



## BT's response to Ofcom's consultation document

*“Consumer switching:*

*A statement and consultation on the processes for switching fixed voice and broadband providers on the Openreach copper network”*

8 October 2013

BT welcomes comments on the content of this document, which is available electronically at

<http://www.btplc.com/Thegroup/RegulatoryandPublicaffairs/Consultativeresponses/Ofcom/index.htm>

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## 1. Executive Summary

- 1.1 We are pleased that in issuing its latest statement and consultation, Ofcom has taken a step nearer to achieving the long-held objective of a unified switching process across voice and broadband, which improves customers' experience and makes switching of bundles easier.
- 1.2 Whilst we do not agree that the process Ofcom has chosen is the best option, particularly for the longer term, we are keen to move towards implementation as quickly as possible now that the decision has been made, and to work with Ofcom and the rest of industry to achieve this.
- 1.3 Given the nature of the changes proposed, it will be essential for the whole of industry to work collaboratively so that developments can be done in parallel as much as possible. We urge Ofcom to instigate the necessary industry engagement as soon as possible, as discussed in more detail below.
- 1.4 We also urge Ofcom to progress with the next phase of its review, and consider the extension of the new process to switches to and from cable and pay TV. The underlying technology used to provide their service is unimportant to customers; what matters is that they have a simple, uniform switching process for switching bundles, which increasingly include pay TV.
- 1.5 Whilst we believe that all of Ofcom's proposed process changes and new requirements are feasible, we have a number of questions and concerns on the details, in particular around enforcement and the potential knock-on impacts on CPs' choice of order types, which we discuss in detail below, in our response to Ofcom's consultation questions.
- 1.6 We have also commented on implementation timescales, the achievement of which will be dependent on early industry engagement and ongoing collaborative working.

## **2. General Comments on Ofcom's decision**

- 2.1 BT has been participating fully in Ofcom and industry discussions on the subject of consumer switching for many years now, and we have been pressing continuously for a single, unified switching process which allows consumers to switch single and bundled services seamlessly, efficiently and with minimum hassle, regardless of the underlying technology used to provide their service.
- 2.2 We are pleased that Ofcom has now reached a decision and that we can move towards implementation, albeit that the chosen solution is not one which meets all the long-term objectives that we have been discussing since 2010, and is very different to what was proposed in the last consultation, to which we responded sixteen months ago.
- 2.3 BT is still of the view that a losing provider-led process, based on a Transfer Code, would be the most efficient way to ensure that there are no erroneous transfers or mis-selling, that the correct service and asset get switched, and that customers are fully informed of the consequences of switching before they make their decision and the order is placed. We do not agree with Ofcom that "reactive save" has any detrimental effect on competition or on consumer welfare, and nor do we believe that Ofcom's choice of a gaining provider-led process will make much difference in relation to save activity by losing providers. We explained our position in depth in our May 2012 consultation response, and we don't believe Ofcom have addressed all the points we made.
- 2.4 Nevertheless, we are very pleased that Ofcom has listened to the responses it received to its 2012 consultation in some respects, and has moved away from the proposal to introduce a Third Party Verification (TPV) process, which would have been disproportionately costly and a cumbersome customer experience. We agree that levels of slamming are now much lower than in the past, and do not provide a justification for the introduction of TPV. However we are concerned that the Gaining Provider-Led Notification of Transfer (GPL NoT+) process that Ofcom now proposes cannot prevent slamming, although there will be measures in place that should deter it and make it easier to detect. We note that with the extension of the NoT process to large numbers of small CPs and ISPs who are new to a gaining provider-led process, and not used to the "rules", there is a risk that levels of slamming could creep up again. We hope that Ofcom is alive to this risk and prepared for rigorous monitoring and enforcement action where necessary.
- 2.5 Despite our concerns, we accept Ofcom's decision to move to a unified gaining provider-led process and we will continue to work with Ofcom and industry to ensure that the new process works as well as possible. We urge Ofcom, now that the decision has been made, to move quickly on to the next phase when the extension of a unified process to other technologies and networks such as cable and pay TV will be considered. Originally one of the primary reasons for Ofcom's review was to ensure that consumers knew what to expect when switching any of their communications services, regardless of the underlying technology, and that switching of bundles would become easier. These objectives will not be realised until the unified process extends to cable and pay TV. We do not want the

momentum to be lost as a result of any misplaced perception that switching of services over the Openreach copper network is now fully “fixed”, and that this is enough.

- 2.6 Given the GPL decision, lack of visibility of customer and asset data will be the key problem to overcome, both in the short term with the GPL NoT+ process within the Openreach copper footprint (in relation to multi-line MPF) and in the longer term in relation to other networks. Having said that, we continue to have severe doubts about any solution that involves an industry-wide “hub and database”, as discussed in depth in our response to Ofcom’s 2012 consultation. The feasibility and cost/benefit analysis of such a solution will need to be revisited before any steps are taken in this direction.
- 2.7 We note that Ofcom’s decision to move to the GPL NoT+ process across all voice and broadband switches means that some switches (SMPF and GEA-FTTC) will have a much longer lead time than before (10 working days instead of 5 working days for the MAC process). This is relevant to the debate about Openreach service levels under the Fixed Access Market Review, where industry has been pressing for quicker appointing lead times.

### **3. Specific comments on GPL NoT+ implementation**

- 3.1 We believe that there will be a need for strong collaborative working across industry, with parallel systems development required by all CPs, in order to achieve acceptable timescales for implementation. It is vital that industry representatives are brought together as soon as possible to begin discussions around the detailed design of the new process, particularly in relation to the application of the NoT process to SMPF broadband switches, which will be the biggest change to the status quo. The sooner these discussions can begin, the more likely it is that an acceptable lead time for implementation can be achieved. To meet this objective, CPs will need to work on the necessary systems development at the same time as Openreach, rather than waiting for Openreach to complete its specification before investigating any systems changes required to introduce the new processes.
- 3.2 To this end, we would like Ofcom to reconvene the Switching Working Group, with appropriate technical representation from all players, as soon as possible, and in advance of issuing its final statement. This would allow industry to discuss and agree the method and timeline for implementation, and ongoing engagement, so that Ofcom could then announce the date from which the new General Conditions would apply in the knowledge that this date should be feasible for industry to achieve.
- 3.3 Whilst the implementation of the necessary systems changes within Openreach is likely to be spread over several systems releases, we believe that there will have to be a “big bang” approach – that is, all CPs will need to be ready at the same time to consume and use the new process. A phased approach whereby some CPs use GPL NoT+ whilst others are still using MAC would be extremely costly and

technically complex for Openreach to support. It would also create customer confusion and defeat Ofcom's objective of a unified switching process. From the agreed date onwards, any CP that is not ready would be in breach of the new General Conditions, and/or would be unable to grow its base through switching. Industry needs to recognise and agree this approach, and we would like Ofcom's support in ensuring that this does not lead to unnecessary use of "cease and provide" orders.

- 3.4 The impact on smaller CPs and ISPs, in particular, is likely to be significant. It is also important to consider the numerous Third Party Integrators (TPIs) and resellers, who serve a large number of smaller CPs, and who will also have to adapt their systems and processes. Whilst Openreach and BT Wholesale can issue communications to their customers, we believe that Ofcom needs to take the lead in ensuring awareness of the changes and encouraging early engagement across the whole of the industry, and not just from the major players.
- 3.5 Please see our response to question 6 below for some of the key design decisions that we believe will need to be made.
- 3.6 For the avoidance of doubt, we ask Ofcom to note that this work will not result in any new migration paths being developed between products where none currently exists (due to very low volumes).

#### **4. Responses to Ofcom's consultation questions**

##### ***Question 1: Do you agree with our assessment of the Record of Consent Requirement?***

- 4.1 We agree with Ofcom's assessment that the requirement to keep a record of the customer's consent to switch should act as a deterrent against slamming. In principle, improvements to existing processes which further prevent or deter slamming, or make it easier to investigate and enforce against, are welcome.
- 4.2 BT Consumer already records all sales calls into our own call centres, but the requirements will need to be extended to our third party suppliers (online affiliates, external outbound partners, etc), which is likely to have commercial and contractual implications that we will need to work through. Processes will be required to ensure easy integration, identification and retrieval of records, which will not be a small task.
- 4.3 Similarly, BT Business sales desks currently record sales confirmation recaps, but the Corporate Sales channel, Indirect Sales channel, and our partners and franchises have generally not invested in the material cost of voice recording. They retain copies of signed contracts for face-to-face deals, and email confirmation ("eCHOsign") for telephone deals. We assume that these forms of record will be acceptable.
- 4.4 We agree that records should be retained even where the customer has subsequently cancelled or terminated their transfer. However we dispute the need for all consent records to be retained for 12 months instead of 6 months. We believe that most customers would realise very soon that they had been slammed – certainly within 3 months – and it seems unreasonable to allow them to claim this up to a year later. We understand that Ofcom's rationale is around the cumulative length of time it might take for a customer to raise a complaint, and for both the gaining and losing providers to take action; and also the length of the monitoring period necessary before Ofcom can justify opening an investigation. However we think that Ofcom's focus should be on ensuring that providers act on slamming allegations within a more limited time period. Additional data capture and storage for a longer period than 6 months would potentially place undue pressure on already constrained data storage facilities and is likely to make data retrieval more difficult and potentially less successful.
- 4.5 In the case of online sales, where the order is placed by a customer without intervention from an adviser, we believe there needs to be further clarification on exactly what is required, and whether the retention of a screen shot of order systems is mandatory. If there is a requirement for a new "Record of Consent" page, with a button for customers to click to say they "Agree", this is likely to need the development of new content on our online ordering systems, and we would also need to consider how to deal with any orders that cannot be handled via these customer-facing systems and which are passed to back office teams to place. However if an order to transfer cannot proceed unless the customer has clicked to say they agree, and if the order confirmation screen captures the ordering person's contact details, with an email confirmation sent subsequently, it would seem to be

unnecessary to retain a screen shot, as the fact that the order had proceeded would, in itself, be proof that the customer had agreed to it.

- 4.6 We do not usually get any slamming allegations when an order has been placed via the online (bt.com) channel, unless placed by a person who is not authorised by the account holder or a mistake with the telephone number has been made. The biggest issue we encounter relating to the online channel is where a customer is moving home and applies for a Working Line Takeover (WLT), and selects the wrong address. Having a record of consent does not, of course, help with this issue.

**Question 2: Do you agree with our assessment of the requirement for better information on the implications of switching?**

- 4.7 Throughout Ofcom's review of consumer switching processes, BT has always emphasised the importance of consumers being fully informed of the implications of switching – preferably before they have made their final decision. We believe BT already provides much more comprehensive information to our customers in our existing Notification of Transfer letters than most of our competitors choose to do. Therefore we agree that in principle, Ofcom's assessment on this issue is correct.
- 4.8 Nevertheless, some development will be needed to ensure that we meet Ofcom's requirements, and there is some concern that if we are not careful, the inclusion of comprehensive information may result in a confusing communication which could compromise customer experience. We will need to avoid customers misinterpreting the letter as a final bill.
- 4.9 Where the customer is switching a voice and broadband bundle, losing CPs will be dependent on Openreach and/or their wholesaler telling them in real time that the customer is switching away their broadband service as well as their voice service, so that they can co-ordinate these notifications and calculate accurate and timely ETCs for inclusion in a single notification letter. This is likely to require systems development by wholesalers as well as retailers, and thus will have an impact on implementation timescales. (For example, BT Wholesale currently sends a broadband loss notification via the "BBCR" process, which has a latency of at least one day and is not reliable enough to use as the basis for the generation of customer letters.)
- 4.10 We understand why Ofcom wants CPs to make clear to customers that they do not need to contact their losing provider in order for the switch to go ahead, and that their contract will be ceased automatically. However there will be a number of value-added services which will need to be listed along with an explanation as to whether they will automatically cease unless the customer contacts us, or whether they will automatically continue, potentially at a new rate, unless the customer contacts us. Clarity will therefore be very important, to avoid confusion and subsequent complaints.

- 4.11 Often in business markets in particular, there are multiple product deals, and deals involving ancillary products related to, but separate from, the basic voice and broadband services. The implications of switching away the customer's basic service may often be more complex and require customer and agent discussion to help the customer make appropriate choices regarding ongoing commitments and charges. We are concerned that if the letter has to include details of a "default" position (which may have to be that a particular ancillary service ceases, as we cannot assume that we have the customer's agreement to pay any new charges), we are likely to receive an increased level of complaints.
- 4.12 One of the biggest problems we encounter, as a gaining provider, is when losing CPs cancel an order (using "Cancel Other" illicitly) because the customer has not given them notice that they wish to leave. The new requirement to include, in the losing provider's notification letter, an explanation that no contact or further notice is required to cancel their existing service should help in this respect, even though there are other legitimate reasons why the customer may *choose* to make contact with the losing provider.
- 4.13 We note that in the proposed new GC22.10 and 22.11, it is proposed that the gaining provider and losing provider respectively should include a reasonable estimate of the time of day at which the transfer will take effect, as well as the date, in their notification letters. This is unlikely to be possible, as this information cannot currently be provided in advance by Openreach, particularly where the customer is switching to MPF, in which case physical work is required at the exchange and the CLI may need to be ported.

***Question 3: Do you agree with our assessment of mandating use of functionality to ensure seamless transfer of bundled voice and broadband services?***

- 4.14 In principle, we agree with Ofcom's proposal to mandate the use of "simultaneous provide" functionality, to avoid the consumer harm that arises where there is a material break in service.
- 4.15 Where the customer is moving from one CP to another without any technology change (e.g. WLR+SMPF to WLR+SMPF, or MPF+FTTC to MPF+FTTC), the locking together of the orders through mandatory use of SIM2 would always be appropriate.
- 4.16 Where the customer is changing voice and/or broadband technology as part of the migration (e.g. WLR+SMPF to MPF+FTTC), whilst SIM2 should be used, it is possible that whilst the orders are orchestrated correctly together up to the day of installation, failure related to the new provision of the broadband service (such as port capacity issues) may be unavoidable, and there will be a break in service.
- 4.17 Ofcom states that "this functionality will be required for any type of migration from and to services that are offered over the Openreach copper network". However it should be noted that whilst all major migration types are currently supported by Sim Provide and SIM2, some lower volume migrations will remain unsupported by simultaneous provide processes – for example, those involving sub-loop

unbundling - and will continue to result in a temporary loss of data service.

- 4.18 It is only likely to be possible for CPs to comply with the mandatory use of this functionality if the customer chooses to place their order with the gaining provider for voice and broadband simultaneously. CPs will need to ensure that orders are placed with Openreach as defined by the relevant order journey being used for the migration (e.g. on SIM2, both orders must be received within 72 hours of each other, or both orders will reject, to avoid the situation where the voice service migrates and then causes a broadband outage inadvertently if the broadband order has not been successfully matched in Openreach's systems).
- 4.19 It is difficult to see how compliance with the new rules on use of this functionality can be enforced, because if a voice order and a broadband order are placed separately, Openreach will not know whether or not the two orders could or should have been linked. It would not be possible to impose a new rule which caused any orders to be rejected when there was already an open order on the line, because this would prevent the end customer from choosing to have their WLR voice service and SMPF or GEA-FTTC broadband service from two different CPs.
- 4.20 Further discussion will be needed to determine whether Ofcom will expect Openreach to provide new reports in this area, and on exactly what it would be possible to provide in the way of reporting.
- 4.21 Ofcom mentions in a footnote "We acknowledge that in some cases where engineering work is required, e.g. re-jumpering for switches between two MPF providers, there will be some necessary loss of service". There will need to be some discussion as to what is acceptable in this scenario (which also applies to switches between MPF and WLR providers). Generally in these re-jumpering scenarios, there would only be a temporary interruption to service of a few minutes which will always be kept to the minimum possible duration, and we would not characterise this as a complete *loss* of service.
- 4.22 An additional concern is that some CPs might choose not to use a transfer process at all, but to place a new provide order for the voice and/or broadband service. In particular, the extended lead times for a broadband transfer (from 5 working days for the MAC process to 10 working days for the NoT process), and the mandating of the use of simultaneous provide functionality on transfers, could lead to gaining providers ordering new provides instead. This has implications for the customer experience. In the case of an SMPF or GEA-FTTC transfer, placing a new provide order instead would mean that the existing service had to be ceased first, which would be unsatisfactory for the customer and would also lead to cease charges for both the customer and the losing provider (which is unfair when driven by the gaining provider's decision). A new line provision would mean an unnecessary engineering visit, additional holes in the customer's wall, etc., as well as being an inefficient use of Openreach resources.
- 4.23 To avoid this risk, we suggest that Ofcom should mandate the use of a transfer order rather than a new provide order, wherever there is an existing service that can be switched.

**Question 4: Do you agree with our assessment of requirements to reduce the occurrence of ETs under the WLT process?**

- 4.24 We agree in principle that it should be mandatory for CPs to follow the two requirements Ofcom has set out, in order to reduce the occurrence of Erroneous Transfers (ETs) under the Working Line Takeover (WLT) process.
- 4.25 However, we are concerned that if this effectively makes it harder to place a WLT order (because non-compliance with certain elements of the Best Practice Guide would result in a breach of General Conditions), some gaining providers may choose to avoid the use of WLT in all instances to avoid the hassle, and instead resort to a new line provision order. This would result in inefficient use of Openreach resources, which ultimately has a knock-on impact on costs and ability to complete other orders on time.
- 4.26 Openreach already sees a significant number of new provide orders a week where there is a cease placed on the line at the same address within 3 days, thus indicating that a WLT order could have been placed. (Openreach manages to re-use the line in about 50% of cases.) We believe that this could get worse if CPs feel there is a greater risk involved in using the WLT process.
- 4.27 Therefore our view is that Ofcom should make it mandatory to use the WLT process in all home move situations where the CP is able to obtain an exact match on an existing working line. Only where an exact match cannot be found, and all other routes have been exhausted (e.g. the MPF Helpline) should the CP place a new line provision order.
- 4.28 We would like to see use of the MPF Helpline made mandatory too, where the target line is an MPF line and there is more than one MPF line at the address. However, whilst we can take steps to increase adherence/usage by our own advisers in multi-MPF line situations, the current process is not capable of supporting high volumes of requests; it is cumbersome to use, and response times could extend further with widespread adoption by other CPs. We note that Ofcom proposes to review issues around the visibility of CLIs on MPF lines (and presumably also on FTTP and FVA) in its next phase, but we believe this requires more immediate attention, as the problem is a growing one. As before, we do not want new provide orders to be placed unnecessarily, because CPs are unable to determine which MPF line to take over.
- 4.29 Given that the requirement to place an order only where there is an “exact match” will be mandatory rather than just best practice, further industry discussion is likely to be needed to define exactly what qualifies as an “exact match”. Customers don’t always offer the address in the correct format – so should the information on Openreach Dialogue Services necessarily take precedence? In most cases of ETs, the CP carrying out the takeover believes at the time it does have an exact match, and there is no deliberate inaccuracy, so it is by no means certain that this new mandatory requirement will drive down volumes of ETs.

- 4.30 We completely agree with Ofcom's proposal that the incumbent CP (or any reseller which has the relationship with the incumbent end user) must inform that end user at the target address that their line has been targeted to be taken over. We have been operating this process since the WLT Best Practice Guide has been established, and it does go some way to preventing ETs, although of course it is not completely failsafe as letters can go unread.
- 4.31 However we are not clear how this requirement could be enforced by Ofcom. We assume that this can only be through monitoring and investigation of complaints about ETs; but even then if the incumbent customer says they did not receive a letter from their CP, and the CP says that a letter was sent, it would be difficult to prove one way or the other.

**Question 5: Do you agree with the estimated implementation timescales of GPL NoT+ we have outlined?**

- 4.32 As far as the front end, "retail" changes are concerned, the requirement to record customer consent is likely to be achievable for BT within the 6-9 months that Ofcom has proposed, subject to early submission of detailed requirements to our systems developers; but the requirement to include more detailed information in gaining and losing NoT letters is likely to take longer than 4-6 months. This will be dependent on the number of systems changes required to deliver the more detailed ETCs and other information required, and the timing of systems releases, but we believe it is likely to need at least 9 months, and possibly longer in BT Business where development will be required across two system stacks, increasing the cost and complexity. We are currently still examining the full implications.
- 4.33 BT Consumer and BT Business already adhere to WLT Best Practice processes, and we already use functionality to enable seamless transfers wherever possible. So we do not anticipate any difficulty in meeting Ofcom's proposed timescales here.
- 4.34 In relation to the development of the GPL NoT+ process for switching broadband and the removal of the MAC process, we recognise that all CPs (including BT Consumer and BT Business) will largely be reliant on Openreach and, in some cases, BT Wholesale or other wholesalers to provide information on what they are going to deliver when, and how and when they will publish their specifications.
- 4.35 We believe that there will be a need for strong collaborative working across industry, with parallel development required by all CPs, in order to achieve acceptable timescales for implementation.
- 4.36 Bearing in mind systems release schedules, we estimate that Openreach would be able to deliver the capability ready for testing by industry in February 2015. However this is subject to industry collaborative fora being in place from October/November 2013, and Ofcom publishing its final statement with no significant changes to the current proposals at the beginning of January 2014. If these milestones are met, then full technical documentation could be published

from November 2014.

- 4.37 We estimate that a period of CP testing lasting at least 3 months would be needed before CP switch-over to the NoT+ process and the withdrawal of the MAC process. The earliest possible completion date would therefore be May 2015. However, this assumes that CPs would have carried out extensive development in parallel over the same timeline, and takes no account of any extra time needed to “cascade” developments down through each layer of the industry (wholesalers, TPIs, resellers, etc) to the smallest CPs and ISPs. We know from past experience that potentially this could increase timescales significantly.
- 4.38 The above timescales are also based on an assumption that Openreach and industry will not have any other major developments to complete during the same period.
- 4.39 Ofcom should note that although the regulatory obligation to comply with the new switching requirements will not apply to switches for end customers with more than ten employees, CPs serving large corporate customers will still have to change all their voice and broadband switches to NoT. Openreach, BT Wholesale and other wholesalers will not be in a position to operate different processes for switching the same services, according to the size of the end user, as this would be far too costly and inefficient, and the size of the end user is invisible at a wholesale level. So there will be no CPs in the industry unaffected by this change.

**Question 6: Are there any other key issues that need to be taken into consideration?**

Need for early industry engagement and discussion

- 4.40 It is vital, as explained above, that industry representatives are brought together as soon as possible to begin discussions around the detailed design of the new process, particularly in relation to the application of the NoT process to SMPF and GEA-FTTC broadband switches, which will be the biggest change to the status quo. The sooner these discussions can begin, the more likely it is that an acceptable lead time can be achieved, through CPs working on the necessary systems development in parallel rather than waiting for Openreach to complete its specification.
- 4.41 We urge Ofcom to reconvene the Switching Working Group, with appropriate technical representation from CPs large and small across industry, as soon as possible after responses have been submitted, so that discussions regarding implementation principles, future engagement, methods and timelines can begin well in advance of Ofcom issuing its final statement. This would allow Ofcom to take advice on the appropriate date from which the new General Conditions should come into effect, based on what industry has agreed to be feasible.
- 4.42 The impact on smaller CPs and ISPs, in particular, is likely to be significant, especially for those who have only ever used the MAC process for switching. Whilst Openreach and BT Wholesale can issue communications to their

customers, we believe that Ofcom needs to take the lead in ensuring awareness of the changes and encouraging early engagement across the whole of the industry, and not just from the major players.

#### “Big bang” implementation

- 4.43 We believe it will be necessary for all CPs/ISPs – large and small – to be ready for the functionality to be “switched on” (and the MAC process “switched off”) at the same time (even though the introduction of new functionality could be phased over several systems releases but kept “switched off” until everyone was ready). Parallel running of “live” processes (as against for testing purposes) would add significantly to the cost and complexity of implementation, and switches between CPs who are operating different processes would not be possible and would greatly add to customer confusion. However a “big bang” approach requires significantly more co-ordination and collaboration across industry. Further discussion of this issue is needed as soon as possible, as explained above.

#### Cancel Other on WLT orders

- 4.44 Whilst Ofcom does not yet feel it is necessary to mandate the use of “Cancel Other” functionality by all CPs, we do believe it is essential in the context of Working Line Takeovers – and therefore that all CPs that provide voice services should be mandated to use it in cases where their customer is not moving and an ET has been attempted on the line. Currently if an ET is detected following the placing of a WLT order, the customer whose line is about to be taken over erroneously is unable to get the “gaining” CP to cancel the order, because
- the customer will not know who the CP is, if they have not received or opened the letter addressed “To the occupier” from the gaining CP (which it is not mandatory to send);
  - the customer is unknown to the gaining CP and therefore would not get through any validation process, even if they can find out who the CP is;
  - if incorrect data is the issue, the gaining CP might not be able to identify the order that is causing the problem and therefore would not be able to cancel it.

#### Code Consolidation and Record-keeping on Cancel Other

- 4.45 We note that under the new GC22, Annex 1.5, CPs will continue to be required to record their reasons for using Cancel Other. We believe it would be sensible and efficient to take this opportunity to rationalise the Reason Codes currently in use, to reduce the number of codes (given that there are only currently three legitimate reasons defined by Ofcom when Cancel Other can be used) and make them common across all CPs. (Currently BT Retail has separate codes, for historical reasons, which are no longer needed, and MPF providers also have separate codes as well as a “change of mind” cancellation code which is not a valid use of Cancel Other and could inadvertently be used).

- 4.46 We also believe it should be mandatory for CPs to keep these Cancel Other records for 6 months, to enable CPs to raise queries with each other.

#### RIDs

- 4.47 Given the possibility that slamming or erroneous transfers might increase with the extension of a gaining provider-led process to all broadband transfers, we believe it is essential that all CPs and ISPs should be mandated to supply a RID for broadband and voice transfers and WLTs (when taking action as either the gaining or losing CP). This will make the cancellation of slams, erroneous transfers and takeovers easier to carry out and allow enforcement action to be taken where necessary.

#### Emergency Restoration Process

- 4.48 In its Introduction to the statement and consultation, paragraph 2.22, Ofcom notes that BEREK has recommended six principles of best practice in relation to switching. The second of these principles states “In addition, there should be a quick and reliable restoration process so that consumers switched in error can have their original service restored quickly, with no additional hassle, and at no additional cost.” Currently only ETs (under the WLT process) are subject to an Emergency Restoration process, and no such process exists for switches where the customer has been erroneously transferred or slammed. Whilst most customers transferred in error just suffer the inconvenience of being served by a different fixed voice CP which they have not chosen to be with, the loss of broadband (and email address) which arises in some cases (e.g. MPF to WLR transfers) may have more serious consequences. For example, there may be some financial loss for a business customer, or risk of harm for a residential customer if their alarms/alarm pendants do not work. Therefore we suggest that the development of an Emergency Restoration Process for switches should be part of the design of the new GPL NoT+ process, and it should be mandatory for all CPs to adhere to it where necessary, so that the original service can be restored in less than 10 working days.
- 4.49 The losing provider would need to have the agreement of the gaining provider before invoking the process (to ensure that it was only used in genuine cases of ETs or slams); and the customer would need to be restored onto the same service(s) that they were previously on, at the same point in the contract (if applicable), with any ETCs cancelled or refunded. This is likely to require significant development work for CPs.
- 4.50 It should also be noted that the current Emergency Restoration process (used for ETs under the WLT process) has capacity constraints as far as Openreach is concerned, and therefore a new, scale-able process would need to be developed (with commercial implications).

#### Monitoring, MIS and KPIs

- 4.51 Ofcom will need to work with industry to establish any reporting requirements needed to help Ofcom monitor and enforce compliance with the new General

Conditions. Any KPIs or MIS requirements should be agreed with industry prior to systems and process design work starting, rather than being added on subsequently.

#### Other design issues

- 4.52 There are a number of other key design issues to be debated, such as the best way to deal with Bulk and Mass Migrations (currently we are assuming no change); the need for extra KCIs to be issued by BT Wholesale and other broadband CPs; the development of Cancel Other functionality for switches to and from broadband CPs; how to deal with the broadband “point of no return” within the new process; and the impact of the extension of the Minimum Lead Time to 10 working days across all product migrations.

#### Comments on draft General Condition changes

- 4.53 We are concerned that the draft new GC22.13 states, in relation to the new requirement to use simultaneous provide processes, that the gaining provider “shall submit to Openreach *an order* for the simultaneous transfer with minimal loss of service of both Communications Services.” Please note that under the existing Sim Provide process and SIM2, whilst the orders for voice and broadband are co-ordinated or “glued together”, there still needs to be two separate orders, and not a single order, placed by the gaining provider.
- 4.54 We believe there is scope for confusion and overly-onerous impact in relation to the draft new GCs 22.7 and 22.8. We understand that Ofcom is proposing to retain the existing obligation to “use reasonable endeavours” to keep all sales records for at least 6 months (GC22.7), to detect general mis-selling issues, but also to impose a new requirement to keep a record of consent for a period of not less than 12 months (GC22.8). Without reading Ofcom’s explanation in the body of the consultation, these differing requirements could cause confusion as they appear to duplicate and contradict each other.
- 4.55 In order to comply with both of these requirements, in relation to telesales, BT will record the entire call with the customer. However it will not be possible to “split” the recording between the general discussion around the beginning of the call and the record of consent towards the end, which means we will have to retain the entire recording for 12 months. This is above and beyond Ofcom’s requirement, and will add unnecessary storage costs. As explained in paragraph 4.4 above, we believe that a 6 month retention period should be sufficient for all records.