

Consultation response

Automatic compensation

Which? response to Ofcom consultation

Which? is the largest independent consumer organisation in the UK with more than 1.5 million members and supporters. Our mission is to make individuals as powerful as the organisations in their daily lives. We tackle consumer detriment through the products and services we offer and through our campaigns to drive change. We are an a-political, independent social enterprise working for all consumers and funded solely by our commercial ventures. We receive no government money, public donations, or other fundraising income.

Which? welcomes to opportunity to respond to Ofcom's consultation automatic consultation. We also refer you to our submissions to the Strategic Review of Digital Communications, and the subsequent submission to the call for inputs in June 2016.

We consider that when consumers experience interruption to, or disruption of, critical services, such as telecoms, it is right that they receive appropriate compensation. Therefore, we are strongly supportive of Ofcom's plans to introduce automatic compensation for landline and broadband services. It is Which?'s view that Ofcom is right to continue down the route of introducing a regulatory requirement for automatic compensation. We strongly believe that it is appropriate for Ofcom to introduce automatic compensation, rather than opt for further transparency measure around the existing arrangements, which are insufficient.

We agree with Ofcom that automatic compensation should be introduced for both landline and broadband consumers. The service problems that Ofcom has identified as being appropriate for automatic compensation cover a broad range of service problems that consumers encounter, and we agree that those presented should be in scope (loss of service, delayed provision, missed appointments, and delayed repair).

We consider that Ofcom could have gone further by including degradation of service, billing problems and switching errors. We would welcome further discussions with Ofcom on how to progress the automatic compensation regime to include these service problems at a later date. As noted in the consultation, Ofcom's review of the voluntary code of practice on broadband speed is ongoing. In that process, the compensation arrangements for when expectations on speed are not met should be considered. Going forward, both the scope and level of automatic compensation should be reviewed regularly to take into account changing consumer views and market developments.

With broadband and other telecoms services now essential, it is imperative that Ofcom introduces automatic compensation as quickly as possible, and without any further delay, to bring it in line with the approach taken in other utilities, such as energy and water. As such, we are disappointed with the 12 month implementation schedule set out in Ofcom's consultation. We do not believe that this is necessary or desirable as consumers will continue to suffer detriment in the intervening period.

Beyond Ofcom's proposed plans for automatic compensation, we continue to consider that regulators should collaborate to develop a consistent set of principles that are published and used to set fixed levels of compensation.

For more information,

contact [[✕](#)]
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Which? is a consumer champion

We work to make things better for consumers. Our advice helps them make informed decisions. Our campaigns make people's lives fairer, simpler and safer. Our services and products put consumers' needs first to bring them better value.