

## Your response

Question	Your response
<b>Question 1: Do you agree with the proposed revisions to our guide? Please provide your views with supporting evidence.</b>	<i>Is this response confidential? No</i>  <i>Please see our response to this question below</i>

## Overview

Community Fibre thanks Ofcom for this opportunity to respond to its consultation on proposals to amend their guidelines on how to help ensure customers in debt or struggling to pay are treated fairly.

Community Fibre remains on its mission to bring 'better internet for everyone' and we continuously seek new ways to ensure those without adequate internet access, including vulnerable people, can get online. Our current initiatives include:

- Providing free Gigabit internet connectivity to over 300 Community Spaces across London, often on some of London's most deprived social housing estates. This ensures that even where Londoners do not have Internet access at home they at least have somewhere local to get online.
- Training our network of Digital Ambassador volunteers across London who reach out within their own Communities to provide digital skills training often using the free connections we have provided to Community Spaces.
- We have offered thousands of free broadband connections via our social landlord partners to households that they identify as being in need. So far our partners have only nominated a handful of households and we continue to work with them to establish efficient methods for identifying households in need.
- As part of our COVID recovery plans we introduced a low cost 10Mbps service available to, what we thought would be a spike in, households claiming Universal Credit and other Government benefits. That spike has not materialised in London. It has also been difficult for us to verify households' eligibility in terms of the benefits they receive. For example, Age UK have asked us to include pension credit but we have been unable to find an efficient way to verify whether a household is currently receiving pension credit. As a result, we have decided to make our low cost 10Mbps social tariff available to all prospective customers and remove the ineffective eligibility checks.

Most of Community Fibre's customers come from lower social-economic groups. It is perhaps surprising that many of these customers do not select Community Fibre's previous lowest priced broadband package at £20 per month for symmetrical 75Mbps broadband and instead choose one of our more expensive and faster service packages.

It is also important to note that not all customers who choose our £20 package are facing financial vulnerability. Most customers choose this package because it offers the broadband speed that best suits their needs.

Unlike many other operators Community Fibre has, so far, decided not to credit check prospective customers and deny them broadband service based on their credit history. Currently this means that customers who may be excluded from obtaining service from other operators can still get a service

from Community Fibre. We manage this credit risk by asking customers to pay for their broadband service monthly in advance via Direct Debit. Most customers pay their service fee when it is due.

Again, it would be wrong to assume that all those who miss a payment are facing financial vulnerability.

We make efforts to contact customers, through multiple communication channels, and ask them to contact us if their payment has failed so that we can discuss a suitable arrangement with them to get their payments back on track.

Nevertheless, it is important that we retain the right to suspend service after 30 days if the customer has failed to contact us over one of our communication channels. This both protects the customer from building up a larger credit balance and protects our own bad debt risk. Without this route we would need to consider introducing credit checks on prospective customers which risks creating a new group of households who are unable to obtain broadband services due to their poor credit history.

## Detailed Responses

The remainder of our response comments on the specific revisions to the guide proposed by Ofcom:

### **Guide para 4.33**

As explained above enforcing eligibility criteria on social tariffs has proved to be costly and ineffective. Community Fibre's approach is to remove eligibility criteria whilst still providing the lowest priced broadband package on the market (lower than other operators' social tariffs that include eligibility criteria). It is important that Ofcom still include Community Fibre's offer within its social tariff definition even though it will no longer have eligibility criteria. Community Fibre will continue to work with our local authority, housing association, charitable partners and our own network of Digital Ambassadors to increase awareness of our social tariff.

### **Guide para 4.53**

We are aware of the requirements of the Government's breathing space scheme. At the time of writing, we are not aware of any customers who have made use of the scheme.

### **Guide para 4.54**

Our current information is transparent however it is being reviewed as part on the new General Conditions being introduced in June where we will consider any improvements that can be made based on this new proposed guidance.

### **Guide para 4.55**

As explained in our introduction it is important that Community Fibre retains the right to suspend service for non-payment and where we have been unable to contact the customer. Not having this option may mean that we have to introduce credit checks for prospective customers which could increase the number of consumers unable to access an Internet service.

### **Guide para 4.56**

Community Fibre has introduced a social tariff. Due to the cost and complexity associated with checking eligibility Community Fibre has decided to make this tariff available to all new customers of its service.

We think it is unlikely that a customer would be willing to share full details of their income and expenditure with their Communications Service Provider as would be required to complete a

Standard Financial Statement. This work is more appropriately done by the specialist debt advice agencies. As such the guidance should encourage Communication Service Providers to signpost customers towards the appropriate agencies and not attempt to complete a Standard Financial Statement with the customers themselves.

**Guide para 4.58**

Community Fibre does not currently use external debt collection agencies. However, we will take account of Ofcom's guidance should we choose to do so in the future.