



OFCOM'S CONSULTATION ON AUTOMATIC COMPENSATION FOR LANDLINE AND/OR BROADBAND CUSTOMERS

RESPONSE BY SKY

Annex 1: PROPOSED AMENDMENTS TO INDUSTRY-LED VOLUNTARY PROPOSAL

Factor	Ofcom's proposal	Current draft VICOP	Proposed improvement to VICOP
Number of consumers covered	All consumers of landline and broadband services for residential services	BT/Sky/VM	BT/Sky/VM plus Zen Internet, EE, Plusnet in principle
Compensation for delayed repair of loss of service	£10 per calendar day if the customer experiences a total loss of landline and/or broadband service and their service is not fully restored by midnight on the second working day after the provider becomes aware of the loss	£3 per working day for loss of service beyond three working days after a customer reports a total loss of service and a fault recorded on that line	£7 per calendar day for loss of service beyond two working days
Compensation for delayed provisioning	£6 per calendar day where there is a delay in the commencement of a landline and/or broadband service beyond the date that the provider has committed to in a written form	£3 per day for each working day beyond the date of intended activation	£4 per calendar day. <i>Assumed that only payable automatically if customer subsequently activates.</i>
Compensation for missed appointments	£30 to be paid by the provider where an appointment is missed (and notice of at least 24 hours has not been given or the consumer expressed consent to changed appointment time)	£20 for a missed appointment slot (if 24 hours' notice of change is not provided)	£20 for a missed appointment slot (and notice of at least 24 hours has not been given or the consumer expressed consent to changed appointment time)
How compensation will be paid	<ul style="list-style-type: none"> • Compensation to be paid automatically when appointment is missed and there is a delay in 	<ul style="list-style-type: none"> • Compensation to be paid automatically when appointment is missed and there is a delay in 	<i>See consultation response (if applicable).</i>



	<p>provisioning</p> <ul style="list-style-type: none"> • Compensation to be paid automatically for delayed repair after customer contacts provider to notify it of the loss of service and a fault is recorded 	<p>provisioning.</p> <ul style="list-style-type: none"> • Compensation to be paid automatically for delayed repair after customer contacts provider to notify it and a fault is recorded 	
<p>Cap on payments</p>	<p>No cap proposed</p>	<p>Providers have ability to impose a cap, although this must be above a minimum level. Precise minimum level is not specified. This cap does not limit customers' other rights of redress (to exit their contract or claim additional compensation).</p>	<p>As a minimum, CP's to offer:</p> <p>Automatic compensation for loss of service and delayed provision limited to 30 days beyond a notice given to the customer that automatic compensation payments will cease.</p> <p>CP's notice must not be served before the date 30 days after the 'trigger day' for compensation payments.</p> <p>Notice must :</p> <ul style="list-style-type: none"> (i) set out the date on which compensation will cease; (ii) set out that no early termination/default charges will be charged in the event of cancellation if a customer cancels during the 30 day period from receipt of the notice (even if service is restored during this period); (iii) set out that the customer can still raise the issue through the complaints process and seek additional compensation via that route, including



			<p>reference to ADR.</p> <p>This remains without prejudice to any other right a customer has to cancel.</p>
Form of payment	Bill credit (unless otherwise agreed by the customer)	Bill credit (unless otherwise agreed by the customer).	No change as the same
Timing of payment	<ul style="list-style-type: none"> • Within 30 days of missed appointment • Within 30 days of loss of service or delayed provision is resolved 	In a timely manner and no later than the next bill after the issue is resolved	<p>Change to align with proposed GCs</p> <ul style="list-style-type: none"> • Within 30 days of missed appointment • Within 30 days of loss of service or delayed provision is resolved <p>Note:</p> <ul style="list-style-type: none"> • <i>Whilst credits will appear on customer account within period, it may not be reflected until next bill (which could be much later e.g. if billed quarterly).</i> • <i>Further discussion needed on impact on timing/payment of compensation if a customer chooses to leave before an issue is resolved.</i>
Exclusions	<ul style="list-style-type: none"> • Compensation excludes customer-caused incidents • Force Majeure and MBORC type events not excluded 	<ul style="list-style-type: none"> • Compensation excludes customer-caused incidents • Force Majeure and MBORC type events not excluded 	<p>Change to align with proposed GCs to include exclusions in proposed GC's CX.13 (b) to (d)¹</p> <p><i>Assumed that an issue caused from within the customer's home is excluded.</i></p> <p><i>Compensation not payable for loss of service issues to</i></p>

¹ Industry welcome further discussion with Ofcom on the definitions used within the current exceptions.



			<i>the extent caused by customer not accepting first available repair date.</i>
Implementation	Implementation period of 12 months after statement (see below)	As soon as reasonably practicable	<i>See consultation response.</i>
Provision of information about compensation to Relevant Customers	<ul style="list-style-type: none"> • Notification of compensation entitlement on booking for missed appointments • Notification on compensation entitlement on notification of activation date • Notification of compensation entitlement on report of loss of service 	Promoted on CP's website	<p>To ensure VICOP's principles as they apply to a CP are appropriately and transparently communicated to customers, CP's would like to work with Ofcom (and, if appropriate, consumer groups) to look to increase transparency of the VICOP by:</p> <ul style="list-style-type: none"> (i) considering similar transparency principles as outlined in Ofcom's proposed regulation for SMEs; and (ii) establishing a 'kitemark' identifying those CPs who have chosen to participate in the VICOP.
Enforceability	Legally enforceable	Not enforceable	CP's are willing to include provision of relevant information to Ofcom to assist with monitoring.