



ITSPA's Response to the Interim Gigabit Take-up Report

About ITSPA

The Internet Telephony Services Providers' Association ("ITSPA") represents over 100 UK businesses involved with the supply of next generation communication services over data networks to industry and residential customers within the UK. Our traditional core members are VoIP providers. ITSPA pays close attention to both market and regulatory framework developments on a worldwide basis in order to ensure that the UK internet telephony industry is as competitive as it can be within both national and international markets.

Please note that certain aspects of the ITSPA response may not necessarily be supported by all ITSPA members. Individual members may respond separately to this consultation where a position differs. However, the ITSPA Council is confident that this response reflects the views of the overwhelming majority of ITSPA members.

A full list of ITSPA members can be found at <http://www.itspa.org.uk/>.

Response

The Interim Gigabit Take-up Report acknowledges that demand for gigabit-capable broadband is an important factor in achieving the Government's ambitions for 85% coverage by 2025 and we appreciate the opportunity to add our views, as representatives of our membership, as to where the barriers for take-up may be.

It was apparent at the recent round-table meeting that consumers are fairly well represented within this review and, as the majority of our members provide service to the business sector, we have based our response to business users.

However, there are many factors that we believe influence both types of user equally or at least to some extent and therefore we are supportive of any progress that can be made in the areas we highlight below. Ultimately, we have to acknowledge that, as an industry, we are working on an extremely tight timeframe to bring about a major education programme, not to mention handling the technical challenges, to result in one of the largest infrastructure updates in recent memory and that will require the efforts of all stakeholders – from Government, regulators and network providers through to service providers, trade bodies and consumer groups.

Ease of switching

The interim report refers to the measures being put in place as a result of the implementation of the European Electronic Communications Code (EECC), specifically in regard to switching. It is important to note that at the time of writing there is no agreement or regulator decision (although Ofcom have published a consultation on this on 3rd February 2020) on how the EECC requirements are to be met and once such agreement is reached or a solution mandated there will be an implementation window meaning changes won't be felt across industry for at least 12 to 18 months. But perhaps more of a concern is that whilst we are expecting a decision from Ofcom imminently in this regard, they have already stated that the decision will focus on residential consumers only and business switching is still to be considered.

When you combine this with the fact that all work to improve the UK's number portability process has been paused, and does not even feature on Ofcom's draft plan of work for this year, we are deeply concerned that the processes and procedures required for smooth migration for users are far behind



the standard that is needed and unless this is addressed immediately there is almost no chance that this situation can be improved to help with the 2025 deadline.

Any limitations in the porting or switching process will exacerbate the lack of desire to migrate to new services, and could severely impact competition with many consumers taking the simpler default option of remaining with the incumbent provider.

Barriers to business take-up

The report highlighted three key barriers to businesses – understanding, benefits and skills.

Based on informal feedback from members we can certainly agree that there is a low understanding of ‘gigabit-capable broadband’ and when and how it might be available. The fact that skills is noted relates to the first point as, if the topic was simple to understand there would be a far lesser requirement for additional skills within an organisation.

The benefits should be the simpler matter to resolve with a suitable education and awareness campaign, although this would have to be tailored to the target audience for maximum benefit. Unfortunately, there is still significant confusion with regard to replacement products and availability meaning it’s difficult for service providers to put together a suitable awareness campaign. There needs to be a joined-up approach to include general education about the changes alongside more targeted specific information for user groups.

It is fair to say that if many of our members are struggling to understand the path to all IP it is unreasonable to think that businesses outside of the telecoms or IT industries could grasp it.

Awareness campaign

We are delighted to note that you have gathered strong evidence to support a variety of awareness campaigns as this is something we have been lobbying for. The BSG led website (<https://www.futureofvoice.co.uk/>) cannot be the only tool in the armoury. It needs to form part of a much broader information campaign. Whilst we acknowledge there is a judgement to be made as to the best timing of this, we do feel that waiting until the solution is widely available, as suggested in Table 1 of your interim report, is probably too late to have maximum benefit.

Indeed, one of our members, Zen Internet, has published findings from a survey which supports those in the interim report. The survey found that 24% of UK businesses (33% for SMEs) are not aware of the planned switch off of the PSTN, with 10% of SMEs aware of the changes but unsure of what the next steps are. The issue here, which is also referenced in the survey, is that 13% of businesses state that the next possible point of contract renewal or termination is more than 3 years away, with 8% claiming that they have no plans to terminate. Businesses normally commit to long-term contracts and ITSPA is concerned that, without a clear communications campaign, long-term contracts are still being signed despite the switch off of legacy systems in four years’ time.

The Openreach notification lead times are relatively short, a necessity if we are to reach the 2025 targets, but that does mean we can expect to see a large volume of contracts being adopted by consumers, businesses, local authorities etc, that will be outdated within a very short period. Only early awareness of the upcoming changes can minimise the accusations of mis-selling later on and the pain of double migrations for consumers.



It is our view that the PSTN switch off, which is vast in its complexity and impact, is receiving less publicity than the 2007 digital TV switchover which had far fewer opportunities for disruption, mis-selling and breakdown of critical services and if this lack of awareness is not corrected forthwith the costs to correct these issues later will be greater than the cost of a communications plan now