

Emailed to: Broadband.USO@ofcom.org.uk

Ofcom
Riverside House
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SE1 9HA

13 February 2019

Dear Jack,

Consultation on Delivering the Broadband Universal Service Obligation

I write in response to the consultation on Delivering the Broadband Universal Service Obligation (USO).

About Ombudsman Services:

Ombudsman Services is a not-for-profit private limited company established in 2002 which runs a range of discrete national ombudsman schemes across different sectors including energy and communications. Each scheme is funded by the companies under our jurisdiction and our service is free to consumers. In 2017 we received 172,865 initial contacts from complainants and resolved 92,110 complaints.

For consumers, we offer a free and accessible way of resolving complaints, with a focus on swift, impartial resolutions based on principles of fairness. We also use the insights and data we gather through our casework and other sources to help bring about wider improvements which deliver benefits to all consumers, not just those who have turned to us for help.

For businesses, we help resolve disputes with customers in a fast and non-adversarial way, helping with customer retention and brand loyalty. We go beyond individual complaints to identify broader trends which can be a source of innovation. We also use our expertise to help companies identify opportunities for improvement, which can sharpen competitiveness and help build reputation.

General comments:

We welcome the proposals outlined in this consultation and agree that as broadband becomes increasingly considered as an essential service, that a USO is necessary and provides an avenue for consumers to request and have fair access to a reliable, affordable broadband service. It can be argued that consumers who are disadvantaged in terms of a digital service such as broadband are in a vulnerable situation compared with other consumers.

We agree with the approach suggested by Ofcom around Universal Service Providers being required to report on the performance of their USO services and provide a complaint handling process to consumers when things go wrong. It



is also essential that Universal Service Providers enable access to independent dispute resolution to consumers as well. We agree with Ofcom that it makes sense for this provision to be provided by the two already approved independent dispute resolution services – Ombudsman Services: Communications and the Communications and Internet Services Adjudication Scheme. It is only fair that consumers using the USO services are protected in the same way as other consumers able to access broadband in other ways than via the USO.

We also think there is an opportunity to ensure that the two independent redress schemes are used to full effect in terms of:

- resolving individual consumer complaints;
- collecting data and producing insights that helps the Universal Service Providers improve their services and complaint resolution; and
- providing data and insights to Ofcom and other stakeholders in the sector as to what is happening around USO provision.

We think it is crucial that the independent redress schemes work with the wider regulatory landscape as well as individual Universal Service Providers to ensure consumers are treated fairly.

Answers to the specific question raised:

We have provided responses to those consultation questions that focus on customer experience, sources of customer dispute and provision of alternative dispute resolution schemes.

Q7: Do you agree with our proposed approach to informing consumers of the outcome of their USO request?

Yes. We recognise the importance of timely, clear and informative communications from Universal Service Providers to keep consumers informed about their request for a USO connection. What is proposed in the consultation seems right and it will be important to set out what consumers can expect and what consumers will be required to do in order to obtain a USO connection. We think this will be an important area to review as it takes effect to look at how well the various requirements work in practice. It will be important for stakeholders to work together to share data and information to see how this is all working – this should include Ofcom, the Ofcom Consumer Panel, the two independent redress schemes and others, such as, Citizens Advice and Which?

Q8: Do you agree with our proposal to include a universal service condition requiring Universal Service Providers to raise awareness of the USO?

Yes. As the USO is a right to request service and not a rollout programme we think that Universal Service Providers should take all reasonable steps to raise awareness of the USO.

Q9: Do you agree with our proposals set out above, including to set a timeframe of 12 months for the delivery of USO connections unless exceptional circumstances have arisen?

Yes. We understand the rationale for 12 months to allow for Universal Service Providers to deliver connections. However, this timescale may be perceived by consumers as too long to wait for a reliable broadband service. As the consultation paper highlights it will be important for Universal Service Providers to communicate effectively with consumers and set out timeframes for action. We also agree that 12 months should be a maximum and that shorter timescales should be aimed for unless there are good reasons – exceptional circumstances.

As we highlight in our answer to question 7 above, we think it will be important to keep this area under review and use and share data about what the 12-month timescale looks like in practice, what consumers are experiencing – the consumer journey and what the experience of the Universal Service Providers is.

Q10: Do you agree with our proposal on how exceptional circumstances should be defined and operate?

Yes. The framework for exceptional circumstances looks appropriate. However, again as we highlight in our answers to question 7 and 9 above it will be important to keep this framework under review to see how it operates in practice and how consumers and Universal Service Providers are affected.

Q12: Do you agree with our proposal to ensure that USO customers receive at least the same quality of service as non-USO customers?

Yes we agree.

Q13: Do you agree with our proposed approach to complaints handling and dispute resolution?

Yes. We agree that the approach to complaint handling and dispute resolution for USO consumers should be in line with existing policies and procedures for non-USO consumers. This will help to ensure consistency in terms of consumer journey and protection and maintain a relatively simple and understandable process for consumers as well as not introducing additional costs to Universal Service Providers from a new process or new independent dispute resolution services having to be set up.

Q14: Do you agree with our proposal to approve the two Alternative Dispute Resolution schemes currently approved under the General Conditions (Ombudsman Services: Communications and the Internet Services Adjudication Scheme) for resolving disputes in relation to the USO.

Yes. We agree and support this approach. Both independent dispute resolution services have recently been approved by Ofcom and given the points we raise in answer to question 13 above we think this is the right approach. Certainly, Ombudsman Services: Communications is able and willing to take complaints about any Universal Service Provider.

Q15: Do you agree with our proposed approach to how the Universal Service Providers should report on their performance and maintain records?

Yes we agree. Universal Service Providers should provide reporting in line with requirements from the Universal Service Directive and the Universal Service conditions and also additional requirements outlined in the consultation paper. We support the approach suggested that information should be reported by Universal Service Providers around elements such as complaints handling and dispute resolution.

Q16: Do you agree with our approach to how Ofcom should report and monitor delivery of the USO?

Yes. We would also support Ofcom working with other key stakeholders, such as the approved independent redress providers to use and publish full complaint and dispute resolution information. This will help provide a fuller picture of the service provided by Universal Service Providers and help them also improve their service.

Please do not hesitate to contact us if you would like further information regarding our response.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'M. Vickers', with a long horizontal flourish extending to the right.

Matthew Vickers
Chief Executive and Chief Ombudsman

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