



**SKY'S RESPONSE TO
OFCOM'S FURTHER CONSULTATION ON THE REVISIONS TO THE METERING AND BILLING
DIRECTION DATED 20 FEBRUARY 2014**

This submission constitutes the response of British Sky Broadcasting Limited ("**Sky**") to Ofcom's further consultation on the revisions to the Metering and Billing Direction dated 20 February 2014 (the "**MBD Consultation**").

1. Summary

1.1 Sky supports the proposed removal of target-based requirements and the retention of the process based requirements to safeguard billing accuracy in accordance with the requirements of GC11. However, given the removal of target-based requirements, Sky considers it would be useful if the Approval Bodies ("**ABs**") in their role of monitoring and auditing performance to work with industry to develop best practice guidance on accuracy performance.

1.2 Sky also considers that the proposed definition of Extraordinary Performance Failure ("**EPF**") is based on broad and subjective criteria and therefore is open to interpretation. Sky considers that the ABs should work together with industry to develop clear and objective criteria to measure EPFs in order to provide greater certainty to CPs.

2. Question 1 - we invite stakeholders' views on the proposed removal of target-based requirements across all retail services and evidence to support their views.

2.1 Sky supports Ofcom's proposal to remove measurement limits and instead focus on process-based measures. However, Sky considers that it would be useful for ABs together with CPs to review performance of existing processes and develop best practice guidance. The ABs have intimate knowledge of a Communications Provider's ("**CP**") strategy and performance improvement criteria as part of their role of agreeing each CPs Measuring Strategy Document as well as their monitoring and auditing experience and are therefore well placed to engage on this issue.

3. Question 2 - we invite stakeholders' views and evidence on the practicality of the proposed new timeframe for approval as set out in paragraph 5.1 of the draft new Direction.

3.1 Sky agrees with the proposed timeframe set out in paragraph 5.1 of the draft new Direction.

4. Question 3 - we invite stakeholders' views on whether the proposed revised definition of EPF would be workable. We also welcome any alternative suggestions for the definition.

4.1 Sky considers that the proposed definition of EPF is vague and ambiguous and may not provide CPs with sufficient certainty as to how to define and identify an EPF in practice. Sky considers that the ABs should work together with industry to agree objective criteria for measuring EPFs that support Ofcom's objectives.

- 4.2 The proposed definition contains no objective measures in contrast to the current regime that defines EPF by means of a mathematical calculation based on current targets. There is a risk that the proposed definition will lead to inconsistent and non-comparable findings of EPF.
- 4.3 EPF is defined as a “clear spike in or movement away from the monitored performance, or capability to accurately measure performance in line with the documented Measurement Strategy [...], that is distinguishable from routine performance measurements as a result of special or one off conditions”. What is a “clear spike” is not clear at all and open to a broad interpretation. Different ABs may well apply different criteria to determine a “clear spike”. CPs could agree with the AB in its Measurement Strategy Document what constitutes a “clear spike” in error but different approaches may arise amongst CPs and ABs and a consistent approach across industry would be beneficial and provide greater certainty to CPs and their customers.
- 5. Question 4 - we invite stakeholders’ views on the proposed timeframe for delivery of CDRs as set out in paragraphs 7.1 of the Direction. If you do not agree, please provide evidence to support an alternative approach or timeframe.**
- 5.1 Sky agrees with the proposed timeframe for delivery of CDRs as set out in paragraphs 7.1 of the draft new Direction.
- 6. Question 5 - we invite stakeholders’ views on the proposed non-material changes to the Direction.**
- 6.1 Sky agrees with the proposed non-material changes to the draft new Direction.
- 7. Question 6 - we invite suggestions on these and other ways in which awareness of the Scheme can be promoted.**
- 7.1 Sky notes that Ofcom has suggested it will work with ABs and industry to consider how a logo or kitemark indicating Total Metering and Billing Systems (“**TMBS**”) approval could be developed. Sky considers that whilst there could be some consumer benefit in a universal approval logo this needs to be balanced against the possible costs of introducing such a logo. In the first instance, Sky also considers that this should be developed on a voluntary basis and no changes be made to the Direction to accommodate this at the present time.

Sky

01 April 2014