



Communications Consumer Panel and ACOD's response to Ofcom's consultation on quick, easy and reliable switching

About us

The Communications Consumer Panel, established by the Communications Act 2003, is a group of independent experts with direct sectoral experience. We ensure the citizen and consumer voice is represented in communications policy development.

The Panel's job is to ensure that the sector works for consumers, citizens and micro businesses - and in particular people who may be in a more vulnerable position in society. We carry out research, provide advice and encourage Ofcom, governments, the EU, industry and others to look at issues through the eyes of consumers, citizens and micro businesses.

The Panel pays particular attention to the needs of older people and people with disabilities, the needs of people in rural areas and people on low incomes, and the needs of micro businesses, which have many of the same problems as individual consumers.

Four members of the Panel also represent the interests of consumers in England, Northern Ireland, Scotland and Wales respectively. They liaise with the key stakeholders in the Nations to understand the perspectives of consumers in all parts of the UK and input these perspectives to the Panel's consideration of issues. Following the alignment of ACOD (the Advisory Committee for Older and Disabled people) with the Panel, the Panel is more alert than ever to the interests of older and disabled consumers and citizens.

Our response

The Panel welcomes the opportunity to respond to Ofcom's consultation on proposals for a new landline and broadband switching process and to improve information for mobile switching.

Making switching fair

We strongly support Ofcom's proposals to make the switching process quick, easy and reliable, enabling consumers to take advantage of better deals by removing barriers to switching and adopting a streamlined process. We also support Ofcom's proposal to improve the information providers must give to customers who are considering switching their mobile phone service. We believe that these proposals are an essential part of Ofcom's Fairness for Customers programme, which commits to treating consumers fairly and ensuring that people can shop around with confidence, make informed choices, switch easily and get a fair deal. Fairness must include freedom for

every consumer to change provider and tariff easily and with full awareness of any implications.

The Panel supports Ofcom's proposed 'One Touch Switch' process, which will be developed and implemented by communications providers (CPs) for all residential customers who switch landline and broadband services, regardless of who their provider is or the technology or network their provider uses. We welcome that this process would only require customers to contact their new provider, who would arrange and manage the switch on their behalf. We have long-called for this level of transparency and ease, previously described by Ofcom as the 'gaining provider led' approach. The nature of a one touch switch process will secure greater consistency for consumers, automatically removing some potential switching barriers.

Clearer information

We also support arming mobile consumers with the required information to make an informed choice when considering whether to switch providers. Ofcom's proposals would require the customer's existing provider to tell customers about the impact of the switch on other services they have with the provider. This would include any bundled services or specific services for disabled customers and help customers understand the implications of switching so they can make informed decisions about whether to switch.

The Panel has previously responded to Ofcom's consultations on the fair treatment of - and easier switching for - consumers. In our response to Ofcom's proposed Annual Plan for 2017/18, in February 2017, we said:

"An outcome of competition should be fairness and simplicity for all consumers....A further outcome should in our view be the absence of unjustified enrichment for providers - for example by virtue of revenue from meaningless switching notice periods or continuing to bill for the handset element of a tariff after it has been paid off. Correction of these unfair practices would we believe lead to greater levels of trust in the market - ultimately better serving all stakeholders."

In our response to Ofcom's consultation 'fair treatment and easier switching for broadband and mobile customers: proposals to implement the European Electronic Communications Code, in March 2020, we said:

'Accessible, accurate and understandable information for consumers is key. Information to clarify pricing and make switching easier should be presented in an inclusive format, especially for those people who have specific access needs in relation to their engagement with provider. Increased tariff transparency - and simplicity - for both a consumer's existing contract and the potential new contract would greatly aid people's ability to make a fully informed decision.'

The Panel's ex-ante role means that we can provide expert advice and feed in the consumer voice early-on in policy development. We discussed the current proposals

recently with Ofcom's policy team and provided feedback on the proposals, summarised below:

A single switching process would secure greater clarity for consumers

- We urged Ofcom to adopt a single switching process to secure greater consistency for consumers when switching - reducing any consumer confusion or lack of clarity.
- A single switching process will promote fairness and transparency across the communications sector.
- A quick, easy and simple switching process - where the customer is only required to contact the new provider - will encourage out-of-contract consumers to switch and avoid paying the 'loyalty penalty'.

The switching process needs to be inclusively designed

- Any new switching process needs to be presented in an inclusive format, especially for those people who have specific access needs. We previously urged Ofcom to include user-testing in any assessment of the auto-switching proposals.
- CPs should ensure that a multitude of communications channels are available to consumers for switching purposes. Since the Covid-19 pandemic, consumers have experienced significant difficulty contacting CPs by phone and the functionalities of alternative communications channels are limited e.g. inability to downgrade tariffs, cancel services or switch. In addition, many consumers will prefer to contact their providers through one communications channel above another and should have the option to do so. We recently commissioned research into the experiences of consumers who prefer a specific contact channel for contacting their provider, due to their specific needs or requirements and the findings will be published in the coming months.

Consumers need to make informed decisions

- The Panel has continuously raised concerns that non-coterminous linked contracts act as barrier to switching. To enable consumers to take advantage of an easy, switching process, we need to ensure that consumers understand the implications of non-coterminous linked contracts and how this could impact their ability to switch. In particular, the Panel urged that guidance on non-coterminous contracts should include reference to services offered at a discounted rate if paid in advance, to make it clear that these offers should not act as a barrier to switching.
- The accessibility features of CPs' services and platforms can widely differ, as can the needs of a consumer. We consider that ease of switching should extend to switching back to the previous provider if a consumer's accessibility requirements are not met by the new provider.
- It is imperative that providers clearly outline from the outset any switching-related costs. This should include any cost implications of switching from a bundled package.

- Providing consumers with information on how switching could impact existing services is essential to making sure that consumers are able to make informed decision and avoid any unforeseen detriment.

Excellent standards of service and customer service are vital for consumers

- We recently consulted on our [draft strategic plan 2021-22](#) and we consider that excellent standards of service and customer service remain vital for consumers, during, after and well beyond the pandemic. We believe that there are ways of making the communications sector inclusive and a frictionless experience for everyone. Consumers with a wide range of access needs and requirements should be able to get the support they need without battling through bureaucratic processes. Inclusivity and consumer choice should be built into policies and processes from the outset. Making switching quick, easy and reliable is an integral part to achieving excellent standards of service.
- We recognise that the switching process can be daunting for consumers, particularly those who lack confidence to negotiate a better deal. The prospect of negotiating with their existing provider can exacerbate consumers' personal anxieties and act as a deterrent to switching. We note that Ofcom's 2020 Switching Experience Tracker found that 51% of consumers who had considered switching, but had not done so, cited difficulties relating to contact with their existing provider as a factor in their decision not to switch. The proposed one touch switch process will remove the onus on consumers to contact their existing provider and negotiate with retention teams. Therefore, as a matter of fairness, we strongly support a simpler more streamlined process.
- The impacts of the Covid-19 pandemic have meant that consumer reliance on digital connectivity for day-to-day activities has significantly increased, reflecting the essential nature of the service. We agree with Ofcom that a quick and reliable switching process would benefit consumers by avoiding or reducing loss of service during the switch and enabling the switch to happen on time without delay. The pandemic has left many consumers in financially vulnerable circumstances, with little or no financial safety net. In 2016, a study found that 4 in 10 people in the UK had savings of less than £100.¹ In addition, Citizens Advice recently found that more than one in six people are struggling to afford their broadband.² For so many individuals and households, being able to quickly and easily switch provider and save money without risking losing the services they rely on, may mean they don't have to cut spending on food or other essential services ([Don't cut me off! The customer service experiences of communications consumers living in low income households in the UK](#)).

¹ [Money Advice Service press release: Low-savings levels put millions at financial risk](#)

² [Citizens Advice press release: More than one in six struggling to afford broadband](#)

The Panel's National Hubs - what we've heard from our stakeholders across the UK

The Panel continues to facilitate regular roundtable discussions across the UK Nations to capture the voices of consumers and feed these into communications policy development. The Hubs are attended by consumer-representative organisations and focus on the issues facing communications consumers across the UK. Our discussions seek to identify how the communications sector can help to address any issues, which are then fed back to the regulator and CPs. We've outlined below what we've heard from our stakeholders relating to switching.

- **Consumers have struggled to get in contact with CPs to switch, cancel or scale down existing services.** Consumers have experienced lengthy call waiting times compounded by being unable to make changes via an online facility. We recommend that providers ensure that a variety of accessible communications channels are available to consumers. As one touch switching will only require consumers to get in touch with the provider they are switching to, this will enable their current provider to respond to queries and complaints from the customers that are remaining with them.
- **Consumers find switching processes time-consuming and complicated.** We recommend that industry ensures that switching processes are swift and simple to help consumers save money. In addition, we've highlighted that consumers find it difficult to contact their provider via a multitude of communications channels - one-touch switching will mean that the switching process will be less time-consuming, removing the need to contact two providers.
- **Switching is easier in other sectors.** We recommend that the communications sector learns from other sectors where support initiatives have already been introduced e.g. social tariffs / price caps and automatically switching consumers onto better deals. In banking, consumers benefit from a Current Account Switch Service which guarantees a smooth switch for consumers. The Panel continues to urge CPs to adopt a Customer Charter to inform consumers of what to expect from their provider and help manage consumer expectations.
- **Support available for consumers who have additional needs or requirements is not consistent from one provider to another.** Initiatives introduced by providers to support consumers should be consistent, ensuring that consumers who switch provider are able to receive the same support. CPs should also consistently record consumer information.

The Panel has welcomed protections introduced by Ofcom to enable consumers to switch safely and more easily, such as 'text to switch', and voluntary commitments negotiated with the major CPs to automatically move out-of-contract 'vulnerable' consumers onto better deals. We look forward to having sight of future research on the impacts of CPs' issuing end of contract notifications and annual best tariff



notifications. These regulatory interventions should encourage consumers who want to, to switch onto a better deal.

A quick, easy and reliable switching process will help consumers who are able to and want to, to feel empowered to switch and benefit from competition in the communications market. The Panel recognises that there is uncertainty over the cost implications of the proposed new method and suggest that the cost to the consumer of implementing “One Touch Switch’ should be forecast as accurately as possible and weighed against the anticipated benefits.

A small caveat that we would make here is that some consumers live in areas where that competition does not exist. As the Panel has raised previously, as well as improving switching processes, we urge Ofcom to remain actively focused on improving the options consumers have to switch, by improving affordability and coverage for all.