

Fair Treatment & Easier Switching for Voice & Broadband Customers

Gaining Provider-Led Switching - The Option Y Proposal

Executive Summary

A wide range of industry organisations including major companies, smaller infrastructure providers, CPs, ISPs and trade associations have been working together to develop the proposals for the 'Option Y' Gaining Provider-led switching system.

We are confident that the proposed **Retailer Service Switching Hub (RSSH)** solution, its technical architecture and associated customer journey, fully meet the obligations contained in the new EECC and will make switching easier, more reliable and quicker for customers while protecting them from harm.

It is future-proofed facilitating customer switching between CPs and service providers on the same infrastructure platform and across platforms in a new many-to-many approach. Customers can choose to switch providers and disaggregate service bundles, switching some, but not others, in a '**One-Stop-Shop**' system. The system does not require CLI to identify services (or customers) to be switched. The same architecture can be applied for both retail consumer and business customers. It is designed to be easily expandable to include service types beyond broadband and voice.

Option Y is a genuinely gaining provider-led process, reducing the amount of effort the customer needs to make to switch services and thus reducing friction in the process. The customer is only required to deal with the gaining provider, they do not have to deal with the losing provider.

Safeguards have been built in to minimise the risk of bad behaviour such as slamming and to ensure that a customer has an opportunity to change their mind at key points during the switching process. We also believe that for many customers the timescale required to enable switching to take place can be significantly reduced from current industry norms.

Customer Journey – A One-Stop-Shop

The "Option Y Customer Switching Journey" document attached at Annex (A), and associated flowchart at Annex (B), detail all of the steps from the point at which the customer contacts the potential gaining provider, to provisioning of new service(s).

Option Y envisages a number of steps starting with the customer contacting the Gaining Provider (GP) and choosing to place an order. The further steps described include service validation via the RSSH; GP switching order placement via the RSSH; the order transfer window; order completion, Losing Provider (LP) cessation and updating of billing records

During the process the customer is only required to communicate with the GP, they are not required to get any information from the losing provider.

If further customer identity verification is required, the GP will ask the customer for their LP billing account number, we believe that this should not require contact with the LP as it should be readily available via the customer's account, billing information or the 'end of contract' notification that may well have prompted the customer to consider switching.

If the customer changes their mind about switching services, they can stop the transfer at several points during the process. During the order transfer window, the customer will receive a notification of termination and any implications from the LP, plus confirmation from the GP that the switching process is in progress.

Customer Contact and Order with GP

During the initial stages, having confirmed that the customer wishes to switch their services, the GP obtains the following mandatory information from the customer:

- Name (and name of account holder name with losing provider if different)
- Address
- Postcode
- Current LP name indicated by the retailer's brand on the bill
- Service types that the customer wants to switch (e.g. broadband, telephony, etc)

- Optional information requested if there is a partial match based on previous information provided: Customer's account number with LP.

Address details will be translated into the relevant UPRN by the GP.

Following GP validation of customer details, checks on service availability (and whether an engineer visit is required) the GP confirms the customer's intention to proceed (and desire for the GP to trigger a cease with the LP), recording the phone call, or using a specific consent validation checkbox on the web.

Note that the process includes checking the service types to be transferred – i.e. the customer can elect to transfer some services, but not others. For example, where the customer's voice, broadband or both are part of a bundle including other services, they will be able to switch the voice and broadband services; the remaining services will be subject to a new contract with the same retailer or the contract ceased.

Service Validation via the RSSH

As described in the Customer Journey at Annex A, the LP validates in real time using the information captured by the GP, messaging through the RSSH, to confirm that they provide the relevant, working service type(s) to the customer at the specified UPRN.

The answers provided by the LP can vary from "full match" (name, location and service match), "partial match" (e.g. naming issues) or "no match". The GP can proceed with order if the result is "full match" (the 'Happy Path') but needs to confirm further information with

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customer if the result is “partial” or “no match” (e.g. by obtaining the customer’s account number with the LP).

For the “Happy Path”, the RSSH creates a record of the request together with a unique Switch Order (SO) reference number which is then used to follow the process through. The RSSH generated SO reference will confirm the authenticity of the order and be socialised across the supply chains via existing interfaces to identify that an order instruction is in the context of a customer switch request.

For the “Unhappy Path” the RSSH creates a transactional record and communicates the LP’s response to the GP who may then iterate the request, subsequent to obtaining additional information readily available to the customer or amending any erroneous data,

GP switching notification via the RSSH

Having achieved a “Full” match, and following the customer instruction to proceed with the switch, the GP completes their standard order journey and transmits the relevant data to the RSSH with an instruction to the LP to cease the services on a specified date. The RSSH passes the relevant data to the LP.

Order transfer window

The service transfer begins although the customer can still decide to cancel/amend the switch until the day before the transfer (the Point of No Return, PoNR).

End Customer Awareness

The LP determines the impact of switching and any early termination charges that apply. Both the GP and LP send out notices to the customer by email, SMS or letter (depending on customer choice): a notice of transfer (NoT) from the GP informing the customer that the switching process is in progress and another issued by the LP that lists the implications of switching, including any ETCs and disconnection charges. These notices follow a standard format similar to the one used in the GPL NoT+ process to improve readability and understanding to the consumer. Both GP and LP notices will include the switching date.

All GP or LP communications with registered vulnerable customers will comply with any required alternative formats remembering that customers only need communicate their wishes with the GP to achieve a switch.

Speeding up the Switching Process

Overall, we anticipate the transfer period will reduce from the mandatory minimum of 10 days to **seven**, if no network build is required. Seven days are deemed necessary for those customers who rely on postal services for notification.

While industry believes that a new seven working day timescale is more appropriate, as standard, than current timescales, there is the opportunity to explore options for the customer to further expedite this delivery date. An initial proposal is that the Losing Provider (LP) includes a unique reference in the Notification of Transfer communication that the customer can pass to the Gaining Provider (GP) who then resets the delivery date via the RSSH, quoting the LP reference as authentication. The customer has not had to contact the

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LP but has provided strong authentication as the reference is only distributed to the acknowledged customer by the LP. Accelerating the switch may not always be possible for the GP e.g. for reasons of network availability, supplier lead-times etc. so appropriate expectations will have to be set in the initial call between customer & GP.

Proactively rescheduling the switch date

If delays occur during the GP service activation, the GP will be able to update the switch date and inform the LP through the RSSH, as well as informing the customer. The customer may also wish to postpone the switch date and can do so by informing the GP. The switch date refers to all components of the services being switched.

Final Steps of the Customer Journey

GP sends confirmation of completed switch to LP via RSSH. This allows the LP to cease billing and start their account closure procedures, including updating the RSSH with confirmation of the closure. The LP will have an impending cease date from the confirmation of switching sent by the GP but is not required to take action until the GP sends the switch completion message. The LP will be responsible for managing their supply chain to ensure no switch ahead of this positive confirmation. This step avoids any unwarranted service loss should problems arise with the GP service delivery on the switch date.

The LP will be required to confirm cancellation of billing back to the RSSH to complete the switching cycle and actively acknowledge avoidance of double billing. Monitoring in the RSSH will create audit and escalation procedures if not positively received.

The RSSH stores order details for 12 months to support monitoring or audit processes or longer as required.

The detail of all these processes are outlined in **Annex A: Gaining Provider Led Switching – Option Y proposal** - Customer Journey.

Technical Architecture

The attached slide-pack at **Annex C: Gaining Provider Led Switching – Option Y proposal** - Solution Architecture, outlines the approach we propose for defining the IT solution architecture of the RSSH. It summarises:

- The key requirements of the system that inform the technical brief
- Key assumptions for the design proposal
- A description of the service switching landscape
- A broad explanation of the RSSH, its role, underlying data model and functions.
- A model for defining governing industry stakeholders
- Services (micro-services) exposed by the RSSH
- RSSH logical data structure principles
- RSSH technology options

A significant benefit of the technical architecture proposed is that it builds on current practice, including integrating number porting into the switching process, and we can continue to facilitate an estimated c.95% of switching orders as we evolve to the final solution.

It is however a future-proofed solution, it does not rely on CLI to identify services being switched.

The architecture has been designed to include:

- Number porting process & voice service switching
- Access line and broadband switching over existing and new digital infrastructure
- The potential to switch future overlay services

The system facilitates switching between Gaining Providers (GPs) and Losing Providers (LPs), which in both cases are the service retailers, and their supply chains. The complete range of services can be switched between retailers (resellers, CPs etc.) using the Openreach platform (intra-platform switching), or between platforms (inter-platform switching), including Virgin Media, and the growing cohort of alternative digital infrastructure providers, for example CityFibre, Hyperoptic, Gigaclear and the second wave of new entrants.

Members of trade associations, like INCA and FCS, view the proposed new switching environment as an important step towards fostering a more comprehensive ecosystem of infrastructure, wholesale and retail providers. It supports the existing major players, smaller specialist service providers, and the new generation of full fibre operators - and can potentially include those operators offering a mix of fibre and wireless services. Customers will benefit from an increased range of services available from multiple suppliers, facilitated by a process and system designed to make it easy for them to choose the services they want.

At the core of Option Y is the Retailer Service Switching Hub, the RSSH which acts as a messaging hub to facilitate order processes between the GP and LP. Commercially the supply chains for both GP and LP continue to operate on a 'business as usual' basis.

Governance of the hub will be determined in consultation between Ofcom and industry. There is a variety of options/models available that ensure effective function and neutrality of RSSH.

- Ofcom itself could act as governing organisation, although we assume Ofcom is likely to want a more limited role – e.g. oversight of the overall system; maintaining a list of RIDs
- LINX – type mutual association of market players;
- A governance body created by recognised trade associations

In each case we envisage the governing body holds a contract for the technical/commercial service provision. The funding model is to be determined in consultation with Ofcom.

The Option Y Proposal Offers Significant Benefits for Customers

Option Y is a genuinely gaining provider-led future proofed system that incorporates a number of important benefits to reduce friction and hassle for customers choosing to switch, whilst also incorporating enhanced consumer protection measures.

A One-Stop-Shop

The customer is only ever required to deal with the GP who facilitates the switching process on behalf of the customer, end-to-end, through the RSSH. The customer is not required to contact, seek or find any information from the LP (although as noted above the GP may ask the customer for the LP billing account number if further identification checks are required).

Identification of 'services' rather than 'assets'

Although the system we propose will account for all current switching that takes place in the Openreach ecosystem, there is a major difference between the process that currently takes place and what we are proposing. Option Y focuses on the customer and therefore deals with consent to switch services which have been identified. The asset id remains using the existing Openreach process.

Today, a CP uses Openreach dialogue services to ascertain a specific asset, they place their order against that asset - CLI is used to facilitate where available. There is no confirmation built into the process that the selected asset is the correct one, this sometimes results in erroneous transfers and may also be the cause of some slamming instances.

In the proposed model, the GP uses the RSSH to communicate with the LP to confirm services at a specific unique premise (e.g. each flat within multi dwelling unit (MDU), using UPRN), for a specific customer. Once this match is made and the switch date confirmed via the RSSH, the LP (who will be aware how they are providing service to that combination of premise, customer and service) will be able to manage the cease of that 'instance' in accordance with the requirements of their wholesale supplier all the way up the chain (using BAU processes). A significant benefit of Option Y in itself is that it does not require significant change within the value chain below the retailer level except where it improves the auditability of the process by carrying the switch order reference throughout the supply chain. As the LP has confirmed the match before the order is placed, they know the customer to send the final 'consequences of switching' communication to as well as which asset(s) to cease service against.

The number of instances where there are multiple services to the same UPRN, provided by the same retailer and for the same customer will, by definition, be significantly lower than the instances where Openreach have multiple assets at an address (which could be the whole MDU rather than the flat singled out by a UPRN). This reduces the number of cases where a match cannot be found. In those instances, a further level of data (account number) can be used to confirm the customer etc to the LP. This will facilitate a full match, allowing the process to proceed as described above.

Benefits of Option Y for Vulnerable Customers

Any GP, regardless of switching process, already has an obligation under General Conditions (GCs) to take account of the needs of vulnerable customers when providing service. Here, the Option Y switching process is particularly helpful for a customer with additional needs or those with limited understanding/experience of technology, some of whom may be landline-only customers. All the customer needs to do is make a single call to the GP and provide readily accessible information (name, address etc) and the GP will take care of the

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switch. Option Y does not require the customer to obtain and pass on any special information from the LP. Customers who only have a landline will not be able to go online or use SMS to get a switching code from their LP and therefore would have to call the LP and potentially deal with a retention conversation, writing down the code they are then given, before making a further call to the GP and repeating the code correctly. Ease of use for such vulnerable customers is therefore greater with Option Y.

Option Y Addresses the Risk of Slamming

According to the revised GCs 'Slamming' arises in the following circumstances:

i. where the Switching Customer has never contacted, or has never been contacted by, the Gaining Provider;

This is where the handshaking of UPRN, retail provider, customer name and service type adds real value - unlike the current process where the order is made against an asset in the OR database, the new process requires the GP to provide data provided by the customer to initiate the match with the LP. If there had been no contact with a customer, it is not likely that a rogue CP would be able to get this sort of data. Repeated attempts to try and guess would show up in the metrics available from the hub.

ii. where the Switching Customer has contacted, or has been contacted by, the Gaining Provider, but has not given the Gaining Provider authorisation to transfer some or all of their Fixed-line Telecommunications Services and/or DSL Broadband Services;

iii. where the Switching Customer has agreed to purchase a product or service from the Gaining Provider and the Gaining Provider has submitted an order for a different product or service which the Switching Customer has not agreed to purchase;

iv. where the Switching Customer has agreed to transfer some or all of their Fixed-line Telecommunications Service and/or DSL Broadband Service to the Gaining Provider having understood as a result of a deliberate attempt by the Gaining Provider to mislead, that they are making an agreement with a different Communications Provider;

Option Y addresses points ii-iv through both the customer journey process and the technical architecture.

The requirement to retain (and provide on request by Ofcom) evidence of consent means that there is a disincentive against this type of behaviour. The communication from the LP about the consequences of switching during the switching window act as an additional safety net, allowing the order to be cancelled before completion.

The technical architecture of the hub system itself provides strong anti-slamming protections:

- Gaining providers (retailing entities) must have a RID identity in order to generate a switch request, directly or through a Third Party Integrator (TPI), validated against customer credentials, via the RSSH. The RID provides the same level of governance as is used in porting today. As a GP's actions will be recorded and auditable to a low level

of detail, they risk being revoked (RID blocked or withdrawn) in the event they act without the customer's consent, thus preventing them winning further business.

- A losing retailer will provide a NoT to their customer with details of the RSSH switch order reference and the GP name instigating the switch for ease of recognition by the customer. The customer will have the chance to stop the order should it be against their wishes.
- A GP will not be able to commence the switch process until the LP validates the services against the customer, as the RSSH switch order reference will not be available to the supply chain.
- A GP must have a dialogue with the customer to obtain key information about the existing service in order to obtain a match with the LP and subsequently place an RSSH switch order with criteria sufficiently identifiable to the losing retailer.

Conclusion: Option Y - An efficient, frictionless and secure system

Overall the advocates of Option Y propose the creation of an efficient, frictionless and secure system for switching that will benefit all customers, including the most vulnerable.

- Reduced barriers to switching for customers by only requiring them to deal with the GP and as such is a truly customer friendly Gaining Provider-led Switching System, including customers who may find switching difficult today.
- Has strong anti-slamming aspects to address and prevent bad behaviour exhibited by any service providers.
- Has multiple checks to authenticate the customer, address and services, and several points at which the customer can change their mind and back out of the switch.
- Can significantly speed up service switching compared to current industry norms.
- Deals with both the existing processes of transfers within the Openreach ecosystem and facilitates the inclusion of alternative network providers, many of which support this proposal, alongside two representative trade associations.
- Reuses most existing supply chain processes, focusing cost of change on areas that enhance customer protection and removing customer barriers to switching.
- Facilitates multiple switching scenarios including unbundling and switching multiple services or services from multiple providers – all within one process.
- Does not rely on CLI for identification of customers and their services and allows customers to only switch the services they want, including number porting.
- Overall governance of the RSSH is to be determined in consultation with Ofcom, although there are several options that can be explored to ensure efficient, independent and commercially neutral operation of the RSSH system.
- Adaptable to meet the needs of the Business community and for further service types.

Next steps

- 1) **Costings**: Incremental costs from introducing a Gaining Provider led switching solution to meet both intra and inter-network switching will fall into the following areas:
 - a. **Costs arising to scope, develop, test and implement the RSSH** – OTA are in discussion with a number of potential suppliers and will provide a summary of potential costs as part of their over-arching reply covering all solutions under consideration. These costs will cover both Capital and Operating expenditure.
 - b. **Costs arising in the supply chain used by Retailers** – Openreach have indicated a broad range of potential costs from £0.8m to £1.6m to interface with the Option Y solution. Current order journeys remain largely unchanged in the supply chain and Openreach will not be required to interface with the RSSH. Other Third Party Integrators (TPI's), used by smaller Retailers to interface with network access providers, have provided costs estimates to OTA, which will be shared as part of their over-arching reply. These costs are largely Capital Expenditure.
 - c. **Costs arising at the Retailer level** – Retailers will have to change their customer interaction systems & processes to include the interface with the RSSH, for both digital and tele-sales as well as the resulting order journeys. Costs will vary by size of CP, volume of customer interactions, number of service types and channels to market. Lead Retailers have provided cost estimates of changes to OTA who will present as part of their over-arching reply.

- 2) **Use Cases**: Once a final decision is taken as to which Option will be taken forward in-life, we intend to build use cases involving switching between retailers on the Openreach, and altnet platforms. These can be used to further inform both the RSSH and CP detailed design.

- 3) **Implementation Timescales**:
 - a. Early indications on development timescales in Openreach suggest a minimum delivery window of May 2021, assuming Ofcom complete their review of all proposals and any resulting consultation before July 2020. While this date falls beyond the December 2020 target implementation timelines, it is important to note that under the current processes, c.95% of all switching occurs through the Openreach platform, which is recognised as offering a gaining provider led solution today.
 - b. RSSH implementation timelines will depend on the timeliness of the decision by Ofcom as to which Option to take forward, agreeing funding and control models for the hub and then completion of a rapid competitive tender process to select the final provider. Early indications are that, assuming a detailed set of requirements are completed as part of the tender, delivery of the RSSH could be achieved by 6-9 months of contract award including build & test.
 - c. CP enhancements of front end systems and modifications to order journeys cannot be concluded until both any Supply Chain modifications and RSSH implementation are completed although it is expected that much work can be

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completed in parallel but final end to end testing will require delivery of points a) and b) above.

This Option Y Gaining Provider led Voice and Broadband Switching proposal has been built with strong cooperation between the following industry members who commend it to Ofcom for consideration at their earliest convenience:



Air Broadband
Bridge Fibre
BT Group including Plusnet & EE
CityFibre
Federation of Communications Services (FCS)
Gigaclear
Hyperoptic
Independent Networks Co-operative Association (INCA)
Swish Fibre
TalkTalk
Vodafone

Issue v1.0 on behalf of the Option Y Consortium by
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