

## Your response

Question	Your response
<p><b>Question 1: Do you have any comments on Ofcom's proposed Plan of Work 2024/25?</b></p>	<p>Confidential? – N</p> <p>The FCS welcomes the opportunity to comment on Ofcom's proposed Plan of Work 2024/25.</p> <p>Ofcom has a key part to play to ensure that the UK telecoms market remains competitive, and that both consumer and business customers are adequately protected. The FCS broadly welcomes the Work Plan and agrees that the primary areas of focus remain relevant and appropriate. However, we are concerned that the needs of business customers and business communication providers (CPs), particularly resellers, are not adequately addressed.</p> <p><b>In relation to Priority area 1 – Internet we can rely on -</b> we have the following comments to make:</p> <p>We are pleased that Ofcom recognises the important part it plays ensuring competition is promoted, para 2.5 of the consultation states: <i>We will also work to promote competition and investment to drive forward networks and services on which the UK can depend, and focus on ensuring they are safer, more secure and resilient.</i></p> <p>The business market plays a vital part in stimulating investment across the UK economy and the importance of small businesses to the UK economy must not be underestimated. FCS members provide innovative solutions to tens of thousands of businesses which drive economic growth throughout the UK and need a competitive and supportive telecoms market in order to flourish.</p> <p>Whilst it is right that Ofcom focuses on outcomes for consumers, the FCS believes that there should also be a focus on outcomes for business customers, and indeed the many smaller CPs and resellers that provide services to them. One of the successes of regulatory intervention over the last two decades has been the proliferation of providers in the small business market which has driven innovation and price competition to the benefit of business and retail customers, and of the wider UK economy.</p> <p>The FCS is, therefore, very disappointed with the lack of proposed focus in the Work Plan in areas that matter to businesses and business providers. The FCS believes that</p>

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	<p>Ofcom should appoint a business lead/champion with responsibility for promoting the UK Government's growth agenda. There also needs to be a more detailed understanding of the business market, particularly the complex supply chain, so that the implications of regulation on the whole market are better understood.</p> <p>The FCS is pleased to see preliminary work starting on the Wholesale Fixed Telecoms Market Review (WFTMR) and the Wholesale Voice Market Review (WVMR) but believes that further work is needed to address growing convergence in the industry. For example, the FCS believes that access to mobile networks on an 'equality of access' basis, needs to be established. Ofcom should also consider looking at IP infrastructure, rather than the traditional silos that the current regulatory regime addresses. Regulation is needed to address both the physical infrastructure providers and the application providers, and the FCS believes that urgent work is needed to understand and address the new market realities that are shaping the industry.</p> <p>Whilst the Work Plan sets out preliminary work on the market reviews, the FCS believes that Ofcom needs to include a focused work area looking at <i>current</i> competition issues within the wholesale market. For example, it is very difficult to change wholesale provider and this is causing issues throughout the complex supply chain. These issues can disadvantage both business and consumer customers, as retail providers can be limited in both their commercial and product offerings.</p> <p>Additionally, the FCS is concerned that the current Work Plan ignores the very important 'reseller' market and would very much like to discuss member concerns in this area with Ofcom. There has been a much needed strengthening of consumer protection but most of the regulation has been focused at the retail level, with a lack of corresponding obligation at the wholesale level. This in turn has implications for resellers, who, unlike vertically integrated providers, are fully exposed to the additional costs of regulatory changes.</p> <p>There are several specific issues we believe should be included in the Ofcom Work Plan to ensure that there is sufficient regulatory and industry focus. Whilst these are business focused, there is significant cross-over between</p>

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	<p>the residential and small business market and they can also have detrimental knock-on effects to their consumer customers.</p> <ol style="list-style-type: none"> <li>1. The new switching regulation is a key Ofcom policy position and one which the FCS supports. The 2024-25 Work Plan is, however, solely focused on consumer switching, and the FCS believes that business switching needs to be added to the Work Plan. Specifically, improvements to the Number Porting process for business customers need to be addressed urgently, as without changes in this area, effective Business Switching will be difficult to achieve.</li> <li>2. The FCS was also disappointed to see no mention of the Common Telephone Numbering Database (CDB) in the Work Plan. NICC has already specified a CDB definition, but further work is required before implementation. The NICC Task Group is currently looking to develop an agreed UK process to ensure the data held by CPs is consistent. Inclusion of the CDB in the Ofcom Work Plan would provide the area with much needed focus and attention.</li> <li>3. The FCS has concerns about CP insolvency. There have been recent examples of CPs ceasing trading and this can have significant issues for their customers, especially small businesses, for example doctor's surgeries and care homes. The implications can be particularly acute where the CP is a range holder. The FCS believes that there needs to be a pan-industry review in this area and it should be included in the Ofcom Work Plan 2024-25.</li> <li>4. Battery Back-Up is another pan-industry issue which would benefit from specific focus in the Work Plan. Network resilience is a key issue and is included in the Work Plan, and the FCS would like to see specific focus on battery and power back-up. The FCS believes that there should be standardisation across the industry and that infrastructure providers are best placed to deliver solutions efficiently. Requirements at the infrastructure level would help competition, reduce</li> </ol>

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	<p>barriers to entry and help to reduce e-waste, leading to a more sustainable industry solution.</p> <p>Finally, Ofcom states that it will be horizon scanning and the FCS believes that Ofcom needs to consider how best to regulate in a fully IP environment.</p> <p><b>In relation to priority area 4 – Enabling wireless services in the wider economy</b></p> <p>The FCS supports Ofcom’s proposals. In particular, the FCS strongly supports a Sharing Policy, as alluded to in 2.33, as it may permit the introduction of narrow band, highly protected operational radio communications systems. The FCS therefore welcomes this aspect of the Work Plan.</p>

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