

Mr Edward Mountain MSP
Convenor
Rural Economy and Connectivity Committee
The Scottish Parliament
Edinburgh
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Dear Mr Mountain,

Thank you for inviting Ofcom to give evidence to the Rural Economy and Connectivity Committee on the 7 February 2018 following the publication of our Proposed Annual Plan for 2018/19 and Connected Nations Scotland Report. We look forward to continuing our engagement with the Committee in the coming months.

I said I would provide Committee members with additional information in writing in response to specific questions. I also thought it would be helpful to draw the Committee's attention to recent Ofcom announcements.

During the session, Stewart Stevenson MSP asked for further information about the award of the 700MHz spectrum band:

"...the 700MHz spectrum, which is of particular interest to Scotland for 5G... What are we doing to make sure that the rural implementation of 5G, which is very different from what is planned for the cities, technologically and otherwise, is at the forefront of what we might do in looking at the awards of spectrum?" (Col 12/13 OR)

Ofcom recognises that while consumers in urban areas of Scotland are relatively well served by mobile networks, those in rural areas continue to experience poor levels of geographic mobile coverage. One of our priorities as a regulator is to get to a position where everyone in the UK can reliably make mobile phone calls. We do this by ensuring that valuable spectrum is used efficiently and considering targeted coverage obligations where appropriate.

The award of the mobile airwaves in the 700MHz band provides an important opportunity to improve coverage in some of the more remote areas of Scotland. We intend that the coverage obligations attached to the auction of this spectrum will be defined to reflect the actual experience of today's mobile users. We also believe these obligations should prioritise rural areas as these areas are least likely to see commercial investment from the network operators. We expect to have concluded the auction for this valuable spectrum by mid-2020. We also have a range of other spectrum clearance programmes designed to make sufficient spectrum available for other 5G services.

Mr Stevenson also raised concerns about landline telephone customers losing the right to retain a particular telephone number should their telephone provider cease trading:

“Does Ofcom plan to provide a step-in facility that would protect and cover that switching capability?... I am talking about protecting people’s access to a specific number, which will be on all their notepaper, in telephone directories and so on.” (Col 15/16 OR)

Ofcom takes the impact on consumers and businesses of such failures very seriously. When providers cease trading, other companies will normally step in to serve affected customers. Sometimes this does not happen, and in these rare cases, Ofcom’s main priority is to ensure that customers remain connected. We have worked with industry to develop the ‘Supplier of Last Resort’ process which sees Openreach (via BT Retail) contacting customers to make them aware that immediate action must be taken to avoid disconnection of service and/or loss of telephone number. Customers will generally be given two weeks to switch services to an alternative provider before Openreach disconnects the service. Under General Condition 18, telephone customers have the right to transfer their existing telephone number to the new provider. I am not aware of the specifics of the case in Aberdeen that Mr Stevenson referred to, but this process is largely effective and usually enables customers to transfer their services to a new provider without losing their existing telephone number.

I was also asked by John Finnie MSP to clarify whether Ofcom had any responsibilities to ensure cyber-resilience:

“In the Highlands and Islands, and indeed in other rural areas, many local communities have established their own networks. How can you ensure that those networks maintain good security and resilience practice?” (Col 14/15 OR)

We have been supporting a pilot of a cyber security vulnerability testing scheme currently being led by DCMS. The scheme is modelled on the CBEST scheme which has been developed and used successfully in the finance sector. We have indicated that we support this type of testing as an important part of demonstrating that a communications provider has effective cyber security arrangements in place, and in promoting further improvements to those arrangements. Like CBEST, we expect that any telecoms scheme emerging from the pilot will be most applicable to the largest national and regional providers, rather than smaller, community providers. Nonetheless, the obligations to take measures to manage security risks, including cyber, continue to apply to providers of publicly available networks and services of all sizes.

In addition to the above questions, there was a brief discussion about Ofcom’s role in tackling nuisance calls. Ofcom works with UK communications providers to monitor and block problematic call traffic, and with international partners on enforcement and caller line identification. We also work closely with the Information Commissioner’s Office (ICO) and other bodies to reduce nuisance calls, which are particularly harmful for vulnerable consumers. Ofcom focuses on abandoned or silent calls while the ICO takes the lead in tackling live telesales calls, automated marketing message calls and spam texts. The ICO also has responsibility for maintaining the list of telephone numbers of people and businesses that wish to opt out of receiving unsolicited live marketing calls or unsolicited

marketing faxes. On 9 March 2018, Ofcom and the ICO published an update to its joint Nuisance Calls and Messages Action Plan.¹ It highlights progress made during 2017 on issues such as 'number blocking', targeted enforcement action and, importantly, intelligence sharing and collaboration with other domestic and international regulators.

Thank you for sharing the correspondence sent to the Committee from the Advertising Standards Agency. Ofcom has just announced new measures designed to improve the broadband speeds information provided to customers during the sales process.² Broadband providers will soon be required to give potential customers a minimum guaranteed speed as well as more realistic peak-time speed. Providers will have one month to improve performance if it falls below the minimum speed, before allowing customers to exit their contract without paying a penalty.

Ofcom continues to work with the Scottish Government, UK Government and industry to improve communications services for all consumers. The Scottish Parliament has a formal role in setting Ofcom's strategic priorities, but we look forward to engaging with the Committee throughout the year on the range of Ofcom's responsibilities. I will of course provide Committee members with a copy of our final Annual Plan which we expect to publish shortly.

I hope this information is useful and sufficiently answers the Committee's questions. Please do not hesitate to contact me should you wish to discuss any aspect further.

Yours sincerely,

A handwritten signature in black ink that reads "Glenn Preston". The signature is written in a cursive style and is positioned above the printed name.

Glenn Preston

¹ https://www.ofcom.org.uk/_data/assets/pdf_file/0023/110957/nuisance-calls-joint-action-plan-2018.pdf

² <https://www.ofcom.org.uk/about-ofcom/latest/features-and-news/better-information-broadband-speeds>