



Selina Chadha
Director, Consumer Policy
Ofcom
Riverside House
2a Southwark Bridge Road
London SE1 9HA

By email
25 June 2020

Dear Selina,

Re: Proposed Changes to broadband USO Reporting

I am writing further to our recent discussions regarding the practical issues we are having with implementing the broadband USO reporting obligations and a suggested way forward.

Our key issue is with the way in which the relevant period is described in the reporting section of the broadband USO legal instruments. For the purposes of performance reporting each month/period is currently required to start on the 20th day and end on the 19th day of the month. We presume a month was defined in this way because the obligation came into force on the 20th day of a month (i.e. 20th March 2020).

As you can appreciate this raises practical implementation issues as standard reporting tools and working practices are based on calendar months rather than non-standard definitions of a month which start mid-month. Indeed it would be helpful for broadband USO reporting to coincide with calendar months and especially the financial year reporting period for yearly reporting.

To implement this level of bespoke adjustment, simply because the USO launched on the 20th day of a month introduces an additional level of complexity and cost that adds no additional insight to the reporting and would make broadband USO KPIs difficult to compare with any other BT or industry performance metrics.

The relevant parts of the reporting conditions causing this issue appear in the definitions and interpretation section of the Direction in Schedule 1 and 2 of BT's USO conditions¹.

¹ [Schedule 1, Part 2 Definitions and interpretation \(page 5 to 8\)](#) and [Schedule 2, Direction under Condition F.3 of Schedule 1 to BT; Part 2: Definitions and interpretation \(page 17 and 19\) of Annex 1. Legal Instruments of the broadband USO Statement](#) [6 June 2019]

We have set out the relevant reporting conditions in Annex 1 and these refer to the following defined terms:

- First Relevant Year/Relevant Year;
- Prior Year;
- Subsequent Relevant Year;
- First/Subsequent 6 Month period and
- Subsequent 6 Month period.

All of the above start on the 20th March and end on the 19th March the following year or 19th Sep for mid-year). And by implication each month within each reporting period starts on the 20th and ends on the 19th as well.

We propose that a pragmatic way forward is to include the 11 days from 20th March 2020 to 31st March 2020 within the first month ending 30th April, with a clear indication that this is a first month plus 11 days. This 'long' first month should also apply to the first 6 month period ending on 30th September as well as the first 12 month period ending on 31st March 2021. This would allow the anomaly to be dealt with in the first relevant time period and all subsequent time periods to align with normal reporting timescales. Our suggested amendments to the definitions are provided in Annex 1.

In addition, the Direction² implies that each month in all of the obligations must be reported against the 'Relevant Period'. So the approach outlined above will also ensure that the publication period (from Direction 5 and 6 in Part3 of Schedule 2) is automatically adjusted so that the last day covered by the relevant reporting period i.e. 30 calendar days or 3 months after the last day of the month (rather than after the 19th of the last month).

This change would result in a set of far more meaningful performance metrics which can be more easily compared to other industry measures. It would also result in a far more efficient and standardised reporting process and avoid unnecessarily introducing additional cost to implementing the broadband USO.

Yours sincerely,

Neena Rupani
Principal, Group Regulatory Affairs

² [Schedule 2, Part 3 Direction, directions 5 and 6 \(page 20\) of Annex 1. Legal Instruments of the broadband USO Statement](#) [6 June 2019]

ANNEX 1

Relevant Reporting Conditions

Schedule 1

- s. **"First Relevant Year"** means a period which starts on 20 March 2020 and ends on ~~19~~ **31 March 2021** (inclusive);
- cc. **"Prior Year"** means the 12 months ending on 19 March before the commencement of **the First Relevant Year** ~~each~~ **and each subsequent Relevant Year ending on the 31 March;**
- ff. **"Relevant Year"** means the First Relevant Year and each Subsequent Relevant Year;
- ii. **"Subsequent Relevant Year"** means a period of 12 months subsequent to the First Relevant Year, the first of which starts on ~~20 March~~ **1 April 2021** and ends on ~~19~~ **31 March 2022**, repeating thereafter for periods of 12 months from **1 April** and ends on ~~19~~ **31 March** (inclusive);

Schedule 2

- m. **"First 6 Month Period"** means a period which starts on 20 March 2020 and ends on ~~19~~ **30 September 2020** (inclusive);
- n. **"First Relevant Year"** means a period which starts on 20 March 2020 and ends on ~~19~~ **31 March 2021** (inclusive);
- s. **"Relevant Period"** means the First 6 Month Period and each Subsequent 6 Month Period;
- t. **"Relevant Year"** means the First Relevant Year and each Subsequent Relevant Year;
- x. **"Subsequent 6 Month Period"** means a period of 6 months subsequent to the First 6 Month Period, the first of which starts on ~~20 September~~ **1 October 2020** and ends on ~~19~~ **31 March 2021**, repeating thereafter for periods of 6 months from ~~20 March~~ **1 April** to ~~19~~ **30 September** (inclusive);
- y. **"Subsequent Relevant Year"** means a period of 12 months subsequent to the First Relevant Year, the first of which starts on ~~20 March~~ **1 April 2021** and ends on ~~19~~ **31 March 2022**, repeating thereafter for periods of 12 months from ~~20 March~~ **1 April** to ~~19~~ **31 March** (inclusive);