



**Mobile Broadband Group**  
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**Mobile Broadband Group – response to Ofcom’s consultation on the draft Statement for the Review of the Universal Service Obligation.**

The Mobile Broadband Group (“MBG”, whose members are O2, Orange, T-Mobile, Vodafone, Virgin Mobile and 3) welcomes the opportunity to respond to Ofcom’s consultation on the review of the Universal Service Obligation.

In outline, the Statement represents a reasonably fair and balanced outcome to the review of the Universal Service Obligation. We recognise the importance of the universal service and, to a very large extent, a competitive mobile sector has helped the UK deliver on the universal service objectives – consumer uptake, ubiquity, affordable services. The members of the MBG will continue to seek out ways of meeting the needs of all customers through market based solutions, in clear preference to regulatory solutions.

Our response below concentrates on the detailed measures proposed in Section 6 and Annex I, relating to ‘Services for customers with disabilities’ but we also support Ofcom’s proposal to carry out a re-assessment of the costs and benefits of providing the Universal Service, once the changes envisaged by the current review have been implemented.

**The costs and benefits of providing Universal Service**

In carrying out an assessment of the costs and benefits, the MBG would urge Ofcom to assess the likely developments that would impact the cost/benefit of being the USO provider. It would not be appropriate to precipitate a major change of the funding mechanism in the event that a snapshot calculation showed a deficit, if that deficit is only temporary or fairly small, so that it would take a number of years to outweigh the benefits accumulated by the incumbents in past years.

If the outcome of the assessment is that the USO will represent an enduring cost to the provider then the MBG would like to see Ofcom consider **all** options for funding the USO. This should include funding from the state, given that the underlying principles of the USO are political. Ofcom should also factor in the possibility that the USO could be provided more efficiently by alternative means, such as offering other providers (e.g. mobile) the chance to provide elements of the USO.

As well as questioning the notion of an industry subsidy or joint funding, we would also like an assurance from Ofcom that any future assessment of the funding of the USO will take into account the financial value of the mobile sector’s contribution towards delivering the USO objectives.

## **Responses to proposals in Section 6 and Annex I: Services for customers with disabilities.**

### **Proposal 1: Study for Video Relay Service**

As Ofcom notes in its summary of responses, the MBG believes that it would be premature to include video relay within the universal service obligation today. The most recent service mandated for disabled customers - text relay for mobile - has very low take up, notwithstanding the considerable time and resources that have been spent and despite the fact voice telephony is very widely used (unlike video). Recent prescriptive regulation in this area has not been at all successful and we strongly support Ofcom in not mandating video relay in this Review.

We support the proposal for a slightly wider remit to look at alternative methods of provision. The study should include a cost/benefit analysis and make a careful assessment of the impact on other services that rely on the availability of trained signers.

The study should also take into account the fact that the community of video communications users at the moment is relatively small. Mobile video services are at the early stages in terms of consumer acceptance and adoption. The MBG firmly believes that it will be far preferable to let market development run its course. In the end this will deliver much better products and services that meet the needs of all customers, including those with disabilities.

### **Proposals 2 & 3: Stakeholder Advisory Panel, Annual Plan**

If Ofcom is minded to have a stakeholder advisory panel (and the MBG's six members are still not convinced that there is evidence of the need) then we agree with Ofcom that individuals sitting on the advisory panel need to have strong links to stakeholders and thus it would be preferable that individuals are nominated by the relevant stakeholders rather than sit as individuals in their own right.

The mobile operators would want to be represented on an advisory panel and will make an appropriate nomination, if or when required.

Prior to any panel being established we believe that it would be imperative to ensure that areas such as terms of reference, the chair, cost, membership, how to assess success e.g. output/deliverables are agreed.

The MBG would appreciate more transparency on the running of text relay and so, subject to the publication of an annual plan and report delivering this, we would support it. In addition to the information proposed for inclusion (on successful calls, user satisfaction etc.), the MBG would like to see data on how efficiently resources have been used. Setting the staffing levels to deal with the uneven and sometimes unpredictable flow of user requirements is not straightforward.

#### **Proposal 4: Mobile/e-mail access to the relay service**

The MBG concurs with Ofcom's view that it would not be worthwhile to retro-fit contemporary SMS and web based technologies on to the existing relay service platform. As a general principle, it is far preferable that services for customers with hearing impairment are drawn from those that serve the general customer base as a whole. We would agree that IP offers good potential for delivering additional features, which will be useful for all customers but we again urge Ofcom to avoid prescriptive regulation in this area.

#### **Proposal 5: Accessibility of public call boxes**

No comments

#### **Proposal 6: Obligation to provide bills and contracts in acceptable formats**

The members of the MBG are very conscious of their responsibilities under the Disability Discrimination Act and already provide contracts and bills to customers in a range of formats, as appropriate.

We believe that the proposed amendment to General Condition 15 (GC15) is unnecessary and is inconsistent with Ofcom's stated objective of withdrawing from regulation where appropriate and specifically where existing legal rules apply. The MBG appreciates, nevertheless, Ofcom's clarification that the requirement does not extend to those that are not able to read English for reasons other than disability.

#### **Proposal 7: Consultation by providers on the requirements and interests of disabled end-users (incl. amendment to General Condition 15.1)**

The MBG accepts the change to General Condition 15.1 proposed by Ofcom to meet with Ofcom (as opposed to the Consumer Panel).

The MBG suggests that a potentially efficient mechanism could be to utilise the Telecommunications Industry Forum on Disability and Ageing (TIFDA). All of the MBG are members of TIFDA, as is Ofcom. We would, therefore welcome a discussion as to how this obligation could be efficiently and effectively discharged.

#### **Proposal 8: Amendment to General Condition 15.4 in respect of withdrawal of 192 short code for DQ**

The MBG accepts the proposed amendment.

#### **Other issues in section 6**

- **Extending the nominated third party scheme**

The MBG members note Ofcom's encouragement to extend the nominated third party scheme to vulnerable customers dependent on the telephone. As the majority of customers use a pay-as-you-go tariff, a 'safeguard' scheme is not really necessary

in the mobile market. Nevertheless mobile operators will look to respond positively, as the need arises in individual cases.

- **SMS access to emergency services**

The members of the MBG are in discussions with the Office of the Deputy Prime Minister. There are significant issues to be resolved before considering whether it is appropriate to introduce nationwide access to emergency services via SMS.

The mobile operators take their responsibilities for handling emergency calls very seriously and firmly believe in using technology to improve people's safety and security. Indeed, in the recent past all mobile networks have been upgraded, so that more accurate location data is passed to the emergency services. However, having considered carefully the prospect of using SMS for 999 calls, we have identified a number of problems that will render this initiative as unviable. The issues can be set out broadly in terms of technical matters, regulatory issues and customer expectations.

#### Technical

In outline, emergency use was never in mind when the networks were built and SMS is not designed to provide a real time, end-to-end connection between two parties (like a voice call). Accordingly, it does not provide the simple features of a standard call to the emergency services, namely a continuous connection between the caller and the emergency handler. Whilst, the UK MNOs are supportive of the principle of technological neutrality, it is clearly apparent, that SMS communication to the emergency services is not fit for purpose in what might be a life or death situation.

SMS is a 'store and forward' technology (i.e. it is not delivered in real time but only as and when network capacity allows). Any emergency service could not, therefore, rely on a standard implementation. There would also be considerable complexity and investment required to route emergency text messages from mobile subscribers to the correct public safety answering point.

It is anticipated that the costs of providing SMS access to the emergency services is likely to run into many millions of pounds and even then may still not produce satisfactory quality of service guarantees.

#### Regulatory

Under Condition 15 of the General Conditions of Entitlement, all public network operators (including mobile operators) are required to offer customers access to a text relay service, including access to emergency services. The proposed 999 SMS service would be an additional requirement. As fixed networks acquire SMS capability, any future requirement must be technology neutral and not an obligation that is placed only on the mobile operators.

Under the principles of better regulation, new requirements should be proportionate and targeted where action is needed. Prior to an implementation of SMS 999, there would have to be compelling evidence that a significant marginal benefit would accrue over the current 999 arrangements for hard of hearing customers.

If the existing system of mobile textphones and Text Relay is not considered to be suitable then it would be more appropriate for any deficiencies to be addressed. Mobile textphones have only been available for a short time, and it would be better

for stakeholders to work with operators on improving them rather than seek out new solutions so soon after launch.

#### Customer expectations

The technical and regulatory reasons for not introducing 999 SMS are compelling but the most important consideration is the customer experience. Quite rightly customers have the highest expectations of an emergency call service.

A 999 call almost always needs a conversation to take place between the person in need of assistance and the relevant emergency service – to establish location, state of the caller and other relevant facts. The conversation allows the call handler to assess continually the caller's state and, by maintaining a connection, provide reassurance that help is on its way. In an exchange of SMS, the call handler can have no way of knowing if the caller is still 'there' or whether the call has 'dropped', as would be the case for an end-to-end connected voice call. SMS is just not designed for this type of communication. The mobile operators will not support a product that in any way represents it to be so.

For the time being, the product for customers with a hearing impairment is the text relay service. In the future, other suitable real time technologies may emerge – such as instant messaging for mobiles, but in the meantime we should not seek to deploy services that are not fit for purpose – particularly when considering services that end-users may be so dependent on.

Any questions arising from comments arising in this paper can be addressed to Hamish MacLeod at [mbg@mobilebroadbandgroup.com](mailto:mbg@mobilebroadbandgroup.com)