

## Hull residents: Open responses

Ofcom received a total of 4 confidential open responses to its consultation.

Text of response 1:

*As a customer of Kingston Communications I find it totally unfair that I do not have the choice of either my Internet Service Provider or my landline telephone provider.*

*In comparison to other companies that are offering cheaper packages which include Satellite/Sky TV, Internet and Telephone use I believe that Kingston Communications customers are being charged more than what they should be. For example, Sky Communications can provide a package with free talk time, Sky TV and unlimited broadband for just £29.00 per month. With Kingston Communications I pay £11.00 per month plus calls for talk time and £14.99 per month (which will rise to £16.99 per month in March 2008). If I had the choice I would take up the Sky offer and have Sky TV. However, as Kingston Communications has the monopoly in this area it isn't even possible for me to choose.*

*Last week I received a letter from Kingston Communications saying that I would be charged £1.00 per month for the caller display service. This was the icing on the cake. You may say that £1 per month is not a lot - it's principle - as this company seems to be wanting to charge its customers as it sees fit. We do not have any other alternative providers in this area.*

Text of response 2:

*I am making this response about Kingston Communications Broadband policy as I feel it restricts my basic right to choose who provides my broadband service, especially when this option is available to all other consumers outside the Kingston area.*

*I have just moved to this area from the West Midlands where I could not only choose my broadband provider, but also my telephone service. I am now not allowed any choice in either of these areas; with the result that I am now receiving the most expensive telephone bills I have ever had even allowing that all local calls are free.*

*I have not signed up for broadband in this area as I feel that the Kingston charges are excessive for what appears to be an inferior service compared to what is available from other broadband providers at lower costs.*

*As a consumer I would like to be able to take up a combined Television, Telephone, and Broadband package from a single provider, but I am being denied what I would consider to be my basic right.*

*I feel that Kingston Communications should be made to free up their exchanges in the same way that British Telecom was made to do in the rest of the UK. I don't know why this has not happened, but if it is because KC is requesting exorbitant fees from potential alternative suppliers, then Ofcom should take the appropriate action to ensure that consumers get*

*the basic right of choice for the product they require. Surely monopolies are not part of current government thinking when applied to consumer choice.*

*All I want is that Ofcom take the appropriate action to ensure that Kingston Communications customers are given the same level of choice that all other Internet users in the UK have been given.*

*This surely is not a big ask!*

Text of response 3:

- A1.1 *Re 06/07 Review Para 1.6 “Hull Area” and “UK Market 1” are regarded as equivalent. However, most of the Hull Area comprises the City of Kingston Upon Hull, and is demographically and economically equivalent to UK areas in UK Markets 2 and 3*
- A1.2 *Hence the scope of the Consultation should be reviewed to consider Hull and surroundings on the same demographic basis as the rest of the UK.*
- A1.3 *Para 1.13 Kcom’s wholesale rates are clearly unattractive for OLOs to provide service on any Kcom broadband infrastructure. Ofcom must ask why there are no OLOs providing Broadband in Hull.*
- A1.4 *Paras 1.16 – 1.18 BT has made pricing commitments, and the same commitments should be obtained from Kcom. The reasons why Kcom cannot give these same commitments are relevant and must be investigated.*
- A1.5 *Para 3.24 – defines two broadband markets which differ only in that one excludes Hull and the other includes Hull. They are different markets, but for reasons which are no longer justifiable.*
- A1.6 *Para 3.133 – BT’s plans for introduction of the NGN, 21CN, include interconnect discussions with Kcom, but there is no logical reason why Hull should not be an integral part of 21CN. The historical reasons for Hull providing its own infrastructure and access to the rest of the UK far precede current technological developments.*
- A1.7 *Para 3.136 – states that Ofcom considers Hull is a separate geographic market for the reasons given ‘in the text below’. I have studied this text and can find nothing to show why this should be so. There are two inferences to be drawn 1) that the question of Hull as a separate geographic market is within the scope of the Consultation, and 2) that Ofcom cannot find a compelling reason why it should be. It is time for action to remove for evermore the words “(except the Hull area)” from serious reviews of UK Telecommunications.*
- A1.8 *Para 3.211 – correctly states that a separate market in Hull does exist because OLOs do not operate there. This does not mean that a separate market should exist there. If the logic of fair Market 2 trading is followed, the only conclusion can be that a separate market should not exist.*
- A1.9 *The fact that Hull is a separate geographic wholesale market appears to be a premise of this Consultation, not a question of whether or not it should be.*

*The providers of wholesale and retail services have no big reason to question it. Kcom has its licence enshrined in law. BT Openreach would have to spend money to bring Kingston's infrastructure up to national standards, and to provide a satisfactory service level to its retail and wholesale customers. The OLOs will focus on areas where LLU costs allow them to make a retail profit, and Hull is very low on their lists. Hull Corporation still has responsibility to its ratepayers, and should encourage the adoption of full carrier-class telecommunications infrastructure and competitive services.*

- A1.10 *The residents and businesses of Hull are severely disadvantaged by the lack of competitive service offered for broadband and other data products compared to the rest of UK, and are entitled to rely on Ofcom to represent their interests.*
- A1.11 *Ofcom's responsibility is for the whole of the UK and not just "the UK (except the Hull Area). That a major city and its hinterland should not have a fully functional, cost-effective and integrated telecoms infrastructure is no longer acceptable.*
- A1.12 *An appropriate solution would be for BT to take over the regulated infrastructure business from Kcom, and with it Kcom's Universal Service Obligation (USO). Kcom would continue to operate as a retail supplier, in Hull as in other areas. There will be costs involved in upgrading the city's cable and switching infrastructure, which should not be to current standards but to upgrade to FTTC and other modern access technologies. These costs should be met largely by external funding, required to counter shortfalls of the past which include under-investment, and inefficiencies of small-scale operation.*
- A1.13 *The pace of worldwide telecommunications modernisation is such that if Hull is not corrected very soon it will become more of an industrial backwater. It is never too soon to correct an untenable situation.*
- A1.14 *Hull Telephones still enjoys pride and loyalty from many of the local population. However, most will acknowledge the benefit from the changes proposed, and there are plenty of opportunities to manage these changes in an acceptable way. Kcom will continue to provide phone service (in competition now with BT), and Karoo to provide broadband alongside Eclipse, Plusnet, BTYahoo, Virgin, O2, and Sky, etc, assuming national wholesale rates will apply in Hull. Kcom will experience pressures on staffing levels, but this will be more than countered by demands of the modernisation programme, and by the general increase in prosperity that a modern telecommunications system underpins. If you go to Hull you will understand that this is badly needed.*