Representing the Communication Services Industry



Review of Relay Services Issued 30 May 2012

FCS response- 20July 2012

Contact for response: Michael Eagle

Federation of Communication Services Ltd Burnhill Business Centre, Provident House, Burrell Row, Beckenham, Kent BR3 1AT Tel: 020 8249 6363 E-mail: fcs@fcs.org.uk Web: www.fcs.org.uk

Introduction

The <u>Federation of Communication Services</u> represents over 300 businesses delivering products and services via wireless, copper and fibre technology. Over 50% of FCS members are smaller CPs and new entrants that deliver telephony services into the residential and business markets; this sector is growing.

This response has been prepared on behalf of the Fixed Service Providers Group within the Federation. A list of FCS members can be found on the FCS website.

Overview

We welcome the opportunity of providing a brief response to this consultation on Ofcom's Review of Relay Services.

We have considered the additional information provided in the latest consultation as well as the material generated at the technical workshop held on 21 June.

In principle we support the development of a Next Generation Text Relay service which we appreciate will clearly improve the experience for speech and hearing impaired end user customers. However, we are concerned that the cost to industry of delivering these services must be proportionate – particularly for smaller CPs.

Following the clarification provided in section 3.31, we understand why Ofcom can no longer use a Universal Service Condition to mandate wholesale provision of an NGTR or to control the pricing of the wholesale service. However, we are concerned that removal of the USC obligation effectively means that Ofcom is relying on BT to develop and provide wholesale access to a Next Generation Text Relay service on a voluntary basis.

If BT fails to develop such a service, we do not believe there is a convincing commercial imperative for any other third party to do so. We would like to understand how Ofcom will enforce provision of at least one such wholesale service to enable CPs to comply with their obligations under GC15. The alternative would be for CPs to develop a service of their own, which, due to their size, would be unfeasible in practical terms for the majority of CPs and completely disproportionate with regard to the cost of provision.

We also have concerns about how Ofcom will control BT's pricing for wholesale access to its NGTR service and ensure that access is provided on an equivalent basis. The market forces argument outlined by Ofcom in sections 3.38-3.40 of the consultation (which appears to assume development of competitive services by third parties if BT overprice) is not convincing.

The structure of wholesale pricing deployed by providers is also important in ensuring fairness across the whole industry and FCS supports a pay on use model which is affordable for all CPs. Set up fees at a high level, for example, would be disproportionate for smaller CPs who handle a very low volume of calls.

We also note in connection with pricing that, since CPs are unable to charge a premium for calls made via the text relay service, it would simplify the billing process if CDRs generated by BT (or any other provider) reflected the price to be charged to the end user by the CP.

We note the update and summary of response with regard to Video Relay services and look forward to responding to the further consultation on this later this year. However, we would like to note that we have very major concerns, based on the information provided to date, that any proposals for mandating the provision of Video Relay services by all CPs (even on a restricted basis) would be entirely disproportionate

Ofcom consultation questions

Question 1: Do you agree that in light of the additional cost data and further clarification, in light of Ofcom's assessment of relevant benefits and other relevant considerations, all CPs (BT, fixed and mobile providers) should be required to provide access to an NGTR service?

We agree but only if an appropriate and affordable wholesale service is available for smaller CPs.

Question 2: Do you agree that the need to dial a prefix to access a relay service for incoming calls to the hearing and/or speech impaired end user should be removed?

We agree that this has clear benefits for affected end-users.

However, we would wish to be reassured that there are no major cost implications for CPs who operate a service provider or reseller model via, for example, consuming Openreach services via the BT network (and where call volumes will be relatively low). This concern relates specifically to the potential need to provide additional numbers and more complex routing to facilitate the NGTR service in lieu of a prefix.

Question 3: Do you agree with the proposed approval criteria and KPIs? If not please specify your reasons.

The KPIs proposed by Ofcom seem appropriate and proportionate.