

Question 1: Do stakeholders agree that promoting effective and sustainable competition remains an appropriate strategy to deliver efficient investment and widespread availability of services for the majority of consumers, whilst noting the need for complementary public policy action for harder to reach areas across the UK?:

The Advisory Committee for England (ACE) generally supports this view, however, we feel that there must be a greater understanding and definition of the needs of Citizens and that be factored in to public policy action. Geographically hard to reach areas are only one component of necessary policy action, which must also include hard to reach communities, socio-economic groups and individuals.

Question 2: Would alternative models deliver better outcomes for consumers in terms of investment, availability and price?:

ACE is of the view that the current blend, notwithstanding the point in Q1, is the most effective method of delivering desired outcomes.

Question 3: We are interested in stakeholders' views on the likely future challenges for fixed and mobile service availability. Can a 'good' level of availability for particular services be defined? What options are there for policy makers to do more to extend availability to areas that may otherwise not be commercially viable or take longer to cover?:

The greatest future challenges are likely to be in demand for ever greater bandwidth and ubiquity of service. This will be coupled with an always on, always connected data environment with seamless switching between network types - fixed to cellular, cellular to WiFi. Of course, 5G in its proposed form will allow for much of this, but is very much dependent on spectrum clearance and the necessary global negotiations to allow for a truly international standard.

Clearly, Internet of Things (IoT) will have a significant effect on capacity requirements, although at this time the bursty nature of such data seems to suggest overall architectures will not be over burdened.

The emergence of greater satellite coverage, including privately delivered (Facebook etc), along with High Altitude Platform (HAP) developments will, if they emerge, offer the potential enhance coverage for geographically different areas. This is of particular significance if the commercial model for the platform becomes advertising funded as is the proposal for both Facebook and Googles offerings in this area.

Public intervention, may well be limited to ensuring coverage for the UK includes all forms of transport and indoor reception.

Question 4: Do different types of convergence and their effect on overall market structures suggest the need for changes in overarching regulatory strategy or specific policies? Are there new competition or wider policy

challenges that will emerge as a result? What evidence is available today on such challenges?:

no response

Question 5: Do you think that current regulatory and competition tools are suitable to address competition concerns in concentrated markets with no single firm dominance? If not, what changes do you think should be considered in this regard and why?:

ACE agrees that current provisions are adequate for the foreseeable future

Question 6: What do you think is the scope for sustainable end-to-end competition in the provision of fixed communications services? Do you think that the potential for competition to vary by geography will change? What might this imply in terms of available regulatory approaches to deliver effective and sustainable competition in future?:

ACE believes that great care should be taken over the promotion of end to end competition, which may serve to become purely price/cost focused and thus stifle innovation and role out of evolved infrastructures/architectures.

Question 7: Do you think that some form of access regulation is likely to continue to be needed in the future? If so, do you think we should continue to assess the appropriate form on a case by case basis or is it possible to set out a clear strategic preference for a particular approach (for example, a focus on passive remedies)?:

ACE is of the view that maintaining some form of access regulation will be necessary and that the current case by case approach continues to be appropriate. We feel strongly that there should not be a diminution of regulatory oversight at any part of the value chain.

Question 8: Do you agree that full end-to-end infrastructure competition in mobile, where viable, is the best means to secure good consumer outcomes? Would alternatives to our current strategy improve these outcomes, and if so, how?:

Ace agrees with this premise

Question 9: In future, might new mobile competition issues arise that could affect consumer outcomes? If so, what are these concerns, and what might give rise to them?:

no response

Question 10: Does the bundling of a range of digital communications services, including some which may demonstrate enduring competition problems

individually, present new competition challenges? If so, how might these issues be resolved through regulation, and does Ofcom have the necessary tools available?:

ACE believes that this area presents significant challenge. The biggest effect comes where one provider has the market power to purchase content rights - usually sport - and use these as a means of leveraging consumers. There must always be transparency and the ability for Ofcom to regulate like for like services. A practical example from an ACE member of this already distorting the approach to markets was where BT demonstrated more of an interest in the upsell of sports TV service than actually delivering the voice service that was asked for. This was despite the fact that, with sub 2Mb/s available, the service was inviable.

We feel that Ofcom lacks the necessary coverage of the market to ensure that all competition issues encompassing telecoms, content rights, content production (and associated competition issues), voice & data are treated on a level playing field basis

Question 11: What might be the most appropriate regulatory approaches to the pricing of wholesale access to new and, risky investments in enduring bottlenecks in future?:

The view of ACE is that current regulatory approach continues to be appropriate for the foreseeable future.

Question 12: How might such pricing approaches need to evolve over the longer term? For example, when and how should regulated pricing move from pricing freedom towards more traditional charge controls without undermining incentives for further future investment?:

Ofcom should continue to regularly review the market, with a view to changing the regulatory environment if market conditions suggest that this is necessary. Only when it is clear that the levels of ongoing investment in core infrastructure are no longer necessary, should pricing approaches change.

Question 13: Are there any actual or potential sources of discrimination that may undermine effective competition under the current model of functional separation? What is the evidence for such concerns?:

no response

Question 14: Are there wider concerns relating to good consumer outcomes that may suggest the need for a new regulatory approach to Openreach?:

ACE in common with the other Nations Committees, feels that BT has a particularly poor record in relation to quality of service, lead times on fix and overall customer service. There is little regulatory provision to compel improvements. Unlike other former public utilities that have made great strides in these areas - British Gas being notable - BT seems to adhere to old cultural norms.

Question 15: Are there specific areas of the current Undertakings and functional separation that require amending in light of market developments since 2005?:

no response

Question 16: Could structural separation address any concerns identified more effectively than functional separation? What are the advantages and challenges associated with such an approach?:

ACE feels that structural separation at this time would distract BT from the critically important task of rolling out important next generation infrastructure. We prefer to see a continuation of functional separation coupled with close monitoring of behaviours as per our response to question 12.

Question 17: What do stakeholders think are the greatest risks to continuing effective consumer engagement and empowerment?:

Perhaps the greatest risk to consumer engagement and empowerment is increasing complexity of offering.

Ever higher data rates, coupled with content services and bundling may serve to increase consumer confusion. Content services tied to a particular operator may ultimately lead to consumers becoming captive, with little ability to change provider as this would lead to loss of content services. There must be an ability to intervene where it is unclear how each part of the service value chain is priced.

Question 18: What indicators should Ofcom monitor in order to get an early warning of demand-side issues?:

Monitoring should extend from voice & data pricing, performance and availability to cover available content and other services through regular surveys of users who take service/content bundles, to ensure that the connectivity element is priced competitively.

Question 19: What options might be considered to address concerns about consumer empowerment at each stage of the decision-making process (access, assess, act)? What more might be required in terms of information provision, switching and measures to help consumers assess the information available to them? What role may Ofcom have to play compared to other stakeholders (including industry)?:

Providers should be compelled to show full menu pricing for all services, detailing connectivity and content/other non-connectivity service. Ofcom's work to date has shown that the best support for consumer empowerment is to ensure open, simple, understandable information is provided. This should cover pricing, availability, network performance and customer support performance.

Question 20: Are there examples in competitive or uncompetitive sections of the market where providers are not currently delivering adequate quality of services to consumers? What might be causing such outcomes?:

no response

Question 21: What further options, if any, should Ofcom consider to secure better quality of service in the digital communications sectors?:

As the data has shown, the majority of customers are happy with the serviced received. However, it is clear that when a failure of service or support occurs it can be quite catastrophic. There is another metric worth considering. That is "Consistency of Service". This requires an entirely different approach to fix on fail and customer support issues, requiring the SP to ensure rigorous staff training to pursue a continuous improvement agenda. Currently there is a feeling among users of communication services that customer support functions on a just good enough basis. Ofcom should have access to records of staff training programmes and have the ability to compel service providers to institute continuous improvement programmes.

Question 22: Might there be future opportunities to narrow the focus of ex ante economic regulation whilst still protecting consumers against poorer outcomes?:

ACE believes that it would be too early to consider greater deregulation at this time. New technologies that pave the way for services to be delivered via a variety of competing delivery platform are still some years away. Deregulation of city infrastructure would, we believe, likely lead to a failure to innovate. We contend that the current level of regulation is optimal for the medium term.

Question 23: Where might future network evolutions, including network retirement, offer opportunities for deregulation whilst still supporting good consumer outcomes?:

no response

Question 24: What are the potential competition and consumer protection implications of the rise of OTT services? Might the adoption of such services enable future deregulation without raising the risk of consumer harm?:

A potential issue exists with the increased number of OTT offerings. Whilst it is clear that communication services delivered via OTT applications could, due to the relative ease with which they can be developed and deployed, increase competition and deliver cost advantage to the consumer, there is another side which says that in the race for market share, quality of service may well suffer. This would suggest that in the short to medium term, such services may only be for the technically savvy, who can manage to use multiple services. As an example, the Skype outage of September 2015, saw increasing traffic to Google hangout, amongst those who had the expertise to switch applications.

Future deregulation is a likely outcome once OTT services are mature which, despite the age of some of the existing services, they are most certainly not.

Question 25: Are there any areas where you think that regulation could be better targeted or removed in future? What would be the benefit of deregulation as well as the main risks to consumers and how these could be mitigated? Please provide evidence to support your proposals.:

no response