Ofcom Call for Views: Understanding how people and businesses can benefit from AI in telecoms markets – March 2026

About CCUK

1. Comms Council UK (CCUK) is a membership-led organisation that both represents and supports telecommunications companies that provide services to business and residential customers in the UK. We keep Britain talking in its various guises by providing or reselling voice services over data networks (VoIP) as well as other "over the top" applications including instant messaging and video.

2. The membership is a mixture of network operators, service providers, resellers, suppliers and consultants involved in a sector that is diversifying rapidly. CCUK represents its members at a policy level, builds coalitions to collaborate on industry initiatives and provides a platform to help members prepare for change, learn about new trends and develop new business relationships.

Introduction

3. CCUK welcomes the opportunity to respond to Ofcom's invitation to contribute to its work on Understanding how people and businesses can benefit from AI in telecoms markets.

4. We strongly support Ofcom's objective of understanding how AI affects residential and business customers across the telecoms customer journey, and of ensuring that regulation remains outcomes-focused and technology-neutral.

5. AI tools are already in use across our members' operations, particularly for customer support, internal productivity and accessibility. Many deployments remain at an early stage. We see real opportunities to improve service and inclusion, while also recognise important questions around reliability, transparency, vulnerability and what is practical for smaller providers.

6. Our response focuses on Ofcom's three questions and reflects the themes discussed in the bilateral meeting between Ofcom and CCUK on 11 March 2026.

7. In our response we focus on:

    a. AI tools that directly shape the customer experience of engaging with the market.
    b. How telecoms providers use third-party AI tools and platforms, as this is a major route to adoption for smaller CPs.
    c. We do not comment on AI used purely for network management or internal optimisation where the impact on the customer journey is indirect.

Question 1: How are AI tools being deployed and adopted across the telecoms value chain, and how are those tools affecting the experience of business and residential customers, throughout the customer journey, both today and in the future?

8. Among CCUK members, the adoption of AI is growing but remains early-stage and uneven.

9. In practice, AI is most visible in **customer-facing support**. Some members use AI-based

chatbots and virtual assistants on websites or in customer portals, as well as Voice AI (automated IVR or calling menus), to handle simple FAQs, basic billing queries and first-line triage. However, there is widespread caution about allowing AI to take binding decisions on contracts, complaints, disconnections or compensation without human review, primarily because of concerns about accuracy and hallucinations.

10. AI is more commonly used to **support staff behind the scenes, with humans kept in the loop on key decisions**. Typical use cases include:

    a. Transcription and summarisation of calls, often combined with call sentiment and conversational analysis.
    b. Translation of customer communications
    c. Knowledge search and summarisation to help agents answer consistently

11. These are seen as practical improvements which can enhance speed and accessibility while keeping humans accountable for final outputs.

12. So far, members report **limited evidence of AI-specific complaints.** They are not yet seeing large volumes of complaints explicitly about AI tools, but they are alert to emerging risks around confusing or incorrect advice generated by chatbots. Ofcom also noted in our bilateral discussion that it has not yet seen significant volumes of complaints specifically about chatbot deployment and hallucinations, which supports a focus on close monitoring and guidance rather than immediate new AI-specific rules.

13. **Across the customer journey**, members report AI being used at multiple points across the customer journey, from initial information gathering and product choice through to in-life support, complaint handling and, to a lesser extent, renewals and contract exit.

14. In line with Ofcom's observation that people have started to adopt AI applications to search for the best broadband and mobile deals for their needs, some customers are now using external AI assistants and comparison services when exploring telecoms offers. These tools sit outside providers' direct control, but can influence how customers perceive and compare different providers' products. Savvy consumers and businesses are increasingly likely to use LLMs to investigate products, with responses shaped by the model used and the sophistication of the prompt. This is expected to drive a shift in marketing focus from traditional SEO toward AI SEO or AI search optimisation.

15. **During onboarding and contracting,** there is some exploratory use of AI to explain product features, auto-generate welcome emails and highlight key contract points in plain language. Human oversight remains central where information relates to prices, terms and conditions or statutory rights.

16. AI is most visible today for our members in **in-life support and account management,** including:

    a. Chatbots for simple queries.
    b. AI-assisted knowledge tools and summarisation for support agents.
    c. Transcription and translation to support accessibility and SMEs.
    d. Finally, **Complaints, renewals and offboarding**

17. Members primarily use AI at the **complaints, renewals and offboarding stages** to assist human agents, for example by summarising previous contacts. Providers show limited appetite for AI-only handling of complaints or termination journeys, given how sensitive these interactions are and how central fair treatment is in these situations.

Future evolution (12–18 months and beyond)

18. Looking ahead, we expect more agent-assist tools rather than full automation among many CCUK members, especially smaller providers. AI will help staff respond more effectively rather than replace them outright, allowing people to focus more on providing empathy and support to customers while the system handles routine transactional tasks.

19. Customers, particularly SMEs, are likely to make increased use of personal AI to:

    i. Compare offers.
    ii. Monitor usage.
    iii. Query bills and recommend changes.
    iv. Draft "DIY contractual or legal correspondence and complaint letters, potentially increasing administration volumes for customer services

20. This raises questions about how providers discharge existing obligations when interacting with an AI acting on behalf of a customer.

21. We also anticipate continued experimentation with advanced tools such as biometrics and fraud analytics. Smaller CPs are particularly concerned about cost, technical complexity and the robustness of these tools against spoofing and deepfake (see NTS comment below).

Question 2: What opportunities and risks does the adoption of AI tools, and their growing capability, present for telecoms customers?

Opportunities:

22. CCUK members see several clear opportunities for both residential and business customers from the adoption of AI tools. Used well, AI can reduce wait times for basic queries and provide some level of support outside standard hours, which is particularly valuable for microbusinesses and SMEs that do not always operate on a nine to five schedule. AI can also help providers generate simple technical or product explainer content, for example short videos that walk customers through common tasks.

23. AI can also improve accessibility. Transcription can support customers who are deaf or hard of hearing, or who need written records of complex conversations, while translation can assist non-native speakers and internationally active SMEs. AI tools can help simplify technical language and policies into clearer explanations and create technical or product explainer videos in more accessible formats, which is helpful for customers with lower digital confidence.

24. In practice, members highlight that AI can deliver improvements such as:

    a. Shorter waiting times for simple queries and status updates.
    b. Better accessibility through transcription, translation and clearer explanations.
    c. More consistent information from agents who are supported by AI-driven knowledge tools.
    d. Earlier identification of recurring issues through analysis of interaction data.
    e. Better identification and flagging of potentially vulnerable customers, as well as customer service staff who may need additional support.

Risks and harms:

25. Alongside these opportunities, members are already seeing risks that require careful management. Experience so far suggests that **AI systems can sometimes generate**

confident but incorrect responses, even when grounded in the provider's own content. This can directly affect contract understanding, billing accuracy, complaint rights and security advice.

26. Some CCUK members deploying AI-based chatbots for customer support have found that **they cannot fully trust the answers these tools provide**, even when the bot is grounded on content from their own website. In practice, members have seen chatbots misinterpret or oversimplify policy details, so they require human review of AI-generated responses before they are shared with customers.

27. There are also **concerns about transparency and the ability for customers to reach a human**. Customers may not always realise they are interacting with an AI tool, and if they cannot easily escalate to a human agent, particularly when distressed or dealing with complex issues, this can create harm and mistrust.

28. This is especially relevant for **vulnerable or low-confidence customers**. AI interfaces can be difficult for some people to use, and AI may fail to pick up subtle cues of vulnerability that a trained human might recognise. Over-reliance on AI at key points such as debt management, disconnection or serious complaints could therefore increase the risk of unfair treatment if not carefully designed with clear routes to human intervention.

29. Members also highlight questions about **responsibility and guardrails** across the value chain. Many providers, especially smaller CPs, rely on third-party AI vendors rather than building their own systems. There is uncertainty about how responsibility is shared where AI tools behave unpredictably or generate harmful content, and what level of due diligence and ongoing monitoring is realistically expected of smaller providers in this context, including how to manage risks of data leakage into and out of AI tools, for example where personally identifiable information is involved. CCUK is engaging with specialist lawyers in the field of AI to support members through guidance and events on these issues. New AI technology can also be used to check chatbot and automated voice responses, creating potential new approaches to "mystery shopping" or compliance validation of Ofcom in future.

30. Finally, **AI is being used both to help detect fraud and to perpetrate it**, for example through synthetic voice and identity spoofing, including recent cases where criminals have used "lifestyle survey" calls to harvest personal data, clone victims' voices and set up unauthorised payments, as highlighted by National Trading Standards. Smaller CPs are uncertain what level of AI-driven fraud detection they are expected to provide, and how far they can reasonably rely on vendor claims about biometric or behavioural tools. Taken together, these issues reinforce the need for clear, proportionate guidance and best practice, rather than immediate new AI-specific rules.

Question 3: Do we need to make changes to our rules to support responsible innovation or to protect consumers?

Overall position

31. At this stage, CCUK does not see a clear case for new AI-specific General Conditions in telecoms.

32. The existing General Conditions and general consumer Law (including, for example, the Consumer Rights Act 2015 and the Consumer Protection from Unfair Trading Regulations 2008) already set robust requirements around clear, accurate and non-misleading information, fair treatment and vulnerability, contract information and switching, and complaints handling and redress.

33. Ofcom's current approach is rightly outcomes-focused and technology-neutral. Feedback from CCUK members aligns with this. We have not seen strong evidence that the General Conditions themselves are acting as a primary barrier to AI adoption today. Where members are cautious, this is more often due to operational factors, risk appetite, human trust in AI tools and, in some cases, wider legislative considerations such as the Telecommunications Security Act rather than specific provisions in Ofcom's consumer protection rules.

34. However, we do see a strong case for **clarifying how existing rules apply when AI is used and for providing practical guidance and best practice**, particularly for smaller CPs, including where AI services are delivered through cross-border supply chains subject to different regulatory and data sovereignty requirements.

Areas where guidance would be especially valuable

35. There are several areas where we think guidance would be especially valuable in the short term. First, on **transparency and communication** with customers. Providers would benefit from clear expectations around:

    a. Telling customers when they are interacting with an AI tool.
    b. Explaining, in simple terms, what the AI does and any limits.
    c. Setting expectations for record-keeping where AI contributes to significant decisions.

36. This would help ensure customers understand when AI is involved and how it affects the way they receive information or support.

37. **Human oversight and escalation** is another priority. In CCUK's view, customers should be able to reach a human agent where they request to do so, where they are or may be vulnerable, or where decisions involve disconnection, debt, serious complaints or material service changes.

38. It would be helpful for Ofcom to give examples of customer journeys where AI-only handling is unlikely to be appropriate, so providers can design escalation routes with confidence and avoid the risk of people becoming stuck in an automated loop. There is also a growing need to recognise new AI agent-based outbound use cases and their impact on service providers and customers, for example automated voice agents that can call thousands of businesses.

39. We also see a role for guidance on the use of **AI in sales, contracting and retention**. This would help providers ensure they continue to meet existing rules on contract information, mis-selling and switching where AI forms part of the sales or retention process. It could also set guardrails to prevent AI-enabled retention tactics from creating undue friction for customers who wish to leave or change provider, particularly business customers with limited time and expertise.

40. **Responsibilities across the value chain** are another area where clarity would help. Many providers, especially smaller CPs, rely on third-party AI tools rather than building their own systems. Ofcom could usefully set out what reasonable oversight looks like, including:

    a. Procurement and configuration checks.
    b. Monitoring for inaccurate or harmful outputs.
    c. Clear processes to address problems when they arise.

41. For smaller CPs in particular, expectations should focus on having **appropriate**

governance, vendor due diligence and monitoring processes, rather than deep technical assessments of AI models which they cannot realistically perform. This proportionality is essential if smaller innovative providers are to continue adopting AI tools that could benefit their customers.

42. In addition, Ofcom could support smaller providers by publishing **SME-focused best practice and templates.** This might include:

    a. Plain-English guidance on deploying AI in customer journeys.
    b. Checklists for risk assessment, vendor selection and escalation design.
    c. Example wording that providers could use to explain AI use and escalation options to customers.

Avoiding unintended negative impacts

43. We encourage Ofcom to assess carefully the risk that heavy or highly technical AI-specific obligations could favour the largest providers and discourage smaller CPs from using AI, even where it would benefit customers.

44. Any future rule changes should therefore be evidence-based, targeted at clearly identified harms that existing rules cannot address, and tested for their impact on SMEs and smaller providers.

45. At present, guidance, evidence-gathering and monitoring appear to be the most appropriate tools for supporting responsible innovation while maintaining strong consumer protection.

Conclusion

46. CCUK welcomes Ofcom's work on understanding how AI affects the experience of residential and business telecoms customers.

47. We support the use of AI where it delivers clear benefits for customers, particularly in accessibility, speed of service and support for SMEs.

48. We recognise and share Ofcom's concerns around reliability, transparency, vulnerability and fraud.

49. We believe the existing regulatory framework already provides strong consumer protections, and that AI-specific rulemaking is not yet justified.

50. We consider that the existing regulatory framework already provides strong consumer protections, and that any AI-specific rulemaking in telecoms should only be considered once clear evidence emerges of harms that cannot be addressed under the current rules.

51. We recommend that Ofcom focuses on technology-neutral guidance, practical best practice and proportionate expectations for smaller CPs, alongside continued evidence-gathering and engagement, while keeping in step with guidance emerging in other regulated sectors such as financial services and across the wider UKRN.

52. CCUK and its members would welcome further dialogue and stand ready to assist Ofcom in developing SME-friendly guidance and sharing case studies as AI deployments in telecoms evolve, including across new modes such as text, voice and video.