

The Honourable Ed Vaizey MP Minister for Culture, Communications and Creative Industries Department for Culture, Media and Sport 2-4 Cockspur St London SW1Y 5DH

16th August 2010

Dear Mr Vaizey,

The Communications Consumer Panel is a panel of independent experts set up under the Communications Act 2003 to advise Ofcom, Government and industry on the issues that matter to consumers in the communications sector.

We are writing to you to highlight our concerns over broadband speeds and to ask that you give your strong support to the action that is being taken by Ofcom and the review being carried out by the ASA. The Panel have been concerned about the way in which broadband is advertised and the information about speeds for several years now. The recent Ofcom research shows that the differential between advertised and promised speeds and actual speeds is actually growing, as speeds increase generally. In April 2009, average actual speeds were 58 per cent of average advertised 'up to' speeds. In May 2010, average actual speeds were 45 per cent of average advertised 'up to' speeds.

We do not think this is acceptable. Ofcom has introduced a new voluntary code of practice which commits ISPs to give consumers more accurate information on the speeds they should expect on their line and which allows consumers, in certain circumstances, to leave their provider if they get a lower speed than they were led to expect. We welcome this code, however, we are concerned that it places too great a burden on consumers in finding out what speed they are getting and addressing lower than expected speeds.

It is clear to the Panel, that the most consumer-friendly approach to regulation in this area would be for ISPs to give consumers clearer information about speeds both pre- and post-sale, to proactively address speed-related problems and to give customers a discount or allow them to move provider within contracted periods if consumers are not getting the speeds they were led to expect. Some providers already offer this, so this kind of best practice is clearly possible. Moreover, we believe ISPs should change their advertising practices in order to avoid the danger of misleading consumers.

## Communications Consumer Panel

The role of the Panel is to challenge industry to do better for consumers. We will therefore be encouraging ISPs to adopt the sorts of best practice activity set out above. We will also be pressing Ofcom to continue to keep the code, and its effectiveness, under review and to make improvements where necessary. Finally we will be encouraging the Committee on Advertising Practice (at the ASA) to strengthen their code so that ISPs must advertise average or typical speeds rather than up-to-speeds.

We hope we can count on your support in underscoring to the industry the unacceptability of the current situation and the need for them to do more and better to ensure consumers are treated fairly in this crucial market place.

Yours faithfully

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Anna Bradley

Chair, Communications Consumer Panel