

# Requirement on BT to publish Key Performance Indicators

**Ofcom decision regarding KPI for call accounting  
accuracy**

**Statement  
Issued: 25 November 2004**

## Decision not to require BT to publish a KPI on call accounting accuracy

- 1.1 In September 2004 Ofcom issued a Statement and final Directions for a set of Key Performance Indicators ("KPIs") that BT is required to publish in respect of key wholesale products and services  
[http://www.ofcom.org.uk/consultations/past/bt\\_kpi/bt\\_kpi/](http://www.ofcom.org.uk/consultations/past/bt_kpi/bt_kpi/).
- 1.2 Throughout the consultation process Ofcom had sought to identify a suitable KPI to provide transparency of wholesale billing processes and demonstrate where BT may potentially discriminate in favour of its retail arm. Ofcom recognises the importance of timely and accurate call accounting to enable providers to compete effectively with BT, as problems impact negatively on their performance in relation to downstream customers. During the consultation period, stakeholders have proposed various metrics which Ofcom could seek to impose on BT in order to provide transparency as to call accounting accuracy. The proposed KPIs included time taken to rectify bills, percentage discrepancy between correct and invoiced bill, and the number of credits required to be issued in lieu of incorrect billing claims.
- 1.3 As indicated in the September Statement, Ofcom agreed to gather further evidence and seek further views before deciding whether further consultation would be appropriate. We have discussed the various proposals with stakeholders at some length. It appears that due to the complex nature and functionality of the accounting systems, identification of potential call accounting problems relies heavily upon the customer's systems. Therefore it would be difficult to measure accuracy on a systematic basis and any problems are unlikely to be fully captured in any meaningful way that could give transparency as to the quality of service provided by BT.
- 1.4 There may be alternative processes and procedures that, whilst not designed to demonstrate where there may be potential discrimination, provide transparency in relation to the wholesale billing process. For example, BT Wholesale is currently seeking BABT (the British Approval Board for Telecommunications) approval of its wholesale billing systems under the Metering and Billing approval scheme  
[http://www.ofcom.org.uk/ind\\_groups/ind\\_groups/telecommunications/mandb/docs/](http://www.ofcom.org.uk/ind_groups/ind_groups/telecommunications/mandb/docs/) in relation to BT Retail and service provider customers. It is envisaged that this system should be able to identify any major quality issues or process omissions in the wholesale billing systems. Also, Ofcom has imposed on BT a new mechanism for charging for certain types of interconnect calls between operators. The methodology employed has moved away from the network charge differential method (NCD) to a methodology based on Interconnect call accounting/calling line identification for NTS traffic  
[http://www.ofcom.org.uk/consultations/past/inca\\_cli\\_nts/final\\_dec/](http://www.ofcom.org.uk/consultations/past/inca_cli_nts/final_dec/). This development is expected to improve the level of billing accuracy for this type of traffic.
- 1.5 For the reasons above, Ofcom concludes that it would not be appropriate to require BT to publish a call accounting accuracy KPI at this time.
- 1.6 The implementation of the mandated KPIs takes effect on 23 December 2004. Ofcom considers that peer review will be the most effective way of determining whether the set of KPIs as directed remain appropriate in the

light of changing market conditions. It is open to stakeholders to propose changes and additions to the KPIs if appropriate. Any proposed changes to the individual indicators or proposals for additional metrics should be raised in the first instance with Ofcom. If Ofcom accepts those proposals they will be subject to a one month consultation period. The KPIs may also be subject to review as a result of further reviews of the relevant markets, SMP findings and the imposition of new or withdrawal of current regulatory remedies.