



Smaller ISPs and Parental Controls – ISPA response

Introduction

The Internet Services Providers' Association is the trade association for the internet industry in the UK. ISPA has over 200 members from across the sector. This includes a large number of access providers beyond the four that co-authored the active choice code of practice (BT, Sky, TalkTalk and Virgin) who are also members. We have been working in the area of online safety for many years and helped establish the Internet Watch Foundation. ISPA therefore has a unique position and role in articulating the views of smaller providers.

This response has been prepared following the Communications Review announcement that Government, for the first time, wanted to see smaller ISPs “follow the lead” of larger providers in providing their customers with a filtering solution. We are aware that a follow up summit is planned to update on progress in a number of areas following the first summit in June. This paper sets out our response following a meeting of a number of ISPA's smaller members and a survey that asked about current practices and challenges of offering a network-level filtering solution.

This has led to a conclusion from a proportion of our smaller ISP members that there is a general appetite to offer “family friendly filters”. It has to be stressed that there are a number of barriers to directly replicating all aspects of the approach adopted by the larger ISPs, including cost, scale and the nature of their customer base. However, there is more than one approach of going some way to meeting the challenge of covering multiple devices in the home and putting users in control of what to filter.

Internet connectivity market

It is important to understand that the internet industry is diverse and competitive with a long tail of smaller and niche providers, making available a variety of services to customers. The largest 4 access providers have subscribers ranging from 4-7 million and represent a very large proportion of consumers, approximately upwards of 98% of the residential market.

Beyond this subscriber numbers fall very quickly and then go all the way down to ISPs with literally a handful of customers. Our members' survey received responses from ISPs with subscribers ranging from 50 to 125,000. Ofcom, in determining which fixed line ISPs should be covered by the DEA Initial Obligations Code, decided that it should only apply to those with more than 400,000 subscribers, which in 2012 was said to represent 93.5% of the total broadband market¹. This was in part due to proportionality and the concern around burdens and obligations on SMEs and micro businesses. The Home Office adopts an “intelligence-led” approach to the Internet sector which means that smaller providers are not always subject to the same regulatory requirements of the larger ISPs.

Moreover, a great number of smaller ISPs mainly provide connectivity services to businesses. Some only provide services to businesses, whilst others provide a mixture of business and home users, with business usually the main focus of the provider. We understand that it not the intention of the Government to capture business connectivity in its policy on parental controls and welcome this.

Customer base

The customer base of smaller ISPs is often different to that of a larger ISP, with customers often paying a premium price for a more dedicated service, rather than as part of a family package that includes other services such as television. This is because customers of smaller ISPs often demand a more dedicated service are generally more internet-savvy. It also means there is less need for the ISP to support customers with safety tools as there is a higher awareness of existing solutions available.

¹ <http://stakeholders.ofcom.org.uk/binaries/consultations/online-notice/summary/notice.pdf>

It should be stressed that, on the whole, feedback from our members is that customers of smaller ISPs have not been demanding parental control filters. Our survey of members found that 90% of smaller ISPs had not been asked by customers to provide filters.

The difference between the big 4 consumer ISPs and the rest of the sector is therefore quite marked and any call for smaller ISPs to follow the lead of larger ISPs should be viewed in this light: what works for an ISP with 5 million customers is not necessarily appropriate for an ISP with 50,000 with a different customer base. We would welcome an approach from Government that is not prescriptive, has the flexibility to allow ISPs to tailor for their customer base and will not necessarily be identical to that offered by large ISPs.

Cost & scale

We understand the larger ISPs intend to offer free, configurable, network-level content filter solutions that cover multiple devices in the home, have pre-ticked categories selected and are made available to new and existing customers. It is important to note that while aspects of this solution may be possible to implement for smaller ISPs, the exact network level content filtering systems used by the larger ISPs do not scale for smaller providers. The systems are often charged on a per user basis and so are designed to scale for ISPs that have millions of subscribers rather thousands. The exact model does not scale in any sort of realistic or proportionate way and so pragmatic alternatives have to be sought. In a survey of our membership, half thought that cost was the greatest hindrance to offering a solution while a third said their customer base was too small.

As well as the challenge of scalability, cost is also measured by opportunity costs and time spent by companies away from core areas of business. So as well as capex and opex costs, the time spent away from growing a business or ensuring the core running of the network also need to be factored in. This is particularly true of SMEs and micro businesses who do not have the resources or customer base of a large ISP and any potential offering has to take this into account. This is reinforced by the fact that TalkTalk's HomeSafe is reported to have cost £20m to develop and launch. With such a competitive market it is increasingly challenging to make much profit from a broadband connection and therefore additional costs may have an adverse effect on competition in the market.

Alternative approaches

ISPA agrees with the Government's approach that ISPs are best placed to decide exactly how to technically deliver a parental control filter to their customers. We consider it is especially important that this approach is taken with smaller ISPs.

A number of our members have been looking at their safety offering as part of their overall package to see what kind of solution would be appropriate for their customers. What this may be varies from ISP to ISP depending on the size of company and type of customer, but there is a willingness to go some way in meeting aspects of the solution offered by larger ISPs. It is likely to meet, in spirit, the challenge for putting parents and carers in charge in an easy-to-use manner that allows different content types to be configured and covers multiple devices. In most cases this is using DNS filtering, the same underlying filtering technology used by some of the larger providers.

Because of the challenges of cost and scale, some smaller ISPs are looking at alternative tools and services to their customers that would put the user in control and cover multiple devices in the home. For example, OpenDNS can be offered at the router level and goes a considerable way to meeting the challenge of making available 'family friendly filters' to parents and carers. As part of this work ISPA would be happy to list a variety of options on its website and publicise to members available solutions.

Current safety tools and services

There are a great deal of safety tools and services made available to customers by ISPs and others. These range from the network level filtering tools currently available through the larger ISPs, a variety of products and packages from security companies, free-to-download filters that sit on the router and control multiple devices, device-level filters, search tools and software packages with individual filters and settings and innovative age-appropriate tools. Responses to our feedback found that 40% of smaller ISPs surveyed already offered safety and tools and advice and one third a safety solution.

We recognise that filters and technical tools have a role to play but should not be viewed as a solution in and of itself. Supporting and empowering parents and carers is key and a wide variety of education and awareness tools are available – these are just as important if not more so. Previous expert authors of Government reviews into online safety – the Bryon and Bailey Reviews – both concluded that technology is only part of the equation.

Role of Government

We are aware of concerns around the lack of clarity on the legal framework and interception of internet traffic. Government clarified RIPA in 2010 by making clear that specific consent had to be given by both parties when intercepting internet traffic for it to be lawful. This issue of indemnity and liability for over-blocking of content has been raised as a concern. Greater clarity from Government in this area would be helpful, particularly as smaller companies do not have large legal teams to draw upon.

Furthermore, we feel that there is a debate to be had about who is ultimately responsible for determining what is and is not acceptable on the Internet and therefore should be filtered. Whilst a number of actors have a role to play, from ISPs to retailers, parents to schools, our members feel it should Government's job to set parameters. There is a general concern that ISPs and internet companies are becoming the arbiters of what falls into harmful content. It is important that Government recognises that this is not a challenge industry alone can solve and important questions around freedom of speech and the open internet should be considered.

Conclusion

Among ISPA members there is a general willingness to offer tools and services and to offer family friendly filters. However, we believe it is important that Government recognises the challenges faced by smaller providers and confirms that it would be disproportionate for smaller ISPs to have to adopt all aspects of the model used by larger providers.

We have shown that economies of scale mean that it is not practical to replicate all aspects of the system used by the larger providers to provide a network level content filtering solution. However, there are other ways to go some way some of offering customers a filter that covers multiple devices in the home and is configurable by the user. ISPA is willing to draw up a resource that lists various tools available and make this available to its members. We would also be willing to provide Government with an update at a suitable time of progress made.