to take all reasonable steps to ensure that they do not engage in slamming. • GC C7.9(b) requires gaining providers to take all reasonable steps to ensure the customer requesting the switch is authorised to do so and intends to enter into the contract. • GC C7.15 requires gaining providers to keep records of customers' consent to switch.
Information is provided	• GC C7.9(a) requires gaining providers to take all reasonable steps to ensure they do not switch a customer without their express consent (the definition of

---

[94] We receive customer complaints concerning instances of 'no contact slams' (where the customer has not contacted the gaining provider) and some cases of repeated attempts to slam the same customer. We also receive complaints about providers misleading customers about the services or provider they are switching to. Sometimes complaints relate to elderly or potentially vulnerable customers being switched without their consent.

enabling customers to make an informed choice	'express consent' includes that that this means that the consent is obtained in such a manner which enables a customer to make an informed choice). • Our view (as set out in the October Statement, paragraphs 9.182-9.183) is that to make an informed choice, customers must have been given information on both the new services they are taking with the gaining provider and the consequences of their decision to cancel their services with the losing provider. • GCs C1.3-1.7 require gaining providers to give customers contract information and contract summaries. GC C7.11 requires additional information to be given as part of the contract information when a customer is switching. • GC C7.10(a) requires providers to ensure customers are adequately informed before and during the switch. • GC C7.10(b) requires providers to provide guidance on the switching process. • GC C7.12 lists the information the losing provider must give to customers. • GC C7.13(b) requires the losing provider information to be given in a durable medium.

Factors we consider when assessing the options

4.10 When assessing the options against the framework, we take into account the experiences of different groups of customers and possible preferences. We consider:

a) **The services a customer has and what they want to switch.** For example, whether the customer wishes to switch a voice only or broadband only service, or has a bundle of voice and broadband services and plans to switch both or unbundle these services. We also consider if the customer has other services in their bundle such as Pay TV or mobile.

b) **The communication channels that are part of the switching process**. For example, whether the communication channels available support a range of customer preferences, such as customers that like to (or can only) engage by phone, as well as customers that may prefer online channels.

c) **The experiences of voice and broadband customers** that have switched over the previous 12 months ('switchers') and those that considered but subsequently decided not to switch over the previous 12 months ('considerers'). We have also considered the experiences of customers that raised complaints with Ofcom.

d) **The experiences of those customers who currently use the Notification of Transfer and Auto-Switch processes**. We recognise that many customers already have knowledge and experience of using switching processes for their communications services.

4.11   We also consider the evidence and outcomes of previous switching work. [95] We consider it important that we learn from, and build upon, the past experiences of reforms to switching.

Costs of implementing and operating a new process

4.12   We asked the OTA to work with industry to estimate the costs of implementing Code to Switch and One Touch Switch. Industry provided preliminary and relatively high-level estimates of the set-up costs (capex) and operating costs (opex) of the two options.

4.13   To calculate the overall net present cost (NPC) for the industry from the figures reported to us by industry we calculated the impact of Code to Switch and One Touch Switch over a 10-year time horizon. We discounted future costs at the Weighted Average Cost of Capital (WACC). Further details on the costs reported by industry can be found in Annex 7.

Proportionality

4.14   As part of our assessment, we consider whether the costs of implementing and operating the process are proportionate and whether the process would give rise to effects that are disproportionate to our policy objective. We also consider whether there are any features which mean that significant costs might be imposed that are not necessary to achieve our policy objective.

---

[95] See paragraphs 2.7-2.14.

5. Fixed switching: assessment of the options

5.1   This section sets out our provisional assessment of Code to Switch and One Touch Switch against our policy objective and by reference to the assessment framework set out in section 4.

5.2   We have set out our views of how effective each option would be in meeting our objective. We first set out our views under each part of the assessment framework which considers that the process should be:

a)   easy to use (paragraphs 5.4 to 5.70);

b)   quick (paragraphs 5.71 to 5.74);

c)   reliable (paragraphs 5.75 to 5.90); and

d)   based on informed consent (paragraphs 5.91 to 5.102).

5.3   We then set out our provisional conclusions including: our proposal to require providers to develop and implement One Touch Switch; our assessment of the costs of implementing and operating the One Touch Switch process; the proportionality of requiring providers to implement One Touch Switch and the relevant legal tests (paragraphs 5.103 to 5.129).

Easy to use

Summary

5.4   In order to be effective and efficient, switching processes should be easy to use. We consider that One Touch Switch would be, easier for customers to use than Code to Switch. This is because, in our view, which we explain below, One Touch Switch would:

a)   be simpler to understand and follow;

b)   give greater control to customers over the extent and type of contact they have with the losing provider; and

c)   likely involve less effort for most customers.

5.5   In addition, we consider that Code to Switch would expose customers to difficulties and deterrents that many do not currently face in the existing Notification of Transfer process and would not face using One Touch Switch. As a result, some customers may find switching harder under Code to Switch than they currently do.

5.6   On this basis, we explain why we do not consider that Code to Switch, as presently constructed, would meet our policy objective.

Simple to understand and follow

5.7   In our view, One Touch Switch would be simpler to understand and follow than Code to Switch. One Touch Switch would only require a customer to understand that they should

contact the gaining provider who will then manage the process on their behalf. The gaining provider would be able to guide customers through the process and ask for relevant information where needed.

5.8   In particular, this would be the simplest process for customers who only have voice and/or broadband services and do not have any other services with their provider. [96] For these customers, all their services would be switched using the new process. In contrast, Code to Switch would require customers to understand the need for two steps (contacting the losing provider and the gaining provider) and the order in which they should be taken. This would add complexity to the process and increase scope for confusion on the part of switching customers.

One Touch Switch would be more familiar to customers

5.9   The steps in One Touch Switch would be more familiar to customers than Code to Switch. This is because of the similarity of One Touch Switch to the existing Notification of Transfer process. In both the existing Notification of Transfer and the proposed One Touch Switch processes, the principal step the customer would need to understand is that they should contact the gaining provider. The approach of only having to contact the gaining provider would also be familiar to customers that have switched their gas, electricity or bank account. This familiarity would aid customer understanding of the new process.

5.10   In contrast, a move from the current switching process to Code to Switch would require voice and broadband customers to understand and become familiar with a different style of process involving a greater number of steps, as all customers would need to have some contact with the losing provider. This would require behaviour change for many customers (i.e. a need to contact their losing provider as part of the switching process) as currently the majority of voice and broadband switches are within the Openreach network and go through the Notification of Transfer process. [97] Around two-thirds of dual play or triple play switchers that used the Notification of Transfer process (65%) said they cancelled with their gaining provider when they switched. [98] In our view, the change in the steps required to start the process (i.e. the need to contact the losing provider) would be unfamiliar and make Code to Switch harder to understand and follow than One Touch Switch. In addition, Code to Switch would also be harder to understand and follow than the existing Notification of Transfer process.

5.11   While the principle of Code to Switch (having to get a code from the losing provider to give to the gaining provider) has some similarities with the Auto-Switch process for mobile services, the approach of these two processes is not the same. In both Code to Switch and

---

[96] Nearly half of adults 16+ with a landline or fixed broadband (49%) have either standalone voice, standalone broadband or voice and broadband services from the same provider and have no other services with that provider. Ofcom, 2020. Technology Tracker Bespoke analysis.

[97] Openreach estimates 175,000 switches per month go through the Notification of Transfer process (Openreach, March 2020. Response to Ofcom's consultation: "Fair treatment and easier switching for broadband and mobile customers," page 6). This includes a combination of residential and business customers switching.

[98] Ofcom, 2020. Switching Experience Tracker. Q10, table 40. Base: all who switched dual or triple play services within the Openreach network.

Auto-Switch the customer needs to get a switching code from their losing provider to give to their gaining provider in order to switch. In Auto-Switch, this switching code can be requested by text message which limits interaction with the losing provider. However, customers would not be able to request a code via text in Code to Switch and the authentication steps require more interaction with the losing provider and more effort than Auto-Switch for mobile switching (see paragraphs 5.56-5.58). Therefore, we do not consider that customer familiarity with Auto-Switch in the mobile sector would materially aid understanding of Code to Switch.

One Touch Switch would be simpler to understand and follow for customers with bundles

5.12   Where a customer has another service bundled with their voice and broadband service, switching is likely to be more complicated and harder to understand. This is because such customers may need to take additional steps in relation to the other service which could lead to a more complex process overall and potential confusion. However, the detail of the switching process in place can mitigate these difficulties. As explained below, we consider that One Touch Switch would be simpler to understand and follow than Code to Switch for customers with bundles.

5.13   Customers that have bundles which include a mobile service (13%) currently need to use two different switching processes to switch their whole bundle: one for their voice and broadband service and one for their mobile service (Auto-Switch). [99] This would continue to be the case under Code to Switch or One Touch Switch.

5.14   In Code to Switch the customer would need to request a code for their mobile service and would also need to get a separate code to switch their voice and broadband services. The process for getting the code under Code to Switch is not the same as for Auto-Switch (see paragraphs 5.56-5.58) and, as discussed above, there is no need to obtain a code under the Notification of Transfer process.

5.15   Given these differences with how switching in mobile and fixed services currently work, there is scope for customers to be confused by the need to get two codes in potentially two different ways (given the fact that they would not be able to request a voice and broadband switching code via text message) and then to understand how and when to use them. We note that text message is the most popular method for mobile customers to request their code (51%). [100]

5.16   This may in particular lead to confusion and additional difficulties for customers switching bundles by phone under Code to Switch. In order to facilitate a smooth switching experience, customers would need to be aware, in advance, of how the process works and specifically of the need to get two separate codes from their current provider.

---

[99] Ofcom, 2020. Technology Tracker. Bespoke analysis More than one in 10 (13%) adults aged 16+ who have a landline or fixed broadband also have a mobile service with the same provider.
[100] Ofcom, 2020. Switching Experience Tracker. Q4A, table 29. Multi-code question so adds to >100 (51% text, 32% phone, online account 26%, in store 7%, other 1%, don't know 3%). Data relates to customers requesting a Porting Authorisation Code (PAC). A PAC is used where a customer is keeping their mobile phone number when they switch. Customers that want to get a new number when they switch use a Service Termination Authorisation Code (STAC).

5.17   Code to Switch would also have the potential to undermine some of the benefits of the Auto-Switch reforms, which sought to avoid the need for customers to call the losing provider. This is because those that contact the losing provider by phone under Code to Switch for their broadband and voice switching code, would also be more likely to request the switching code for mobile services at the same time. These customers would potentially be exposed to some of the difficulties and deterrents that Auto-Switch was designed to remove.

5.18   These additional complexities would not be present in One Touch Switch. Customers switching a bundle by phone would not have to take any steps before phoning the gaining provider and would be able to complete the sales call in one step, without interrupting it to call the losing provider. Customers would not necessarily need to be aware of the need for a mobile switching code at all as the gaining provider would always be able to prompt them to request one via text message, and they can receive this code via text almost immediately.

5.19   Where a customer's bundle includes other types of service, for example TV services (taken by 50% of customers with a voice or broadband service), some customers may want to make additional contact with the losing provider to give further instructions as to what they want to happen to that service. [101] Other customers may be happy with the impact on these services as indicated in the losing provider's switching information, for example a change in the price of the Pay TV service as a result of switching their voice and broadband, and no further action might be needed on their part.

5.20   Overall, we think One Touch Switch would generally be the easier process to understand and follow for customers with bundled services.

Process led by the gaining provider and enhances customers' control

5.21   We consider that both Code to Switch and One Touch Switch should be able to address a number of the components needed to ensure a process is led by the gaining provider and enhances customer control. In particular, under both options customers would:

a)   not have to coordinate the end of one service and the start of another;

b)   have choice of communication methods;

c)   have control over the timing of the switch; and

d)   not need to contact the losing provider to terminate the old contract.

5.22   We note that in both options, at present, it is unclear the extent to which customers would have to deal with two providers if something goes wrong. This would need to be considered further when developing more detailed designs. We consider that, at this stage, there is no reason to believe it would not be possible for both options to design processes

---

[101] Ofcom, 2020. Technology Tracker. Bespoke analysis Half (50%) of adults aged 16+ who have a landline or fixed broadband service also have a TV service with the same provider.

that minimise the need for the customer to deal with both providers when things go wrong. [102]

5.23   However, there are substantial differences between the two options in relation to customer control over the extent and nature of the contact they have with their losing provider. In particular, the option to avoid speaking in person to their losing provider, if they do not want a conversation with them.

5.24   Customers switching voice and broadband services using One Touch Switch would not have to have any contact with the losing provider, whereas all customers using Code to Switch would need to do so. While the nature and extent of contact with the losing provider in Code to Switch would depend on the particular circumstances and communication preferences of the customer, at least some customers would likely call and speak to the losing provider, and be exposed to potential difficulties or deterrents. This may apply, for example, to those that prefer to engage with providers by phone, have a voice only service, or have difficulties using online services (see paragraphs 5.51-5.52).

5.25   On this basis, our provisional assessment is that Code to Switch:

a)   would expose customers to potential difficulties and deterrents relating to contact with the losing provider that many would not face using One Touch Switch and do not currently face under the existing Notification of Transfer process; and

b)   would lack an effective mechanism to give customers control over the extent and nature of the contact they have with their losing provider (in particular the option to avoid speaking in person to their losing provider) so they can avoid, or reduce the impact of, the difficulties and deterrents relating to contact with the losing provider.

5.26   We discuss these views in more detail below. Taken together, our view is that these factors mean that Code to Switch would not meet our policy objective of ensuring that customers can switch their fixed voice and broadband services using an effective and efficient process that complies with our new switching rules and does not create unnecessary difficulties or deterrents.

Difficulties and deterrents relating to contact with the losing provider

Current research and previous switching process work

5.27   Our 2020 Switching Experience Tracker ('2020 consumer research') highlights that over a third (36%) [103] of customers who switched provider (referred to as 'switchers') have experienced difficulties relating to contact with the losing provider, or it has been a factor

---

[102] We also do not consider that there is a material difference between the options in the extent to which they are likely to minimise errors. See paragraphs 5.83-5.85.
[103] Ofcom, 2020 Switching Experience Tracker, extra analysis Q19A/B/C switchers who had difficulty with one or more of: contacting their previous provider (10% - 5% major, 6% minor), cancelling their previous service (34% - 12% major, 22% minor) or experiencing their previous provider trying to persuade them to stay (among those who contacted their previous provider) (6%, 3% major, 4% minor). Some switchers experienced more than one of these difficulties, hence the total figure experiencing one or more of these (36%) being lower than the sum of the proportions experiencing each difficulty.

in the decision not to switch for half (51%) [104] of those who considered but then decided not to go through with a switch (referred to as 'considerers'). [105] These results are despite there being no requirement for the majority of voice and broadband customers to contact the losing provider if they want to switch today.

5.28   In our previous work to reform switching processes (see paragraphs 2.7-2.14) we also noted a number of difficulties and deterrents as part of the reasons for changing the process. Together, our research and previous switching work identify three main difficulties and deterrents customers might face when switching related to contact with the losing provider that we consider relevant for our assessment. In particular:

a)   the hassle associated with contacting more than one provider;

b)   any difficulties in contacting the losing provider; and

c)   unwanted save activity.

5.29   Customers that experience these difficulties and deterrents can miss out on lower prices and getting a service that best meets their needs (see paragraph 5.41).

The hassle associated with contacting more than one provider

5.30   Our 2020 consumer research shows two fifths (41%) of considerers said the hassle of needing to contact more than one provider to switch was a factor in their decision not to switch. [106] This indicates that having to contact multiple providers is in itself off-putting to customers. In addition, two fifths (43%) of considerers said that it being too time-consuming to go through the process of switching was a factor in their decision not to switch. [107] This may include perceptions of the time it takes to contact providers.

5.31   In making our decision to remove the MAC process we noted that, relative to those who used the Notification of Transfer process, MAC switchers reported greater difficulty in

---

[104] Ofcom, 2020 Switching Experience Tracker, extra analysis Q44A/B/C considerers who said one or more of the following was a factor in their decision to stay with their current provider : difficulty contacting their current provider (30% - 12% major, 18% minor), difficulty cancelling their current service (33% - 12% major, 27% minor) or the hassle of needing to contact more than one provider to switch (41%, 14% major, 27% minor) Some considerers cited more than one of these factors hence the total figure experiencing one or more of these (51%) being lower than the sum of the proportions experiencing each difficulty.

[105] For the purpose of this consultation, we have based our analysis of "switchers" on those who were interviewed about switching their landline and/or broadband service either in combination with other services or, in the case of broadband, as a standalone product. We have based our analysis of "considerers" on those who considered switching either dual play or triple play services. The proportion of switchers experiencing difficulty with one or more of these three aspects was slightly higher in our 2020 consumer research than in our 2018 research (Ofcom, 2018. Switching Experience Tracker extra analysis) Q19/A/B/net switchers: 32% had difficulty with one or more of contacting their previous provider (10%), cancelling their previous service (27%) or experiencing their previous provider trying to persuade them to stay (among those who contacted their previous provider) (7%). Q44A/B/C net considerers: 44% had difficulty contacting their current provider (23%), difficulty cancelling their current service (25%) or the hassle of needing to contact more than one provider to switch (35%). Despite the possible effect of Covid-19 affecting staffing rates in providers' customer contact centres in 2020 resulting in longer waiting times and greater difficulty contacting providers, the levels of switchers and considerers experiencing these difficulties was nevertheless also a significant proportion in 2018.

[106] Ofcom, 2020 Switching Experience Tracker, extra analysis. Q44A/B/C, (41% - 14% major, 27% minor factor). Ofcom, 2018. Switching Experience Tracker extra analysis. Q44A/B/C, (35% - 11% major, 24% minor factor).

[107] Ofcom, 2020 Switching Experience Tracker, extra analysis Q44A/B/C, (43% - 17% major, 25% minor factor). Ofcom, 2018. Switching Experience Tracker extra analysis. Q44A/B/C (38% - 14% major, 24% minor factor). N.B. the 2020 major + minor figures do not add exactly to the total shown, due to rounding.

having to contact multiple providers. [108] Similarly, in considering our proposed triple play switching reforms, we noted our proposed process would address the fact that a significant proportion of would-be switchers were deterred from switching because of the hassle of needing to contact more than one provider. [109]

Difficulties in contacting the losing provider

5.32   Our 2020 consumer research shows around four in 10 (39%) switchers that contacted their losing provider experienced difficulties doing so. [110] This is equivalent to around 230,000 households last year. [111] Similarly, three in 10 (30%) considerers said difficulty contacting their current provider was a factor in their decision not to switch. [112]

5.33   Customers wishing to contact providers by phone may experience more difficulties than those using online channels. Our 2019 Comparing Service Quality report shows the average time customers had to wait in a call queue with voice and broadband providers was two minutes 10 seconds and 6.9% of calls were abandoned while the customer was waiting in a queue. However, there was significant variation with regard to the wait time, with the average for customers of one provider being four minutes and 26 seconds and a call abandonment rate for another provider of 15.9%. [113]

5.34   Complaints to Ofcom have also highlighted the additional hassle that may be involved in trying to contact the losing provider by phone to switch voice and broadband. Some customers trying to switch between different physical networks have complained about having to make multiple attempts to try to get through to their losing provider to cancel, while others have said they faced call wait times of 30 minutes and in some cases more than one hour. Customers have also complained about having to speak to the losing provider and the lack of automated options for cancelling.

5.35   Our proposed triple play switching reforms sought to address the difficulties that some customers faced when contacting their losing provider or cancelling their old service(s), particularly due to restricted and, at times, lengthy methods of cancellation. A number of switchers reported the need to contact losing providers by phone as a barrier. [114]

5.36   When considering reforms to mobile switching, our research showed that some customers experienced difficulties when contacting their losing provider to transfer their number or

---

[108] Ofcom, August 2013. Consumer Switching: a statement and consultation on the processes for switching voice and broadband providers on the Openreach copper network, paragraph 4.134, pages 61-62.

[109] Triple play switching consultation, paragraph 4.20, page 38.

[110] Ofcom, 2020 Switching Experience Tracker, extra analysis. Q19A/B/C, (39% - 18% major, 21% minor difficulty). Ofcom, 2018. Switching Experience Tracker extra analysis. Q19A/B/C, (33% - 10% major, 22% minor difficulty).

[111] Bespoke analysis based on data from Ofcom's Technology tracker, Core Switching tracker, Switching experience tracker and ONS Families and Households population stats. The estimate relates to experiences between October 2019 and September 2020. 230,000 is a mid-point estimate and accounting for the error margin around this calculation, we estimate the actual figure lies between 180,000 and 280,000. See Annex 6 Consumer research technical note for further detail.

[112] Ofcom, 2020 Switching Experience Tracker, extra analysis. Q44A/B/C, (30% - 12% major, 18% minor factor). Ofcom, 2018. Switching Experience Tracker extra analysis. Q44A/B/C (23% - 8% major, 15% minor factor). It is not possible to calculate the equivalent population estimate for 'considerers' - see Annex 6 for further detail.

[113] Ofcom, 2020. Comparing Customer Service: mobile, home broadband and landline, page 17.

[114] Triple play switching consultation, paragraphs 3.41-3.55, pages 29-32.

cancel their old service. [115] To remedy this, Auto-Switch allows customers to control the contact they have with the losing provider when they are considering switching their service, including avoiding a phone conversation if they do not want one.

Unwanted save activity

5.37   Our 2020 consumer research shows almost a quarter (24%) of switchers that contacted their losing provider experienced difficulties with the losing provider asking them to stay. [116] This is equivalent to around 140,000 households last year. [117]

5.38   In making our decision to remove the MAC process we noted the harm some customers experienced related to unwanted pressure from the losing provider to reverse their decision to switch and the reforms sought to address this problem. [118] Similarly, our proposed triple play reforms sought to address the difficulties that some customers experienced with unwanted save activity. [119]

5.39   When we reformed the mobile switching process, we also noted the difficulties customers might experience related to unwanted save activity. [120] It was a fundamental objective of Auto-Switch that customers are able to control the degree of contact they have with their current provider when switching, including the degree to which a customer seeks (or not) any retention offer to stay. [121]

Benefits to customers of avoiding difficulties and deterrents

5.40   As noted in section 2, difficulties when switching can constrain customer choice or create barriers that prevent customers switching. This can be harmful both to individual customers and to competition. In particular, we consider that lower switching costs for customers, from fewer difficulties and deterrents, are likely to facilitate more intense competition between providers. This can benefit consumers overall in the form of lower prices, higher quality of service, choice and innovation.

5.41   Individual customers that are deterred from going through with a switch can miss out on important benefits. Customers with greater confidence to shop around and switch providers can benefit from accessing services that better meet their needs, and at lower prices. For example, customers who are out of contract pay around £13 per month more than new customers and customers who re-contract with their existing provider pay £4.40 per month more than new customers that have switched to their provider. [122]

---

[115] Auto-Switch Statement, paragraph 1.3, page 1.
[116] Ofcom, 2020 Switching Experience Tracker, extra analysis Q19A/B/C, (24% - 11% major, 13% minor difficulty). Ofcom, 2018. Switching Experience Tracker extra analysis. Q19A/B/C (22% - 6% major, 16% minor difficulty).
[117] Bespoke analysis using data from Ofcom's Technology tracker, Core switching tracker, Switching experience tracker and ONS Families and Households population stats. The estimate relates to experiences between October 2019 and September 2020. 140,000 is a mid-point estimate and accounting for the error margin around this calculation, we estimate the actual figure lies between 100,000 and 180,000. See Annex 6 Consumer research technical note for further detail.
[118] Ofcom, August 2013. Consumer Switching: a statement and consultation on the processes for switching voice and broadband providers on the Openreach copper network, paragraph 1.6, pages 1-2.
[119] Triple play switching consultation, paragraph 3.52, pages 31-32
[120] Auto-Switch Statement, paragraph 3.4, page 16.
[121] Auto-Switch Statement, paragraph 4.95, page 55.
[122] Ofcom, July 2020. Helping consumers get better deals: review of pricing practices in fixed broadband. Table 3, page 21.

Code to Switch exposes customers to potential difficulties and deterrents relating to contact with the losing provider

5.42   As noted above, under One Touch Switch customers would not need to have any contact with the losing provider to switch a voice and broadband service. One Touch Switch would therefore enable customers to avoid the difficulties and deterrents related to contact with the losing provider.

5.43   Conversely, to switch a voice and broadband service using Code to Switch all customers would need to contact their losing provider to get a code. Therefore, some of the difficulties and deterrents related to contact with the losing provider may be unavoidable in Code to Switch. This will particularly be the case for those that call the losing provider. In particular, in Code to Switch:

a) all customers would need to contact both providers and may experience the hassle identified by our research that is associated with contacting more than one provider. Those customers who find contacting more than one provider off putting or too time consuming, may be deterred from switching altogether.

b) all customers would need to contact the losing provider and may experience difficulties associated with contacting the losing provider which may lead customers to abandon the switching process. This is particularly the case for those switching by phone given the additional effort involved in the phone route (see paragraph 5.51-5.53).

c) all customers would need to contact the losing provider which could create a greater risk that customers would be exposed to unwanted save activity. In particular, for those who switch by phone, the perception that they may experience unwanted persuasion to stay with the losing provider may deter them from engaging in the switching process in the first place.

5.44   We note also that our 2020 consumer research is based on views of customers who switch using the current arrangements and that the majority of customers are not currently required to contact the losing provider to switch. Therefore, it seems likely that a greater proportion of customers would face these difficulties and deterrents using Code to Switch, where contact with the losing provider would be required, compared to the proportion currently indicated in our research.

5.45   We consider that, in the absence of an effective mechanism to give customers control over the extent of contact with the losing provider, Code to Switch would not meet our policy objective. In our view, Code to Switch would result in potential difficulties and deterrents for customers that would not arise in One Touch Switch.

5.46   We are also concerned that Code to Switch would have the effect of exposing customers to difficulties and deterrents that they do not currently face when switching voice and broadband services. Our 2020 consumer research found that half (51%) of those switching providers within the Openreach network did not have any contact with their losing

provider when they switched. [123] All those customers would need to contact the losing provider under Code to Switch, and, as noted above, they may not be able to effectively avoid some of these potential difficulties and deterrents. Therefore, customers may find switching harder under Code to Switch than they currently do. We are concerned these difficulties may constrain customer choice and mean customers miss out on important benefits such as lower prices and services that better meet their needs.

5.47   We are further concerned that these difficulties and deterrents may dampen, rather than promote, competition between providers and result in consumers overall not receiving the full benefits of competition in terms of lower prices, higher quality of service, choice and innovation.

5.48   We consider One Touch Switch would meet our objective in relation to these issues. One Touch Switch would avoid the potential difficulties and deterrents in relation to contact with the losing provider because no such contact is required.

Code to Switch would not provide an effective mechanism to give customers control over the extent of the contact with the losing provider

5.49   Code to Switch contains some features that seek to address how easy it is for a customer to contact and interact with the losing provider. In particular:

a)   a choice of communication channels for customers to request their code and switching information (by app, online or phone). Customers can also receive their code and switching information by email, text or letter (for those without access to email or text); [124]

b)   no save activity is allowed once the request for a code is made; [125]

c)   code and switching information sent to customers within 60 seconds; [126] and

d)   that "it must be quick and simple for a customer to initiate a request for Code generation." [127]

5.50   However, we do not consider that these features taken together would give customers sufficient control over the extent of contact they have with their losing provider. Neither would they enable all customers to avoid speaking in person to their losing provider.

5.51   We think that in Code to Switch, despite the choice of communication channels, at least some customers would call and speak to the losing provider. Some customers would be unable to use online communication channels if they do not have access to the internet. For example, 10% of UK households have a landline but no fixed broadband, including 3%

---

[123] Ofcom, 2020. Switching Experience Tracker Q14A/B/C Net of those who switched a dual or triple play package within the Openreach network and did not do any of: contacted their previous provider (23%), experienced the losing provider trying to persuade them to stay (22%) or tried to negotiate a better deal (24%). Table 44, page 201.
[124] See figure 3.2 in section 3; Option X, March 2020. Broadband and voice switching proposal: response to Ofcom, page 5.
[125] Option X, March 2020. Broadband and voice switching proposal: response to Ofcom, page 5.
[126] Described in figure 3.2, section 3.
[127] Option X, March 2020. Broadband and voice switching proposal: response to Ofcom, page 5.

that also do not have a mobile. [128] People living in these households are more likely than average to be older, have an impacting or limiting condition and be financially vulnerable. [129]

5.52   Others may prefer not to use the online route or it may involve further effort if they do not have an online account. For example, 24% of fixed switchers and 21% of fixed considerers rarely or never use, or do not have, an online account. [130] These customers may need to set up an online account, learn how to use it or potentially reset their password if they do not remember it, which some customers may find difficult.

5.53   Given these difficulties, we consider some customers will feel they have no choice but to phone their losing provider. These customers might not be able to avoid the difficulties and deterrents relating to contacting, and speaking in person, with the losing provider as discussed above (or would need to make further effort to do so which may deter them from engaging in the switching process).

5.54   We note that it is intended that the process of getting the code is quick and simple and that there is no retention activity during the interaction. However, in our view the losing provider might not have a clear incentive to effectively design their systems and processes to achieve this, given the interaction would lead to them losing a customer. There would remain an incentive for the losing provider to try to retain the customer when they contact them to request a code and a risk that they may seek to frustrate the switching process in other ways. Therefore, Code to Switch is likely to rely on compliance with rules supported by enforcement action to work effectively.

5.55   The One Touch Switch approach would remove contact with the losing provider altogether. Therefore, losing providers would have no opportunity to engage in these activities by design. We consider this would be a more effective way of ensuring customers can avoid the difficulties and deterrents relating to contact with the losing provider than additional rules or regulation.

5.56   The proponents of Code to Switch designed it to "broadly mimic the customer journey experienced" by customers using Auto-Switch. [131] However, we consider there are significant differences between Code to Switch and Auto-Switch in regard to how effective they are in giving customers control over the extent of contact with the losing provider.

5.57   One of the main reforms of Auto-Switch was the introduction of the text option whereby a customer can request their switching code by text message and receive the code and

---

[128] Ofcom, 2020. Technology Tracker. Bespoke analysis

[129] Ofcom, 2020. Technology Tracker. Bespoke analysis Amongst adults aged 16+ who have a landline but no fixed broadband in their household: 61% are aged 65+ compared to 21% of all adults; 40% are in the DE socio-economic group compared to 25% of all adults; 31% are in the 'most financially vulnerable' category compared to 20% of all adults; and 48% have an impacting or limiting condition compared to 21% of all adults.

[130] Ofcom, 2020. Switching Experience Tracker, table 142. Among dual play and triple play switchers, 6% have an online account but have not used it in the last 12 months, 6% have an online account and have never used it, 7% know they do not have an online account and 5% do not know whether they have an online account. Among dual play and triple play considerers, 7% have an online account but have not used it in the last 12 months, 5% have an online account and have never used it, 6% know they do not have an online account and 3% do not know whether they have an online account.

[131] Option X, May 2020. Broadband and voice switching proposal: response to Ofcom's initial questions, page 3.

switching information in response also by text message. [132] This solution is specifically suited to mobile switching because the code is being requested on a platform that is intrinsically linked to the service that is being switched and on a device associated with a particular account holder. In addition, that platform is able to provide a response in a durable medium. This enables the text route under Auto-Switch to incorporate customer authentication, service identification and consent in a system that is universally accessible for mobile customers, easy to use and which limits the interaction with the losing provider. Therefore, we consider Auto-Switch has an effective mechanism to give customers control over the extent of the contact with the losing provider. The text option enables customers to avoid unwanted save activity and reduce the impact of the hassle associated with contacting more than one provider and the difficulties of contacting the losing provider.

5.58 It is not clear that a system that achieves a similarly easy to use and limited interaction with the losing provider is possible for fixed voice and broadband switching. This is acknowledged by the proponents of Code to Switch (see section 3, paragraphs 3.30-3.33). Instead Code to Switch would require the use of communication channels and authentication steps that require more interaction with the losing provider and more effort than Auto-Switch does for mobile switching. Therefore, we do not consider that Code to Switch would have an effective mechanism to give customers control over the extent of the contact with the losing provider.

5.59 Given the lack of an effective mechanism to give customers control over the extent of the contact with the losing provider, we do not consider that Code to Switch would enable customers to avoid, or reduce the impact of, the difficulties and deterrents relating to contact with the losing provider.

5.60 In contrast, One Touch Switch would give customers an inherently stronger protection against the difficulties and deterrents relating to contact with the losing provider given no such contact is required.

Minimise the effort needed to complete the process

5.61 In general, we consider that One Touch Switch is likely to involve less effort for customers to complete the switching process than Code to Switch.

5.62 The actual effort any customer would need to make to switch under either option would depend on the particular circumstances and preferences of that customer. However, as we explain below, for the most part, One Touch Switch would require fewer instances in which the customer needs to actively engage in order to switch than would be the case under Code to Switch. This would have the most impact for customers who wish to switch by phone.

5.63 We note above that some considerers said the hassle of needing to contact more than one provider or the difficulty in contacting the current provider was a factor in their decision

---

[132] Customers who have more than one number linked to their mobile account – for example those with family mobile packages – need to request their PAC online or by phone.

not to switch (41% and 30% respectively). [133] In this sub-section we focus on the effort involved in engaging with a provider, regardless of whether that is the losing or the gaining provider, and the number of occasions in which a customer must do so in either option.

Switching by phone would require more effort under Code to Switch

5.64   Every call a customer makes as part of the switching process means more time and effort waiting for their call to be answered and an increased risk of abandoning a call and not completing the switching process. As noted in paragraph 5.33, the average call wait time is two minutes 10 seconds with an abandonment rate of 6.9% but there can be significant variations between providers.

5.65   Customers switching voice and broadband by phone would need to call and wait to be connected to a provider on two occasions under Code to Switch as compared to only one occasion under One Touch Switch. [134] We consider that this additional effort in Code to Switch compared to One Touch Switch may increase the chance that some customers using the phone route will not go through with the switch and may lose out on the benefits they could gain by switching providers.

5.66   In addition, some of the additional effort in Code to Switch compared to One Touch Switch may also be difficult to avoid (see paragraph 5.43). Under either option, if a customer is unhappy with the call wait time of the gaining provider, they can simply hang up and choose to go to another gaining provider. However, under Code to Switch, if the customer is unhappy with the call wait time of the losing provider they would have to persevere or move to the online route in order to get their code so they can switch provider.

Switching online

5.67   Three quarters (76%) of fixed switchers use their online account at least every few months, and therefore this group of customers might choose to use this method to switch. [135]

5.68   In our view, the difference in effort that would be required between the options when switching online is less significant than when switching by phone. However, we note there is potential for the whole online customer interaction to be a smoother experience with less effort for the customer under One Touch Switch, as it is managed by a single provider.

---

[133] Ofcom, 2020 Switching Experience Tracker, extra analysis Q44A/B/C, (41% - 14% major, 27% minor factor). Ofcom, 2018. Switching Experience Tracker extra analysis. Q44A/B/C (35% - 11% major, 24% minor factor). Ofcom, 2020 Switching Experience Tracker, extra analysis. Q44A/B/C, (30% - 12% major, 18% minor factor). Ofcom, 2018. Switching Experience Tracker extra analysis. Q44A/B/C (23% - 8% major, 15% minor factor).
[134] We consider that, despite the choice of communication channels, at least some customers would likely call and speak to the losing provider in person in the first step of Code to Switch. See paragraph 5.51-5.53.
[135] Ofcom, 2020. Switching Experience Tracker. Table 142 Q56 (52% use an online account monthly, 24% use at least once every few months)

Complex switching journeys would be more likely to require less effort in One Touch Switch than Code to Switch

5.69   Several factors might complicate a customer's switching experience and require them to have a greater number of contacts with providers, and therefore might involve more effort. In particular, customers may:

   a)   need, or wish, to make additional contact with either the gaining or losing provider where switching a bundle that includes other services in addition to voice and broadband services. For example, they may need or wish to give further instructions to the losing provider as to what should happen to this service when the voice and broadband services are switched.

   b)   choose to have information from providers sent by post rather than email which would lengthen the process and likely require more effort for the customer.

5.70   These additional steps would often add a similar amount of effort to the process in both options compared to voice and broadband switches alone, or where customers receive information from providers via email. For those switches, One Touch Switch is likely to require less effort. Given this, we are of the view that, more often than not, for the more complex switching journeys, One Touch Switch would still result in fewer instances in which the customer needs to actively engage than would be the case under Code to Switch.

Quick

5.71   As noted in section 4, the new switching rules require that providers do not delay the switching process. As part of this, we consider that the administrative elements of the process should not make a significant difference to how quickly a customer can switch. How quickly the switch happens should be determined by customer choice and the time it takes a provider to supply a new service. [136]

5.72   There appears to be little difference between the options in relation to how quickly a customer could switch their voice and broadband service. In both options, the practical requirements of providing a service and the choices made by the customer would likely be the principal determining factors for the overall speed of the switch, rather than the administrative elements of the process.

5.73   In both options, where a customer chooses to switch and completes the necessary steps to arrange the switch on a particular day, the gaining provider should be able to place a switch order that same day. Therefore, all other things being equal, the switch could happen on the same day in either option. This could potentially be the next working day. [137]

---

[136] GC C7.3 also requires that the migration date is the date requested by the customer where technically feasible or as soon as possible (see Ofcom, General Conditions of Entitlement Unofficial Consolidated Version with effect from 19 December 2022).We consider whether the switch happens on the date the gaining provider says it will as part of our assessment of the reliability of the process.
[137] Option X, March 2020. Broadband and voice switching proposal: response to Ofcom, page 3. Option Y, August 2020. Gaining Provider Led Switching - the Option Y proposal, step 9, page 6.

This is compared to the minimum of 10 working days that is the currently the case for the majority of switches using the existing Notification of Transfer process.

5.74   We note that Code to Switch could take longer than One Touch Switch where customers request to receive information from providers by post. This is because a customer would have to wait for a letter from a provider on two separate occasions in Code to Switch, first from the losing provider and then from the gaining provider. In One Touch Switch, the customer would only wait to receive information by post from the gaining provider. In this scenario, One Touch Switch would be quicker. [138]

Reliable

5.75   We consider that in order for a switching process to be reliable it should:

a) ensure the switch happens when the gaining provider says it will;

b) minimise any loss of service; and

c) minimise the chance of errors and enable a customer's services to be restored quickly when an error does occur.

5.76   Based on the information we currently have, there does not appear to be a material difference in the reliability of the two options. We note that the process specifications are relatively high-level and more detailed design work will be required to implement either option in practice. However, at this stage, we have no reason to think this materially impacts our assessment. Independent technical advice has not identified material differences in the expected technical reliability between the options. The advice concluded that both options are well thought out technically and could be implemented successfully. [139]

Switch happens when the gaining provider says it will

5.77   In our view there is no material difference between the options in the extent to which they would enable a gaining provider to activate a customer's service on the agreed date.

5.78   In both options, the practical requirements of providing a service would likely be the determining factor to whether the switch happens on the agreed date. These would be largely similar for both options. Once a switch order is placed, we would expect the supply chains of both providers to operate in a similar way to carry out the switch in either option. Delays to the switch date could be caused by several factors, for example the need for further unforeseen engineering work. However, these would not be related to the switching processes we are considering as part of our assessment. Administrative elements

---

[138] We note that some customers that initially wanted information by post may change their mind and choose to have it sent by email once it became apparent that the post route would slow the process down.

[139] We commissioned Cartesian to provide independent technical advice on the process options that industry developed. We asked them to consider what, if any, technical issues might arise and whether there were any material differences in the technical feasibility and reliability of the options. Cartesian, January 2021. Fixed telecoms switching: technical study.

of the switching processes themselves would not necessarily need to impact on a gaining provider's' ability to carry out the switch on the agreed date.

Minimise any loss of service

5.79   We also consider that there is no material difference between the options in the extent to which they minimise loss of service. Similar to our reasoning above in relation to the switch occurring on the agreed date, the practical requirements of providing a service would likely be the determining factor in whether there is a loss of service.

5.80   Where a customer is switching between two providers using the same physical network (e.g. between providers using the Openreach network), there would be a short loss of service while the losing provider's service is ceased and the gaining provider's service is activated. This is a technical requirement because of the way the service is delivered but should be significantly less than one working day. Where a customer is switching between two providers using different physical networks, loss of service can be avoided as the losing provider would only be instructed to cease the old service after the gaining provider has activated the new service.

5.81   The providers' supply chains could operate in this way under both switching process options. Where operating correctly, the administrative elements of the switching processes themselves would not need to impact on loss of service in either option.

5.82   We note that it is possible that errors in the switching process itself could lead to a loss of service. Therefore, the likelihood of errors associated with each option could impact the extent to which they minimise loss of service. We discuss this below.

Minimise errors and enable quick service restoration

5.83   Based on the information we currently have we do not consider that there is a material difference between the options in the extent to which they are likely to minimise errors.

5.84   Both process specifications provided by industry are relatively high-level and would require more detailed design work to implement in practice. Therefore, our assessment focuses on the extent to which the high-level specifications are likely to lead to more errors in one process compared to the other. In reaching our view, we have considered the risk of:

a) incorrectly identifying a customer or the services to be switched; and

b) technical errors associated with the systems and processes.

5.85   Both options would need to consider at the detailed design stage the processes needed when things go wrong, including the need for quick service restoration.

Identifying customers and services

5.86   Code to Switch and One Touch Switch use different approaches to identify the customer and the services to be switched. In Code to Switch, these would be identified through the

switching code. As the code is generated by the losing provider and the customer gives the code to the gaining provider, the identification process is highly likely to be accurate.

5.87   In One Touch Switch, the customer and services to be switched would be identified through a matching process between the gaining and losing providers, using information the customer provides to the gaining provider. [140] The proponents of One Touch Switch told us they expect the matching process to have a high degree of success, based on the basic information provided. [141] Independent technical advice agreed with the group's view. [142] In addition, the losing provider would send switching information to the customer using the contact details they have previously recorded for the identified customer. This communication serves as a backstop and could warn erroneously identified customers of the switch or correctly identified customers of erroneously identified services.

5.88   Independent technical advice suggests that:

a)   both options should be able to achieve a high degree of accuracy in identifying the customer and services to switch; and

b)   there is no substantial difference in the risk of errors arising from incorrectly identifying the customer and their services. [143]

Technical reliability and service restoration

5.89   Both option specifications lack detail on mechanisms for service restoration. [144] Independent technical advice did not identify any material differences in the service restoration risks between the options, or any particular issues with putting in place effective service restoration under either option. However, it noted that it is not possible to quantify the risk of an individual system being unavailable or determine how quickly a system could be recovered as this will depend on the more detailed design phase and more specific implementation choices.

5.90   The independent technical advice concluded that both options are well thought out technically and could be implemented successfully. [145]

---

[140] The gaining provider would use the Hub to identify the correct customer and services to switch by matching the customer's details against the losing provider's records. See Option Y, August 2020. YHub switching process description, step 5.
[141] Option Y, June 2020. Responses to Ofcom's questions, pages 1-2.
[142] Cartesian, January 2021. Fixed telecoms switching: technical study, page 5.
[143] Cartesian, January 2021. Fixed telecoms switching: technical study, page 5.
[144] The proponents of Code to Switch said they did not consider an emergency restoration process would be needed. See Option X, May 2020. Broadband and voice switching proposal, response to Ofcom's initial questions, page 6.
[145] We note that industry would need to consider service restoration further as part of the more detailed design work to implement either option. The independent technical advice suggested that reducing the number of parties that messages need to be sent through as part of the switching process could help to improve reliability. This is also something that could usefully be considered further as part of industry's more detailed design and implementation work.

Based on informed consent

5.91   In section 4, we noted our view that for a process to be based on informed consent it should ensure:

   a) a switch only occurs where a customer has expressly agreed to it; and

   b) information is provided enabling customers to make an informed choice.

A switch only occurs where a customer has expressly agreed to it

5.92   In our view, both options would enable gaining providers to ensure a customer has expressly agreed to a switch. The options take different approaches to ensuring the customer requesting the switch is authorised to do so and providers can obtain a customer's express agreement to switch. Therefore, they also have different protections against slamming. We consider that both options should protect against slamming more than the current Notification of Transfer process but Code to Switch may have stronger protections against certain types of slamming than One Touch Switch.

5.93   In Code to Switch, the customer and the services to be switched would be identified by the customer passing the switching code given to them by the losing provider to the gaining provider. The use of a code in Code to Switch would help ensure there are robust mechanisms to enable authorisation and protect against slamming. We expect a losing provider would have processes in place to ensure only the authorised customer would be able to generate a switching code. Therefore, when a switching code is accepted, the gaining provider would have a high degree of confidence that they have identified the authorised customer. The need to actively give a code to the gaining provider also gives a clear indication of the customer's intention and reduces the likelihood of slamming. In addition, given a switch order can only be placed with a switching code, 'no contact' slams should not be possible and it is unlikely that a switch order could be placed in relation to services that differ from those the customer consents to switch. [146]

5.94   In One Touch Switch, the customer and the services to be switched would be identified between the gaining provider and losing provider in the matching process. The gaining provider would presume the customer is authorised to request the switch if they provide the correct information and no subsequent objection is received when the losing provider sends out a notification to the customer informing them of the switch. The notification would also alert the customer to the switch and name the gaining provider. This would help protect against slamming where the customer has not given their consent to switch to any provider, or has not given their consent to switch to that particular gaining provider.

5.95   We think that 'no contact' slams would be less likely under One Touch Switch than under the current Notification of Transfer process because a switch order cannot be placed without a successful match and multiple pieces of information about the customer and

---

[146] 'No contact slams' are where a customer has been switched to a new provider with having had any contact with that provider and therefore could not have given the provider their consent to switch.

their services is needed to make that match (e.g. the current process does not require the gaining provider to specify who the losing provider is). The Hub would also be able to provide an audit trail of the information submitted by the gaining provider so it will be easier to monitor and identify an unscrupulous provider making multiple attempts to match the correct information (e.g. based on information it has obtained through social engineering rather than legitimately from the customer).

Information is provided enabling customers to make an informed choice

5.96   In our view, both options would provide information in a way that would enable customers to make informed switching choices.

5.97   In both options a customer would be given the following information in a durable medium before they agree to switch to the gaining provider:

a)   information from the gaining provider about the new service; and

b)   switching information from the losing provider.

5.98   We consider that this information would enable a customer to make an informed choice and be in a position to give their express consent to a switch under either option.

5.99   We also expect that both options would involve further notifications confirming a switch order and updating a customer as to the progress of the switch to ensure that they are adequately informed throughout the switching process.

5.100   The way in which information is given to customers would differ between the options which may impact the way in which customers make an informed choice. However, we do not think these differences would substantially change the extent to which a customer can make an informed choice.

5.101   In Code to Switch, the losing provider switching information would be given to the customer alongside the switching code. In One Touch Switch, this losing provider switching information would be given once the customer is in contact with the gaining provider. For customers switching online under One Touch Switch, this would make little difference to the time the customer has to consider the information as the online journey will proceed at the pace the customer chooses. For customers that switch by phone under One Touch Switch, there is the potential that some would feel pressured (either real or perceived) into considering the information quickly and making a decision.

5.102   However, in both options a customer would need to consider information from the gaining provider before agreeing to a switch. Therefore, it is not clear that the provision of losing provider switching information during a call substantially changes the likelihood of a customer feeling pressured into considering information quickly to make a choice. In any case, we would expect providers to ensure that customers have adequate time to consider any information provided and that the information is presented as clearly and succinctly as possible.

Provisional conclusions

Our proposal

5.103   We propose to require providers to develop and implement the One Touch Switch process, as set out in section 3, by 19 December 2022 for use by all residential customers switching fixed voice and broadband services. [147]

5.104   We also propose to remove the rules relating to the existing Notification of Transfer process with effect from 19 December 2022. [148] Those residential customers that currently are able to use Notification of Transfer would use One Touch Switch from that date.

Summary of assessment

5.105   We consider that One Touch Switch would meet our policy objective and would better meet our aim of a process that is easy, quick, reliable and based on informed consent than Code to Switch. We consider that Code to Switch and the other options for reform would not meet our policy objective.

5.106   Our assessment for the options for reform is set out above and in section 3 of this document. We provide a brief summary below.

One Touch Switch

5.107   We consider One Touch Switch would meet our policy objective and would be a more effective and efficient process than Code to Switch. In particular, it would ensure that customers can switch voice and broadband services using a process that is:

a) **easy to use**. It would be easier to use than Code to Switch, because it:

   i)   is *simpler to understand and follow than Code to Switch* (see paragraphs 5.7 to 5.20). It would be a 'one touch' process for voice and broadband switching where customers only have to contact the gaining provider and follow the instructions given by the gaining provider. This is simpler to understand and follow than Code to Switch which requires two steps. It would also be familiar to customers that use the existing Notification of Transfer process and avoid making switching harder for these customers or introducing additional complexities when customers switch bundles.

   ii)   *gives greater control to customers over the extent and type of contact they have with the losing provider than Code to Switch* (see paragraphs 5.21-5.60). It would enable customers to avoid the potential difficulties and deterrents in relation to contact with the losing provider (e.g. hassle from contacting more than one

---

[147] Providers need to comply with the new switching and porting rules by 19 December 2022 (see paragraph 2.28) We plan to consult on any GC changes required to implement our proposals when we publish our statement on the policy proposals in this document (see section 7).

[148] We plan to consult on removing these rules alongside our statement on the policy proposals in this document and at the same time as we consult on any GC changes required to implement those proposals (see section 7).

provider, difficulties contacting the losing provider including long call wait times and unwanted save activity) because no such contact is required. Unlike Code to Switch, it would also avoid introducing potential difficulties and deterrents for customers that are not present in the current Notification of Transfer process.

iii) is *likely to involve less effort for most customers* (see paragraphs 5.61-5.70). It would require fewer instances in which the customer needs to actively engage in order to switch in most circumstances than Code to Switch. In particular, when switching voice and broadband by phone, customers would only need to wait for their call to be answered once rather than twice under Code to Switch.

b) **quick**. It could potentially reduce the switching time down to one day (see paragraphs 5.71-5.74);

c) **reliable**. It would be capable of avoiding or reducing loss of service during the switch, enabling a switch to happen on time and accurately identify the customer and service to be switched (see paragraphs 5.75-5.90); and

d) **based on informed consent**. It would ensure customers are provided with information enabling them to make an informed choice before consenting to the switch, and would include protections against slamming (see paragraphs 5.91-5.102).

Code to Switch

5.108   We do not consider that Code to Switch, as proposed, would meet our policy objective of ensuring an effective and efficient process that complies with our new switching rules and does not create unnecessary difficulties or deterrents. In particular, we consider Code to Switch:

a) would expose customers to potential difficulties and deterrents relating to contact with the losing provider that many do not currently face under the existing Notification of Transfer process and would not face using One Touch Switch (see paragraphs 5.42-5.48); and

b) would lack an effective mechanism to give customers control over the extent and nature of the contact they have with their losing provider, in particular the option to avoid speaking in person to their losing provider (see paragraphs 5.49-5.60).

5.109   As a result customers may find switching harder under Code to Switch than they currently do. We are concerned these difficulties may constrain customer choice and mean customers miss out on lower prices or services that better meet their needs, or both. We are also concerned that these difficulties and deterrents may dampen, rather than promote, competition between providers and result in consumers overall not receiving the full benefits of competition in terms of lower prices, higher quality of service, choice and innovation (see paragraph 5.47).

5.110   We recognise that Code to Switch would likely meet some aspects of our objective to ensure an efficient and effective process. To a similar extent to One Touch Switch, it would ensure that customers can switch voice and broadband services using a process that is:

a) **quick**. It could potentially reduce the switching time down to one day, (see paragraphs 5.71-5.74);

b) **reliable**. It would be capable of avoiding or reducing loss of service during the switch, enabling a switch to happen on time and accurately identify the customer and service to be switched (see paragraphs 5.75-5.90); and

c) **based on informed consent**. It would be able to ensure customers are provided with the information enabling them to make an informed choice before consenting to switch and includes protections against slamming (see paragraphs 5.91-5.102).

Other options for reform

5.111   As discussed in section 3 the other options for reform do not meet our policy objective.

5.112   We note in particular that no further intervention from Ofcom risks:

a) coordination failure, resulting in either no new process being put in place or not all providers being part of any industry system that might be developed. This could cause confusion for customers and may result in unnecessary switching difficulties or deterrents;

b) confusion and additional costs for providers.

5.113   Therefore, we consider that, in the absence of industry agreement, it would be more effective for us to identify an appropriate single switching process that should be implemented. This would ensure the delivery of our policy objective, provide more clarity for industry and reduce the risk of harm to consumers (paragraphs 3.15 – 3.19).

5.114   We also note that maintaining the Notification of Transfer process would not meet our policy objective as it does not meet the requirements of the new switching rules particularly in relation to information and consent. It should be replaced by the new single process for switching voice and broadband services (paragraphs 3.20 – 3.25).

Costs of implementing and operating a new process

5.115   As noted in section 2, the GCs require there to be a process in place to allow customers to switch their voice and broadband services by December 2022. Providers will need to invest and incur costs to update their existing systems and processes, or adopt new systems and processes, irrespective of which new switching process is put in place (e.g. providers will need an effective way to communicate with each other about switching). Section 3 explains our view that maintaining the status quo is not an option as:

a) the current Notification of Transfer process does not meet all of the new switching rules (e.g. around information and consent) and the associated process rules are limited to switches within the Openreach and KCOM copper networks (including fibre to the cabinet); and

b) there is no process in place if customers are moving between providers using different physical networks or between providers of full-fibre broadband services even within the same network.

5.116 We set out in Annex 7 details of the approach we have used to assess the scale of net costs that industry have told us they would incur to implement and operate Code to Switch and One Touch Switch.

5.117 Our assessment is based on information provided to us by industry on their anticipated costs of implementing Code to Switch and One Touch Switch respectively. We note that there is a high degree of uncertainty in the cost estimates submitted by providers. The assumptions industry have made in estimating costs are not always clear and there were significant gaps in the estimated opex. As our provisional assessment is that Code to Switch would not meet our policy objective, the focus of our proportionality assessment has been on the costs related to One Touch Switch.

5.118 Based on the data provided to us by industry, implementing One Touch Switch would be expected to cost between £51m and £71m over 10 years; with an annual equivalent cost between £7.6m and £8.8m per year. These estimates do not necessarily reflect the costs that would ultimately be passed through to customers. However, even if they were to be passed to customers in full, these costs represent no more than three pence per month per fixed residential connection. [149] This is very small when compared to the typical bill for landline and broadband services of a UK household (c.£37 per month). [150]

Proportionality of requiring providers to implement One Touch Switch

5.119 Under our regulatory principles, we operate with a bias against intervention. This is based on our duty under s.3(3)(a) of the Act to have regard to the principles under which regulatory activities should be proportionate and targeted only at cases where action is needed. In assessing the proportionality of One Touch Switch, we have undertaken a provisional assessment to:

a) consider whether the implementation of One Touch Switch by industry would be an effective means of achieving our policy objective;

b) consider whether using our power to set general conditions specifying switching process rules reflecting One Touch Switch is necessary to achieve our policy objective or could be achieved by a less onerous approach; and

c) assess the proportionality of One Touch Switch in the round (including whether requiring providers to implement One Touch Switch would give rise to adverse effects which are disproportionate to the policy objective and whether there are any features of One Touch Switch which mean that significant costs might be imposed on providers that are not necessary to achieve our policy objective).

---

[149] There were 26.2m residential exchange lines at the end of Q2 2020.
[150] See Annex 7 paragraphs 7.31-7.33 and 7.43.

5.120   We will use the information and evidence submitted to us in response to this consultation to further inform our assessment of the proportionality of our proposal that industry should implement One Touch Switch.

Effective means of achieving our policy objective

5.121   As set out in sections 2 and 4, our policy objective is to ensure customers can switch their voice and broadband services using an effective and efficient process that complies with our new switching rules and does not create unnecessary difficulties or deterrents. In fulfilling our objective, we aim to ensure that customers can use a process that is easy, quick, reliable and based on informed consent.

5.122   In section 3 and above (see paragraphs 5.111-5.114), we explain that our policy objective would not be met by either maintaining the existing Notification or Transfer process or making no further intervention. In particular, we have explained our view that no further intervention from Ofcom risks a coordination failure which could cause confusion for customers and may result in unnecessary switching difficulties or deterrents. It could also cause confusion and additional costs for providers. Our view is that, in the absence of industry agreement, it would be more effective for a us to identify an appropriate single switching process that should be implemented.

5.123   We set out our provisional assessment of the two options against our policy objective above. We set out our provisional conclusion that:

a) One Touch Switch would be effective in meeting our policy objective and avoid introducing additional difficulties and deterrents into the switching process (see paragraphs 5.103 to 5.107); and

b) Code to Switch, as currently proposed, would not meet our policy objective and would expose customers to potential difficulties and deterrents that many do not currently face under the existing Notification of Transfer process and would not face using One Touch Switch (see paragraphs 5.108 to 5.110).

Necessary and least onerous approach

5.124   We explain in paragraphs 3.15-3.19 and paragraphs 5.111-5.114 above that we have considered the option of making no further intervention and leaving industry to comply with the new switching rules. We do not think this would achieve our policy objective due to the risk of coordination failure which could cause confusion for customers and may result in unnecessary switching difficulties or deterrents. Therefore, we concluded it would be more effective for us to identify an appropriate single switching process that should be implemented.

5.125   As our provisional assessment is that only One Touch Switch would meet our policy objective, we have considered whether there are any aspects of the option that are not necessary to achieve the objective. We have not identified any aspects at this stage. Our provisional view is that each element of One Touch Switch is necessary to deliver against our policy objective.

Assessment of proportionality in the round

5.126   As noted above in paragraph 5.118, from capital and operating costs reported by industry, the annual equivalent costs would be between £7.6m and £8.8m per year and represent no more than three pence per month per fixed residential connection. This is very small when compared to the typical bill for landline and broadband services of a UK household.

5.127   Given the proposals made by industry to implement a switching process, and the clear risks associated with Ofcom not taking action, we consider that it is necessary to incur these costs in order to achieve our policy objective and, moreover, that this level of costs is not disproportionate to our policy objective.

Provisional conclusion on proportionality

5.128   Having carefully considered the information currently available in the round, our provisional conclusion is that it would be proportionate to require providers to develop and implement the One Touch Switch process. We consider One Touch Switch would be effective in meeting our policy objective, is necessary to achieve the objective and would not produce adverse effects which would be disproportionate to the objective.

Legal tests

5.129   We will propose any specific changes to the GCs needed to implement One Touch Switch when we consult on the GCs later in the year. In terms of the principle of our proposals to mandate One Touch Switch as outlined above, we consider our proposals would meet the test for setting or modifying conditions set out in section 47(2) of the Act. For the reasons set out more fully in this document, we consider that our proposals are:

a) **objectively justifiable:** We have explained why we consider that these steps are required in order to provide customers with an efficient and effective process that complies with the new switching rules. They would avoid or reduce switching process difficulties and deterrents for customers and allow them to switch through a process that is easy, quick, reliable and based on informed consent;

b) **proportionate:** The costs of One Touch Switch would not be disproportionate to meeting our policy objective. One Touch Switch would not give rise to adverse effects which are disproportionate to our policy objective; and, we have not identified any features of One Touch Switch which mean that significant costs might be imposed on providers that are not necessary to achieve our policy objective;

c) **not unduly discriminatory:** The same regulatory measures would apply to providers of relevant voice and broadband services; and

d) **transparent:** The reasons for the proposals are explained above and the effects of the proposed changes would be clear to providers in the revised GCs (which we plan to consult on later in the year).

Consultation questions

5.130   We welcome stakeholder comments on the following questions in relation to the proposals set out in this section:

> Question 1: Do you agree with our proposal to require providers to develop and implement the One Touch Switch process?
>
> Question 2: Do you agree with our proposal to remove the rules relating to the existing Notification of Transfer process?
>
> **Please provide evidence to support your response.**

6. Mobile switching: changes to information requirements

6.1   In our October Statement, which set out our new switching rules, we concluded that the Auto-Switch process, as currently designed, is consistent with the new requirement that the gaining provider should lead the switching process on behalf of customers. [151] We have been considering the Auto-Switch rules further in the context of our the new switching rules and the work industry has been undertaking to develop a new switching process for fixed voice and broadband. We are consulting to ensure that customers using the existing Auto-Switch process are fully informed in line with the information and consent requirements of the new switching rules, which reflect EECC obligations.

6.2   This section outlines our proposal to apply the losing provider information requirements set out in our new rules to residential mobile switches, namely that mobile providers be required to provide these customers with information regarding the impact of a switch on any other services they have with the losing provider. These changes are important to ensure that customers, particularly those with disabilities, understand the implications of switching their mobile service to another provider (see paragraphs 6.19-6.27).

Losing provider switching information requirements

Background

Express consent

6.3   Article 106(6) of the EECC states that providers should not "port numbers or switch end-users without the end users' explicit consent". This provision obliged Ofcom to "take appropriate measures ensuring that end-users… are not switched to another provider without their consent".

6.4   To meet these requirements, we introduced new switching rules, which apply to both mobile and fixed services, for gaining providers to:

- take all reasonable steps to ensure they do not switch customers without their express consent (GC C7.9a); [152] and
- ensure a customer is authorised to request a switch and intends to enter into a contract for the switched services (GC C7.9b).

6.5   We defined 'express consent' as "the express agreement of a Customer to contract with a Communications Provider, or to transfer their Public Electronic Communication Service(s)

---

[151] October Statement, paragraph 9.50, page 169.
[152] As noted in footnote 24, unless stated otherwise, references to specific GCs in this section correspond to our revised GCs with effect from 19 December 2022.

or port their Telephone Number(s), where the Communications Provider has obtained such consent in a manner which has enabled the Customer to make an informed choice". [153]

6.6   As set out in our October Statement, as part of our detailed review of industry's proposed options for the new fixed voice and broadband switching process, we considered further the implications of the EECC requirements regarding consent and information, and our proposed rules. [154]

6.7   We noted that the decision on the part of a customer to switch services involves both:

- a decision to accept a contract for new services with a gaining provider; and
- a decision to cancel a contract for services with the losing provider.

6.8   It follows from these two decisions that in order for a customer to make an informed choice about whether to switch their services, and therefore to be in a position to give their express consent to a switch, the customer needs to have been given information about both:

- the new services they are taking with the gaining provider; and
- the consequences of their decision to cancel their services with the losing provider.

Information provided under the current Auto-Switch process

6.9   Losing providers currently provide both residential and business customers with the following information when they request a switching code and/or their switching information:

- the total charge payable;
- any credit balance in respect of any prepaid mobile services; and
- the web link to the log-in page for the mobile switching customer's account with the provider.

6.10   Currently, it is at each provider's discretion to provide customers with information on the implications of a switch on any additional services they have with the losing provider, such as broadband or Pay TV.

Implementation of the EECC information provisions in the General Conditions

6.11   The EECC rules require that end-users, including those switching bundled services, are adequately informed throughout the switching and porting process. [155] The EECC rules also require Ofcom to specify requirements on providers to ensure disabled people benefit from the choice of undertakings and services available to the majority of end-users. [156]

6.12   As set out in our October Statement, to implement these requirements, we introduced a new rule for providers to take all reasonable steps to ensure all customers (residential and business) are adequately informed before and during the switching process. This rule

---

[153] Ofcom, General Conditions of Entitlement, with effect from December 2022, page 90.
[154] October Statement, paragraphs 9.181-9.183, pages 193-194.
[155] Articles 106(1), 106(6), 106(9) and 107(1), EECC.
[156] Article 111(1)(b), EECC.

applies to IAS, NBICS and all elements of a bundle and as such covers switching of both fixed and mobile services. For IAS and NBICS, this includes informing customers of their right to compensation (GC C7.10).

6.13   We also introduced specific obligations on gaining and losing providers for residential switches (GCs C7.11 – C7.12). These obligations set out the information that providers need to provide to residential customers of fixed voice and broadband services, including "the impact, whether direct or indirect, financial or otherwise, that the Losing Provider reasonably expects the Communications Provider Migration to have on any Relevant Communications Services or other types of services provided by the Losing Provider, including any services and/or facilities that the Switching Customer may have access to pursuant to Condition C5". GC C5 requires providers to make a number of additional support services available to disabled customers. [157]

6.14   As discussed in section 2 (see paragraph 2.38), at the time of our December 2019 Consultation, we set out our view that the Auto-Switch process was broadly consistent with the EECC requirements. Therefore, we did not propose substantive changes to the process and instead proposed minor amendments to consolidate our Auto-Switch rules with the new switching rules. [158]

6.15   This means that there is an inconsistency in the losing provider switching information requirements that apply to mobile and to fixed services. In particular, it will be mandatory (as prescribed in GC C7.12(d)) for fixed losing providers to provide information on the impact of the switch on the other services that the customer may have with the losing provider, including additional support services (services provided pursuant to GC C5 such as third party management or bills and contracts in accessible formats). But mobile providers are not currently required to provide this information.

6.16   We are now proposing some limited changes to the Auto-Switch losing provider information rules, in order to give full effect to our new information and consent rules.

6.17   Given this, we explained in our October Statement that we would not proceed with our proposed minor amendments to consolidate the Auto-Switch rules with our new switching rules. Instead, we said we would consider any required changes to the relevant GCs in the round as part of this consultation. [159] We now intend to address these when we consult on the changes that may be required to the GCs to implement our preferred fixed switching process and our decision in relation to Auto-Switch (see section 7).

---

[157] Under GC C5, the following additional support services apply to mobile customers: free directory enquiries for disabled customers who cannot use a printed directory; third party bill management; bills and contracts in accessible formats on request for blind and vision impaired customers; text relay services; and access to emergency services via text message for customers with hearing or speech impairments.
[158] December 2019 Consultation, paragraphs 7.197, 7.211-7.215, pages 105 and 108-109.
[159] October Statement, paragraph 9.186, page 194.

Amendments to Auto-Switch information requirements

6.18   Our proposed amendments to the Auto-Switch process are set out in turn below, followed by our rationale for these changes.

Proposed changes

Amend Auto-Switch GCs so they are consistent with our new switching rules

6.19   We propose that mobile providers be required to provide residential customers with information regarding the impact of a switch on any other services they have with the losing provider, such as a bundled services (including fixed services, music and video streaming services, Pay TV and terminal equipment), or additional support services.

Application to residential customers

6.20   As we noted in our October Statement we consider that, in general, business customers are better equipped with the skills and resources to manage their communications services than residential customers. [160] Therefore, we do not propose to extend this new requirement to business customers.

6.21   We note that under the Auto-Switch rules, there are different requirements in place for how and when the switching code and/or losing provider switching information must be provided to business customers. [161] In addition, throughout our new rules implementing the EECC switching requirements, we have been mindful of the differences between business and residential customers and their different needs. Notably, we put additional specific rules in place for residential customers in relation to information, compensation and consent. [162]

How the information should be presented

6.22   GC C7.13 requires that the information from the losing provider regarding the implications of switching be set out in a durable medium. This ensures that customers can refer to it and fully consider whether to switch.

6.23   We note that customers who wish to switch one mobile number to another provider can request a switching code and their switching information from their losing provider via text. Our Switching Experience Tracker 2020 suggests that this is the most popular route for requesting a Porting Authorisation Code (PAC). [163]

6.24   We recognise that when providing information via text message, the format can make it difficult for providers to effectively supply the information required. Therefore, we propose that providers can set out the additional switching information elsewhere on

---

[160] October Statement, paragraph 9.17, page 164.

[161] See Revised GCs December 2020, GCs C7.26 – C7.28 and C7.29 – C7.32 for the rules that apply to residential customers and business customers respectively.

[162] October Statement, paragraphs 9.59-9.61 (page 171), 9.71-9.75 (pages 173-175), 9.131-9.133 (page 185), 9.177-9.179 (page 193).

[163] Ofcom, 2020. Switching Experience Tracker, table 29, page 125. 51% requested via text compared to 32% by phone, 26% via online account, 7% in store. (N.B. some switchers had requested a PAC by more than one method).

another durable medium, as long as it is easily accessible to the customer by a link in the text message (for example, the link could direct them to a personalised webpage or to their online account). Currently, mobile providers utilise this approach if they decide to provide customers with additional information regarding the impact of a switch. [164] Similarly, providers are permitted to provide end-of-contract notifications by text and additional information via a link. [165]

6.25   We note that the majority of mobile customers have smartphones which are able to access the internet, but acknowledge that a minority of customers may not be able to access a link via their device. [166] Losing providers would need to ensure they provide all switching customers with the information they require to enable them to make an informed decision to switch or not. As is the case currently, if a provider is aware that a particular customer does not have a smartphone, or is subsequently alerted to the fact that a customer is unable to access their switching information via a link in a text, we would expect them to provide this switching information via an alternative channel.

6.26   If providers decide to provide the additional information on the implications of switching via a link, they should be mindful of what information should be included in the main body of text. At a minimum, as specified by the existing Auto-Switch process, the text message must include information on the total charges that will apply – given this is the piece of information most likely to draw customers' attention to the implications of switching – as well as any credit balance in respect of any prepaid mobile service, and the link to the log-in page for the mobile switching customer's account. [167] [168] However, there may be some cases where other information will need to be given greater prominence. For example, for many customers the impact of the switch on an additional support service will be of vital importance and therefore should also be included as core information within the body of the text.

6.27   Given the above, we propose that the information provided on the implications of switching should be personalised. Providers should not send general warnings that there may be cost implications or other impacts if a customer has other services bundled with their mobile service. We consider that the provision of generic information risks confusing customers as to whether they will be subject to a charge/increased charges and could deter customers who will not in fact be financially penalised as a result of a switch. It may also result in customers needing to engage further with their provider to seek clarity. This could lead to greater hassle for customers and a delay to the switching process.

---

[164] Auto-Switch Statement, paragraphs 4.63-4.64, page 51.

[165] In the interests of keeping the message relatively simple and concise, while there is certain core information that the provider must include in the main body of the text, our end-of-contract notification rules allow other details to be made available via a link in the text which should take the customer to their online account. See Ofcom, May 2019. Helping consumers get better deals: Statement on end-of-contract notifications and annual best tariff information, paragraph 6.55, page 65.

[166] Ofcom, 2020. Technology Tracker, table 36, 87% of those sampled that personally use a mobile phone used a smartphone, while 13% did not.

[167] See GC C7.22 in Ofcom, Revised General Conditions of Entitlement Unofficial Consolidated Version with effect from 31 December 2020.

[168] Auto-Switch Statement, paragraph 4.57, page 50.

Rationale for proposed changes

To give full effect to our new information and consent rules

6.28   We consider that information from the losing provider regarding the impact of a switch on other services is key to enabling customers to make a fully informed choice and give their express consent to switch.

6.29   Our new consent and information switching rules (see GCs C7.9 and C7.10-14 respectively), reflect the requirements of the EECC. We note that the EECC emphasises the importance of customers being adequately informed, particularly when switching their services, and introduces enhanced protections for customers. For example, it sets out new information requirements for contract information and end-of-contract notifications. [169] The EECC also recognises the increased prevalence of bundles within the telecommunications market and extends a number of provisions to all elements of a bundle. [170] In relation to switching, these protections include the requirement that providers give their customers adequate information before and during the switching process.

6.30   Our proposed changes would require providers to make clear the impact of the switch on any other services that a customer may have with the losing provider.

Consistency for fixed and mobile customers

6.31   Our proposed changes to the switching information that losing providers need to provide would also ensure that there is greater consistency in the standard of the information that switchers receive, regardless of whether they are switching a mobile or fixed service.

6.32   Our new switching rules include specific obligations regarding the information that a losing provider needs to supply to residential customers who request to switch their fixed service(s). As set out in paragraph 6.13, this includes the impact, whether direct or indirect, financial or otherwise, that the switch will have on any other services the customer has with the losing provider.

6.33   In contrast, under the current Auto-Switch GCs, as set out in paragraph 6.10, providers are not required to supply information regarding what impact the switch will have on other services that the customer has with the losing provider (although they are able to do so, if they wish).

6.34   This means that unless the Auto-Switch rules are amended, once the new fixed switching process is implemented, fixed and mobile customers will be provided with different, mandated losing provider switching information. In cases where a customer has bundled mobile and fixed services, this could lead to a customer making different switching decisions depending on which service they choose to switch first. For example, a customer switching using the mobile process will not necessarily receive any information regarding the impact of their switch on the other services they have with the losing provider such as a price increase as a result of unbundling their fixed and mobile services or the loss of

---

[169] See Ofcom, October Statement, chapters 5 and 7 respectively.
[170] Recital 283 and Article 107(1), EECC.

particular additional support services, in contrast to a customer using the fixed switching process.

<u>Protections for customers using additional support services</u>

6.35   Our proposed changes would also ensure that mobile customers with additional support services are afforded the same protections as they have when switching their fixed service(s). We note that the existing EU regulatory framework provides for equivalent access to electronic communications services for disabled people and the EECC includes an additional requirement for equivalent access to *information* in respect of electronic communications. [171] These requirements are embedded in the General Conditions.

6.36   We therefore consider that customers relying on additional support services should be given information about the implications of switching their mobile service on any such services that are registered to their account. [172] As set out in our October Statement, this information should also assure customers that they can continue to receive the service in question from the gaining provider, if that is the case, and the steps they need to take to ensure they can still access it. [173] For example, a customer who is blind or visually impaired and has registered to receive their bills and contracts in an accessible format would need to be alerted to the fact that they would need to re-register with the gaining provider if they wish to continue to receive documents in an alternative format. Similarly, some additional support services, such as relay services and SMS access to emergency services, are registered to a specific mobile number as opposed to the customer's provider. Therefore, while they will be unaffected if a customer decides to switch and port their number, customers would need to be advised that these services will not automatically be available if they switch without porting their number. The provision of this information should address potential disincentives to switch for customers who are reliant on additional support services and may lack the confidence to switch for fear that they will lose access to them. [174]

Engagement with industry to date and our response

6.37   While developing these proposed changes, we wrote to, and met with, a number of mobile providers to inform them that we considered that there may need to be changes to the information presented as part of the Auto-Switch process, and to seek their initial views.

6.38   One provider agreed that customers should be fully informed of the consequences of switching their services before deciding to proceed. Some providers believed that our conclusion regarding the information a customer needed to be able to give their express

---

[171] Article 102, EECC.
[172] See footnote 157 for a list of additional support services that providers are required to provide for mobile customers.
[173] October Statement Annex 9, paragraph A9.14, page 4.
[174] The 2020 Switching Experience Tracker (table 127, pages 1051-1058) indicates that among those individuals who considered switching but then decided not to, those with any impacting or limiting condition, such as a visual impairment or limited hearing, were more likely to anticipate having difficulties with the switching process. Notably, these customers were more likely to cite a concern that other devices or products they own would not work with a new service, as a reason for deciding not to switch providers (51% of those with a limiting factor cited this as a major or minor factor in their decision in comparison to 38% of those who did not report having an impacting or limiting condition).

consent to a switch was '*without precedent in telecoms switching'*. Providers said it would be complex and costly to implement the changes, and had proportionality concerns, given the Auto-Switch process had been in place since July 2019 and they suggested there was no evidence of harm resulting from insufficient information being provided by the losing provider. Some thought customers could be deterred from switching due to 'information overload' if too much information was sent via text, or if customers who had already received an end-of-contract notification were sent repetitious information. A few queried whether they could provide generic rather than tailored information, and how they should cater for those customers who could not, or chose not to, access the internet via their phone.

6.39 We have considered these comments when developing our proposed changes. As noted above (paragraphs 6.28-6.30), we consider that our proposed amendments are required to give full effect to the new switching rules on information and consent. As set out below (paragraph 6.42) we also consider our proposed changes are proportionate. In relation to concerns about duplicative information, we note that not all customers decide to switch as a result of receiving an end-of-contract notification and our proposed switching information rules provide an adequate baseline of protection for all customers. We have addressed providers' concerns regarding how the proposed changes should be implemented above, including the limitations of texts, the importance of taking into account customers' preferences or access limitations when sending switching information, and the provision of personalised information (see paragraphs 6.24, 6.25 and 6.27 respectively).

Provisional conclusions

Proposed changes to Auto-Switch

6.40 We propose that mobile providers be required to provide residential customers with information regarding the impact of a switch on any other services they have with the losing provider, such as a bundled services or additional support services, by 19 December 2022. [175]

6.41 We consider that these changes are required to give full effect to our new information and consent rules, ensure consistency for fixed and mobile customers and provide protections for customers using additional support services.

Impact of our proposed changes

6.42 We consider that our proposed amendments are required to give full effect to our new switching information and consent rules which were implemented to reflect the mandatory EECC requirements for customers to be adequately informed throughout the switching process and not switched without their explicit consent. We also consider that

---

[175] As confirmed in our October Statement, providers need to comply with the new switching and porting rules by 19 December 2022 (see paragraph 2.28).

our proposed changes are proportionate as they do not go beyond the minimum required for customers to be adequately informed, and because they allow providers flexibility when deciding the most appropriate means to supply this additional information to customers.

6.43   These proposed changes would ensure an appropriate baseline level of information for all residential mobile customers during the switching process and support them in making informed switching decisions. They would also help address some of the information-related factors that can deter customers from considering switching or going through with a switch.

6.44   Losing providers already have systems and processes in place to supply switching information to their customers. They may need to make changes to the information they provide, how they provide it and when, to comply with the amendments proposed in this sub-section.

Legal tests

6.45   We will propose specific changes to the Auto-Switch GCs when we consult on the GCs. In terms of the principle of our proposed changes regarding the Auto-Switch GCs as outlined above, we consider our proposed changes meet the test for setting or modifying conditions set out in section 47(2) of the Act. We consider that our proposed changes are:

- **objectively justifiable** as they are required to give full effect to our new general information and consent GCs (which reflect EECC requirements), in order to achieve the customer benefits pursued by them;
- **not unduly discriminatory** since the proposed changes would ensure that the same regulatory measures apply in respect of all providers of relevant communications services;
- **proportionate** as our provisional view is that to the extent that our proposed changes would introduce any additional regulatory burden on industry, they are limited to what is necessary to give full effect to our new general information and consent GCs (which reflect EECC requirements); and
- **transparent** as the reasons for the changes that we are proposing to make to the conditions are explained above and the specific changes we are proposing to make to the rules will be set out in detail in our GC consultation.

Consultation question

6.46   We welcome stakeholder comments on the following question in relation to the proposed changes set out in this section:

Question 3: Do you agree with our proposed changes to require mobile providers to give residential customers information regarding the impact of a switch on any other services they have with the losing provider?

Please provide evidence to support your response.

7. Next steps

7.1   We set out below our planned next steps on our proposed changes relating to:

a)   the process for customers switching fixed voice and broadband services; and

b)   the Auto-Switch information requirements.

7.2   We invite responses to this consultation by **31 March 2021**.

Fixed voice and broadband process

Decision on our preferred process and the start of industry implementation

7.3   Subject to considering the views and evidence submitted in response to this consultation, and any further developments regarding industry discussions on a new process, we aim to publish a policy decision on our preferred process in Q2 2021.

7.4   At that point we consider that the optimal outcome for consumers and industry would be for industry to progress detailed development work on our preferred option. Industry will have sufficient clarity on a route towards being able to comply with the new switching rules and can make maximum use of the time available if they start work immediately.

7.5   However, given the lack of agreement to date and in order to secure our policy objective, we recognise that we may need to set rules requiring providers to implement our preferred process. Therefore, when we publish our policy statement in Q2 2021, we also plan to consult on GCs to achieve this and to remove the Notification of Transfer process rules. We would then aim to publish a statement on any necessary GC changes in Q3 2021.

Preparatory implementation work by industry

7.6   It is clear that, in order to comply with the new switching rules that will enter into force in December 2022, providers will need to update or adopt new systems and processes irrespective of the switching process option that is put in place. We think it would be helpful for industry to begin preparatory work for implementation prior to the publication of our policy statement.

7.7   In particular, we note that both options include a messaging Hub that all providers would need to be able to interact with (either directly or through another party). Given the cross-industry nature of the Hub, providers may need to establish a means of jointly procuring the necessary systems and of managing its ongoing operation. Similarly, general development and implementation of any process by all of industry will require providers to work collaboratively. Providers cannot implement a cross-industry switching process independently. These considerations indicate that some form of industry forum may be required.

7.8   Establishing the governance arrangements through which providers will work together is one area where industry could usefully start developing plans. We intend to have initial

discussions with providers about plans for the implementation phase, and about establishing an industry forum to support implementation, in February and March 2021.

Auto-Switch information requirements

7.9   We propose that our revised rules will apply to the Auto-Switch process from 19 December 2022. This aligns with the implementation date for our other new switching and porting requirements as confirmed in our October Statement.

7.10   We aim to publish a policy decision on our proposed amendments to the Auto-Switch information requirements alongside our policy decision in relation to fixed voice and broadband in Q2 2021. At the same time, we plan to consult on any changes to the GCs needed to implement our decision in relation to Auto-Switch.

7.11   That consultation will also set out additional minor changes to consolidate the existing Auto-Switch rules with the new switching rules (as we set out in our October and December 2020 Statements).

7.12   We aim to publish the statement on any GC changes in Q3 2021.

A1. Responding to this consultation

How to respond

A1.1   Ofcom would like to receive views and comments on the issues raised in this document by 5pm on **31 March 2021**.

A1.2   You can download a response form from https://www.ofcom.org.uk/consultations-and-statements/category-2/simpler-broadband-switching. You can return this by email to the address provided in the response form.

A1.3   If your response is a large file, or has supporting charts, tables or other data, please email it to switching@ofcom.org.uk, as an attachment in Microsoft Word format, together with the cover sheet.

A1.4   We welcome responses in formats other than print, for example an audio recording or a British Sign Language video. To respond in BSL:

- Send us a recording of you signing your response. This should be no longer than 5 minutes. Suitable file formats are DVDs, wmv or QuickTime files; or
- Upload a video of you signing your response directly to YouTube (or another hosting site) and send us the link.

A1.5   We will publish a transcript of any audio or video responses we receive (unless your response is confidential).

A1.6   We do not need a paper copy of your response as well as an electronic version. We will acknowledge receipt if your response is submitted via the online web form, but not otherwise.

A1.7   You do not have to answer all the questions in the consultation if you do not have a view; a short response on just one point is fine. We also welcome joint responses.

A1.8   It would be helpful if your response could include direct answers to the questions asked in the consultation document. The questions are listed at Annex 4. It would also help if you could explain why you hold your views, and what you think the effect of Ofcom's proposals would be.

A1.9   If you want to discuss the issues and questions raised in this consultation, please contact Marcus Wilson by email at marcus.wilson@ofcom.org.uk

Confidentiality

A1.10   Consultations are more effective if we publish the responses before the consultation period closes. In particular, this can help people and organisations with limited resources or familiarity with the issues to respond in a more informed way. So, in the interests of transparency and good regulatory practice, and because we believe it is important that everyone who is interested in an issue can see other respondents' views, we usually publish all responses on the Ofcom website as soon as we receive them.

A1.11   If you think your response should be kept confidential, please specify which part(s) this applies to, and explain why. Please send any confidential sections as a separate annex. If you want your name, address, other contact details or job title to remain confidential, please provide them only in the cover sheet, so that we don't have to edit your response.

A1.12   If someone asks us to keep part or all of a response confidential, we will treat this request seriously and try to respect it. But sometimes we will need to publish all responses, including those that are marked as confidential, in order to meet legal obligations.

A1.13   Please also note that copyright and all other intellectual property in responses will be assumed to be licensed to Ofcom to use. Ofcom's intellectual property rights are explained further in our Terms of Use.

Next steps

A1.14   Following this consultation period and subject to considering consultation responses, Ofcom currently plans to publish a combined policy statement and consultation on changes to the General Conditions in Q2 2021 and statement on changes to the General Conditions in Q3 2021.

A1.15   If you wish, you can register to receive email updates alerting you to new Ofcom publications.

Ofcom's consultation processes

A1.16   Ofcom aims to make responding to a consultation as easy as possible. For more information, please see our consultation principles in Annex 2.

A1.17   If you have any comments or suggestions on how we manage our consultations, please email us at consult@ofcom.org.uk. We particularly welcome ideas on how Ofcom could more effectively seek the views of groups or individuals, such as small businesses and residential consumers, who are less likely to give their opinions through a formal consultation.

A1.18   If you would like to discuss these issues, or Ofcom's consultation processes more generally, please contact the corporation secretary:

Email: corporationsecretary@ofcom.org.uk

A2. Ofcom's consultation principles

Ofcom has seven principles that it follows for every public written consultation:

Before the consultation

A2.1   Wherever possible, we will hold informal talks with people and organisations before announcing a big consultation, to find out whether we are thinking along the right lines. If we do not have enough time to do this, we will hold an open meeting to explain our proposals, shortly after announcing the consultation.

During the consultation

A2.2   We will be clear about whom we are consulting, why, on what questions and for how long.

A2.3   We will make the consultation document as short and simple as possible, with a summary of no more than two pages. We will try to make it as easy as possible for people to give us a written response. If the consultation is complicated, we may provide a short Plain English / Cymraeg Clir guide, to help smaller organisations or individuals who would not otherwise be able to spare the time to share their views.

A2.4   We will consult for up to ten weeks, depending on the potential impact of our proposals.

A2.5   A person within Ofcom will be in charge of making sure we follow our own guidelines and aim to reach the largest possible number of people and organisations who may be interested in the outcome of our decisions. Ofcom's Consultation Champion is the main person to contact if you have views on the way we run our consultations.

A2.6   If we are not able to follow any of these seven principles, we will explain why.

After the consultation

A2.7   We think it is important that everyone who is interested in an issue can see other people's views, so we usually publish all the responses on our website as soon as we receive them. After the consultation we will make our decisions and publish a statement explaining what we are going to do, and why, showing how respondents' views helped to shape these decisions.

A3. Consultation coversheet

BASIC DETAILS

Consultation title:

To (Ofcom contact):

Name of respondent:

Representing (self or organisation/s):

Address (if not received by email):

CONFIDENTIALITY

Please tick below what part of your response you consider is confidential, giving your reasons why

Nothing   ☐

Name/contact details/job title   ☐

Whole response   ☐

Organisation   ☐

Part of the response   ☐

If there is no separate annex, which parts?   _____

_____

If you want part of your response, your name or your organisation not to be published, can Ofcom still publish a reference to the contents of your response (including, for any confidential parts, a general summary that does not disclose the specific information or enable you to be identified)?

_____

DECLARATION

I confirm that the correspondence supplied with this cover sheet is a formal consultation response that Ofcom can publish. However, in supplying this response, I understand that Ofcom may need to publish all responses, including those which are marked as confidential, in order to meet legal obligations. If I have sent my response by email, Ofcom can disregard any standard e-mail text about not disclosing email contents and attachments.

Ofcom seeks to publish responses on receipt. If your response is non-confidential (in whole or in part), and you would prefer us to publish your response only once the consultation has ended, please tick here.   ☐

Name   Signed (if hard copy)

A4. Consultation questions

Section 5: Fixed switching: assessment of the option

Question 1: Do you agree with our proposal to require providers to develop and implement the One Touch Switch process?

Question 2: Do you agree with our proposal to remove the rules relating to the existing Notification of Transfer process?

Please provide evidence to support your response.

Section 6: Mobile switching: changes to information requirements

Question 3: Do you agree with our proposed changes to require mobile providers to give residential customers information regarding the impact of a switch on any other services they have with the losing provider?

Please provide evidence to support your response.

A5. Glossary and abbreviations

Auto-Switch: the regulated process for switching mobile provider, including if the customer wants to retain 24 numbers or fewer.

Communications provider (provider): a person who provides an electronic communications network or provides an electronic communications service, as defined in the Communications Act 2003. The terms 'communications provider' and 'provider' are used interchangeably throughout this document.

Durable medium: this means paper or email, or any other medium that: (a) allows information to be addressed personally to the recipient; (b) enables the recipient to store the information in a way accessible for future reference for a period that is long enough for the purposes of the information; and (c) allows the unchanged reproduction of the information to be stored. This definition derives from the General Conditions.

Early termination charge (ETC): a charge that may be payable by the Subscriber for terminating a contract before the end of the Commitment period. This definition is included in the General Conditions.

European Electronic Communications Code (EECC): a new EU Directive, which updates and replaces the four Directives that currently make up the EU regulatory framework for electronic communications. It entered into force on 20 December 2018 and EU member states had until 21 December 2020 to transpose it into national law.

Full-fibre broadband: a form of broadband that uses fibre cables all the way from the exchange to people's homes or property.

Gaining provider: the new provider to whom the customer is switching their service(s).

General Condition (GC): a general condition set by Ofcom under section 45(2)(a) of the Act.

Losing provider: the provider from whom the customer is switching their service(s). Also referred to as 'current provider' or 'old provider.'

Mobile: a mobile telephony subscription, i.e. a service including the provision of a SIM, which enables a customer to make and receive mobile voice calls and SMS, and/or use data services through a mobile handset.

Notification of Transfer: the regulated process for residential and small business customers to switch fixed landline or broadband services within the Openreach and KCOM copper networks.

Pay TV: a subscription-based television service, usually charged at a monthly fee, offering multichannel television channels beyond those available free-to-air. It can be delivered through cable, satellite, digital terrestrial and/or the internet (IPTV).

Porting: where a consumer keeps their telephone number when they switch providers.

Porting Authorisation Code (PAC): a unique code that allows customers to keep 24 mobile numbers or fewer when switching provider using the Auto-Switch process.

Service Termination Authorisation Code (STAC): a unique code allowing customers to switch provider without retaining their phone number through the Auto-Switch process.

A6. Consumer research technical notes

Ofcom research

Background

A6.1   Several of Ofcom's research studies have been referred to in the main body of this consultation document. This annex provides a brief outline of the surveys referenced.

Technology tracker

A6.2   Ofcom's **Technology tracker** is run annually. This is a face-to-face study among a nationally representative sample of the UK population aged 16+. The objective of the survey is to track ownership of, attitudes towards, and the behaviour of, UK consumers with respect to residential telecommunications, broadcasting and the internet. The wave of research referred to in this consultation was conducted between 9 January and 7 March 2020, prior to the national lockdown imposed due to the coronavirus (Covid-19) pandemic.

Switching trackers

A6.3   Ofcom runs an annual **Core switching tracker**, which is Ofcom's key data source on switching levels, attitudes and experiences across the communications markets (fixed, mobile, fixed broadband and multi-channel/Pay TV). [176] This is run among UK adults aged 16+ (screening for decision makers in each market) to measure engagement levels and switching incidence in each market.

A6.4   Between 2015 and 2019, fieldwork for the Core switching tracker was conducted face to face. In March 2020 (due to the Covid-19 pandemic), Ofcom suspended all face-to-face interviewing. The Core Switching Tracker in 2020 was conducted using a mixture of post-to-web, post-to-phone and online panels between June and November 2020.

A6.5   The Switching experience tracker has been run twice (in 2018 and 2020) and uses a quota sample of adults aged 16+ who have switched any communications service. [177] Quotas are also applied in order to obtain sufficiently robust sample sizes of those who have: (i) switched between fixed telecoms providers that both use the Openreach network; and (ii) switched between a fixed telecom provider that uses the Openreach network and a non-Openreach provider. We record current and previous providers of mobile, landline,

---

[176] See Ofcom 2020. Core switching tracker; and core switching tracker questionnaire; and the technical report which provides details of the survey methodology and weighting.
[177] See Ofcom 2020. Switching experience tracker; switching experience tracker questionnaire; and the technical report which provides details of the survey methodology and weighting.

broadband and pay-tv and whether these are taken as a bundle or as standalone services. [178]

A6.6   The Switching experience tracker provides insight into the reasons people decide to switch provider, the steps taken, and any difficulties encountered during the switching process. It also provides insight into the reasons for considering switching and any difficulties encountered during the consideration process by those who considered switching but then decided not to, instead deciding to stay with their existing provider.

A6.7   The Switching experience tracker uses an online methodology, so fieldwork was unaffected by Covid-19. Fieldwork was conducted in two waves, February – March and September – October and covered respondents' experiences of switching or considering switching during the six months preceding the interview. By rolling the data from the two waves together, we form a picture of switching and consideration of switching over a 12-month period.

Definition of "switchers" and "considerers"

A6.8   As we are consulting on the switching process for fixed landline and broadband, we have based our analysis of switchers using the Core switching tracker and the Switching experience tracker data on those who switched landline and/or broadband, whether as a standalone service or as part of a bundle with other services.

A6.9   As the Switching experience tracker does not split out *consideration* of switching into individual services, we have based our analysis on those who considered switching a dual play (fixed landline and fixed broadband from the same provider) or a triple play (fixed landline, fixed broadband and pay-tv from the same provider) package. [179]

Population estimates

A6.10   In this consultation, we have included two population estimates based on data from the 2020 Core switching tracker, the 2020 Switching experience tracker and the Office for National Statistics (ONS) 2019 estimates of the number of households in the UK [180]. These estimates are: the number of households that experienced difficulty with their losing provider trying to persuade them to stay when switching landline and/or broadband provider; and the number of households that experienced difficulty contacting their previous provider during the switching process of switching landline and/or broadband provider.

---

[178] The proportions of switchers and considerers experiencing difficulty with various aspects of the switching/consideration process were higher in our 2020 Research than the 2018 Research, possibly influenced by Covid-19 affecting staffing rates in providers' customer contact centres. Many providers had notices on their websites advising customers that they were currently short-staffed and that call waiting times could be longer than normal. In recognition of this we have also included the equivalent data from the 2018 Research in the consultation document.

[179] Switching experience tracker extra analysis for 2020 and 2018.

[180] See ONS 2019. Families and Households, table 5.

A6.11   All generated household estimates are reported to the nearest 10,000. This is the standard rounding that Ofcom uses in producing population estimates from survey data with a sample size of around 1,000. Larger samples sizes are required in order to provide more precision.

A6.12   These estimates are derived from a sample of UK adults and is weighted to be representative of the UK adult population. The profile of the UK adult population is distinct from the profile of UK households. However, as these questions relate to household behaviour and a single person is asked per household, it was not deemed necessary to reweight the data to be representative of UK households.

A6.13   The approach taken to calculate the population estimates are shown in the figures below. Data in red and marked with an asterisk illustrates the percentages used in the calculations and the corresponding population estimate. As these calculations are based on survey data collected from a sample of the population as opposed to a census of the total population, the statistical margin of error around the calculations must be taken into account. We have calculated mid-point estimates, along with upper and lower bounds. The actual numbers of households in the population with these services / experiencing each of the specified problems will fall somewhere between the lower and upper bounds detailed in the figures below.

Figure A6.1: Incidence (%) and number of UK households with landline and/or broadband

	2020 Technology Tracker	ONS Families and Households data released 15 November 2019	Estimated number of households (rounded to nearest 10,000)
Base	n=2675	27,824,000	
Percentage of base that have landline and/or broadband in household	97.72%* (n=2,614)		27,190,000*
Upper bound	98.29%		27,350,000
Lower bound	97.15%		27,030,000

Figure A6.2: Switched landline and/or broadband provider in the last 12 months

	2020 Core Switching Tracker	Estimated number of households (rounded to nearest 10,000)
Base: UK households with a landline	n=1500	27,190,000

and/or broadband service		
Percentage of households that *switched* **landline and/or broadband in last 12 months**	8.13%* (n=122)	2,210,000*
Upper bound	9.52%	2,590,000
Lower bound	6.75%	1,830,000

Figure A6.3: Switchers who contacted their previous landline and/or broadband provider and experienced difficulties with their provider trying to persuade them to stay

	2020 Switching Experience Tracker	**Estimated number of households (rounded to nearest 10,000)**
Base: UK households interviewed about *switching* **landline and/or broadband in last 12 months**	n=632	2,210,000
Percentage of switchers that contacted their previous landline and/or broadband provider and experienced *difficulties* **with the provider trying to persuade them to stay** [181]	6%* (n=40)	140,000*
Upper bound	8.23%	180,000
Lower bound	4.43%	100,000

---

[181] As noted in section 5, this equates to 24% among those who contacted their previous provider

Figure A6.4: Switchers experiencing difficulties with contacting their previous landline and/or broadband provider

	2020 Switching Experience Tracker	Estimated number of households (rounded to nearest 10,000)
Base: UK households interviewed about *switching* landline and/or broadband in last 12 months	n=632	2,210,000
Percentage of switchers that experienced *difficulties* contacting their previous landline and or broadband provider [182]	10.44%* (66)	230,000*
Upper bound	12.83%	280,000
Lower bound	8.06%	180,000

---

[182] As noted in section 5, this equates to 39% among those who contacted their previous provider.

A7. Estimated costs of Code to Switch and One Touch Switch

A7.1   This annex has been published separately on the Ofcom website.