

ISPA Response to Ofcom Annual Plan 2019-20

1.1 About ISPA

ISPA welcomes the opportunity to respond to Ofcom's consultation on the proposed Annual Plan for 2019-20.

ISPA is the trade association for providers of internet services in the UK, we have over 200 members, 90% of which are SMEs. Our members cover the whole spectrum of access provision using FTTP, FTTC, wireless, satellite and hybrid solutions at a wholesale and retail level, and all play a critical role in delivering broadband and internet services across the UK to consumers and businesses.

1.2 Introduction

As we move into the next phase of digital infrastructure deployment with the Government pushing for a 'full fibre' future, the industry looks to Ofcom to ensure this vision can be delivered on. There are a number of areas that ISPA feel should be important considerations for Ofcom that are currently overlooked in the proposed Annual Plan, or would benefit from greater emphasis in 2019-20. These include a more comprehensive understanding of the business ISP market, more targeted intervention in the consumer market, and a commitment to look into facilitating infrastructure switching in more depth. ISPA would also welcome greater clarification of Ofcom's role in cyber security regulation as a Competent Authority in the NIS Directive, and on their plans for regulating the industry post-Brexit.

1.3 Business Broadband

The business broadband market is an important aspect of the UK's connectivity landscape. ISPA would like to encourage Ofcom to consider the business broadband market more thoroughly to develop a more well-rounded understanding of the customers, their needs and the forces driving behaviour in this market. To do this effectively Ofcom should make steps to ensure that business connectivity is fully captured in its Connected Nations Reporting. Transparency and availability of such information on the UK's businesses' coverage and ultimately their productivity will allow Ofcom to better target any necessary interventions.

Despite some similarities, the business and consumer sectors of the broadband market have many differences, and a more consistent approach from Ofcom to defining and supporting the business market separately is necessary. This has particularly been seen around the adoption of inconsistent definitions of business customers across market interventions by Ofcom. For any interventions in this market to work effectively and to avoid regulation being applied or removed inconsistently, it must be properly defined and ISPA would like to encourage Ofcom to engage with our members, many of whom provide essential and innovative connections to businesses across the country.

1.4 Consumer regulation

ISPA welcomes Ofcom's increased focus on consumer protection and information. Much of this work is essential in building trust and awareness in the wider public about their connectivity service

and how they could benefit from upgrading. This boost to take up of super and ultrafast services will be essential as ISPA's members continue to roll out next generation infrastructure.

Whilst ISPA supports Ofcom's work to ensure vulnerable customers in particular, it is a key concern of industry that these measures are appropriately targeted to benefit the section of the market they are intended to protect. This is closely linked to the need for consistency in the scope of definitions with reference to the business market. ISPA has been clear in recent consultation responses regarding issues including end-of-contract notifications that the level of protection needed by a vulnerable consumer and a business differ greatly, and there should be a concerted effort by Ofcom to target these measures appropriately.

1.5 Switching

ISPA would further like to encourage Ofcom to consider in more detail how it can support the industry in adopting measures to facilitate infrastructure switching. With network competition in the UK growing and set to continue, it is important that Ofcom takes this opportunity to work with industry to consider how switching easily between infrastructure providers should be managed.

This process may well take a considerable amount of time. It is clear that to avoid potentially significant consumer harm, Ofcom must work to drive this agenda forward and ensure the industry does not end up in a position where consumers are looking to switch but the required mechanisms are not in place.

1.6 Cyber Security

Under the Network and Infrastructure Security Directive, Ofcom was designated as a Competent Authority with a remit covering the telecommunications sector. ISPA members are concerned that there has been little clear information from Ofcom on how it intends to take forward this role and work alongside other authorities and bodies that are active in this space (e.g. ICO, NCSC). Beyond this, ISPA also notes that the TBEST scheme is expected to launch in "early-2019". Further information and clear next steps on this are needed, and ISPA would like to encourage Ofcom to be more transparent about their aims, and scope of any work in the cyber security space.

1.7 Brexit

With the UK set to leave the European Union on 29th March, ISPA members call on Ofcom to give a clear indication of how it plans to regulate the industry post-Brexit. This includes the current work on the new European Electronic Communications Code, which ISPA members look forward to working on closely with Ofcom throughout 2019.

1.8 Conclusion

ISPA looks forward to continuing to work with Ofcom in 2019-20 on many of the points raised above and in the draft Annual Plan. As the UK sits at the precipice of a new wave of next generation infrastructure - and Brexit - ISPA members look to Ofcom to ensure the industry can continue to drive innovation and connectivity across the country.