

Ofcom consultation

I receive a great deal of correspondence from my constituents about poor service from telephone and internet companies. I am aware how much delays in getting repairs done, missed appointments and starting a new service costs in terms of time and money.




I have received the communication below from the Chief Executive of Ofcom. They are consulting on proposals to require phone and broadband to pay automatic compensation in these cases. The consultation ends on 5 June and you can access it at:

<https://www.ofcom.org.uk/consultations-and-statements/category-1/automatic-compensation>

“Ofcom has today set out new proposals to require phone and broadband companies to pay automatic compensation – either a cash payment, or a credit on a bill – to customers who suffer slow repairs, missed appointments or delays to starting new services.

When a customer’s landline or broadband goes wrong, that is frustrating enough without having to fight to get fair compensation from the phone company. So we are proposing new rules to force providers to pay money back to customers automatically, whenever repairs or installations don’t happen on time, or when people wait in for an engineer who doesn’t turn up. This would mean customers are properly compensated, while providers will be incentivised to work harder to improve their service.

Compensation payments would be set by Ofcom, and designed to reflect the degree of harm suffered by consumers. Here is how Ofcom’s automatic compensation scheme would work:

Problem	A landline or broadband customer would be entitled to compensation if...	Amount of compensation
Delayed repair following loss of service	Their service has stopped working and it is not fully fixed after two full working days.	 £10 for each calendar day that the service is not repaired
Missed appointments	An engineer does not turn up for a scheduled appointment, or it is cancelled with less than 24 hours’ notice.	 £30 per missed appointment
Delays with the start of a new service	Their provider promises to start a new service on a particular date, but fails to do so.	 £6 for each calendar day of delay, including the missed start date

We estimate that our plans would mean up to 2.6 million additional customers could receive up to £185m in new compensation payments each year. Currently, there are 7.2m instances where landline or broadband customers suffer delayed repairs, missed appointments or delays to new installations. Financial compensation from companies, totalling around £16.3m, is currently paid out

in 1.1m of these cases.

Around one-third of small and medium-sized enterprises choose residential landline and broadband services and would also benefit from our compensation proposals.

We are consulting until 5th June and plan to publish a statement at the end of the year”.

With best wishes

Helen