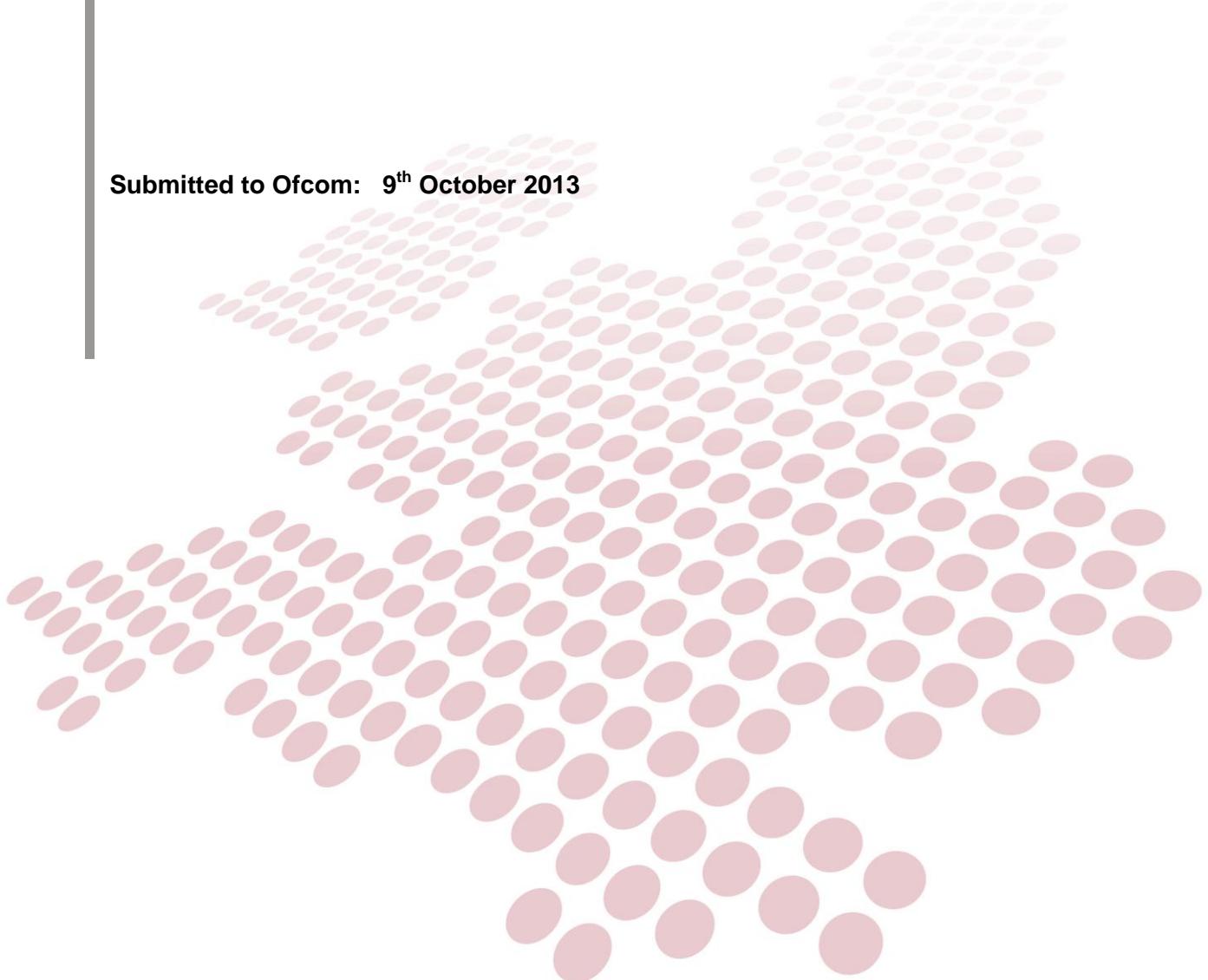


Switching Statement and consultation on the processes for switching fixed voice and broadband providers on the Openreach copper network

UKCTA Response to Ofcom

**Submitted to Ofcom: 9<sup>th</sup> October 2013**



UKCTA is a trade association promoting the interests of competitive fixed-line telecommunications companies competing against BT, as well as each other, in the residential and business markets. Its role is to develop and promote the interests of its members to Ofcom and the Government. Details of membership of UKCTA can be found at [www.ukcta.com](http://www.ukcta.com).

UKCTA notes that Ofcom proposes the following changes to the general conditions:

- that a record of customer consent to switch a fixed voice or broadband service be obtained and stored;
- the provision of better information on the implications of switching;
- that GPs order the simultaneous transfer with minimal loss of service, of bundled voice and broadband services;
- that no WLT order shall be placed unless an exact address match has been identified; and
- that a notification shall be sent by Incumbent CPs to incumbent end users under the WLT process - via post or use of e-mail with consumer consent.

UKCTA would make the following comments and observations.

#### 1. Record of customer consent

UKCTA agrees with the need to ensure that evidence of the customer's consent is stored and retrievable. However, we would seek to understand why CPs would need to retain the *record of consent* for 12 months but the *record of the sale* for 6 months. We do not follow the rationale for this new requirement for an additional six months for consent retention and would suggest that without the record of the sale, the consent would lose its context. To date, 6 months record retention has been sufficient for Ofcom enforcement purposes. UKCTA suggests that the records retention periods for sale and consent be aligned at 6 months.

In relation to outbound/inbound phone sales, it is not clear whether Ofcom considers that the sales call flow needs to be altered so as to ensure that there is a new specific segment of the call where the customer consents to the sale. UKCTA does not see any need to change the sales process provided the provider can show that consent was obtained.

In relation to web-based sales, UKCTA would appreciate further guidance from Ofcom as to what it considers to constitute sufficient evidence of consent without this becoming a prescriptive and disproportionate requirement. Normally a web-based sales interface would translate the customer's pressing the "I agree" button into XML code that is ultimately sent to Openreach. Time-stamped database records that can be shown in a database report are traditionally robust records for other types of web-based transactions. It is hoped that both these alternatives would be recognised as adequate evidence of consent.

## 2. Provision of better switching information

**ETCs** - UKCTA agrees that it is important that customers are fully aware of the implications of switching their providers. The level of any early termination charge should form part of this information provided losing providers in their letter to customers. UKCTA is not convinced however that the losing provider letter needs to provide the precise amount of the early termination charge and that a reasonably precise estimate should be sufficient. By way of illustration, if the precise ETC payable by the customer was £54, it should be sufficient for the letter to explain that the ETC would be no more than £60 or £70.

**Time of migration** - we note that the new GC22 would place an obligation on CPs to communicate the time of the switchover – this is not something that is committed to by Openreach or communicated to the CP. This being the case, the obligation should remain as being the communication of the date of migration (only).

## 3. Simultaneous order transfer

UKCTA has some reservations about Ofcom's proposal to mandate the use of simultaneous transfer processes. While we agree that these processes do provide the best customer experience, it is not immediately clear to us that there is a need to make the use of these processes a regulatory obligation. It would seem to UKCTA that providers already have a strong commercial incentive to ensure consumer satisfaction and thus use these processes.

Separately, UKCTA would welcome clarification as to how Ofcom envisages such an obligation to apply when two different providers provide the telephony and broadband services respectively to the customer. How would the obligation apply in such cases?

## 4. Working Line Takeover orders

Ofcom proposes to regulate the Working Line Takeover [WLTO] process by amending GC22 to include an obligation on CPs that they must "only place a WLTO if they have an exact match for the target line". Ofcom states the following in point 7.96 of the statement:

*"it is likely to be difficult to enforce the 'exact match' requirement given the level of evidence that is likely to be available. We believe that mandating that the Incumbent CP sends a letter to its customer to inform them the line is being taken over will help consumers to cancel an erroneous takeover and thereby avoid an [Erroneous Transfer]."*

If this is Ofcom's view (and it is one that UKCTA members share) it would be more appropriate for Ofcom to (only) place an obligation on the incumbent CP to send their "losing letter" as part of the WLTO process.

If, however, Ofcom are to regulate the WLTO process then it is the view of UKCTA members there should also be an associated obligation on Openreach to “maintain an accurate database of UK addresses and their associated Openreach network connections”. This is because without the provision of an accurate database by Openreach, a CP could not have confidence that they are placing their orders against the correct “target line”. Ofcom acknowledges some weaknesses with the Openreach database in section 5.119 to 5.121 but does not look to provide obligations on Openreach to improve this situation.

It is the view of UKCTA members that it is not reasonable to expect a CP to always be able to comply with the obligation to “only place a WLTO if they have an exact match for the target line”. This is because there are some home-move scenarios where neither the customer, the CP nor Openreach could advise of the correct target line. This specific scenario is where there are multiple active MPF lines at the target premise (Gold Address Key). In this scenario it is impossible for the CP to be confident which of the lines presented should be selected.

Following on from the above point, if a CP is not able to place a WLTO order (because they are not sure that they have an exact match for the correct target line) what type of order does Ofcom propose is placed? The placement of an engineer-appointed order (also called a “New Line Provide” order) is likely to result in the customer having an additional telephone line and socket installed – this may be unacceptable to the customer. UKCTA members are also aware that in such a scenario Openreach engineers (for sometimes understandable reasons) might undertake engineering activity which provides the customer with the service that they want but at the cost of network records being made incorrect or an existing service being disconnected without the correct notification being sent to the CP.

The Ofcom consultation points out that being able to “validate the CLI” can be useful when placing a Working Line Takeover but CP’s practical experience is that:

- a) customers often do not have knowledge of the CLI that is associated with the target line at the target premise
- b) as an increased proportion of lines are provided via MPF, Openreach are increasingly unable to offer this functionality through their dialogue services (i.e. they are unable to provide the last 2 CLIs of an MPF line for validation purposes).

## 5. Definition of durable medium

We are unclear why proposed GC 22.10 and 22.11 refer to “other Durable Medium” only to be “trumped” by GC22.12 which requires a letter unless electronic communications have been explicitly consented to. We believe this could be drafted in a much clearer way and would respectfully submit the following (with GC 22.12 struck) alternative drafting for the start of GC22.10 and 22.11:

*"The [Losing/Gaining] Provider must, in accordance with the industry agreed process send the End-User a letter on a Durable Medium by normal post or e-mail/fax if the End User has previously explicitly consented to receiving electronic communications. The letter shall set out in [neutral], clear and intelligible terms: [..]"*

Finally, UKCTA members would note that consideration needs to be given to ensure an appropriate timescale for these changes is mandated.

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