

Eighth meeting of 4G/TV Co-existence Oversight Board

Chair's report to Ministers and Ofcom

Meeting date: 6 November 2013

Attendees

David Hendon, Chair

Inge Hansen (EE)

Matthew Braovac (Vodafone)

Lawrence Wardle (O2)

Erol Hepsaydir (Three)

Kim Chua (Channel 4)

Alix Pryde (BBC)

Khalid Hayat (ITV)

Peter Couch (Arqiva)

Simon Beresford-Wylie (DMSL)

Jane Humphreys (DCMS)

Roger Darlington (Non-Executive)

Alberto Fernandes (Ofcom)

Robert Burles (DCMS)

Sue Ramroop (DCMS)

Ben Roome (DMSL)

Michelle Brownrigg (DUK)

Andrew Dumbreck (Technical Advisor)

Apologies

Kip Meek (EE)

William Webb (Non-Executive)

Phil Sheppard (Three)

Mark Caines (Ofcom)

1. Executive Summary

- 1.1 The position on interference remains as previously reported. It is much lower than originally expected with 312 cases to date, excluding the 35 cases during the pilots. Some of these cases are subject to audit, which are likely to reduce their number.
- 1.2 at800 met KPIs 1-5 for September, failing KPI6 due to a single complaint about a delay in the provision of a filter for an interference case that turned out to be a non-4G related. The Oversight Board considered this breach and concluded that it would be disproportionate to continue with Operational Conditions in this instance
- 1.3 The key part of the meeting was a discussion of the new Key Performance Indicators (KPIs) and Operational Conditions that I have asked a sub-group of the Board to work up to reflect better the scale of interference we are now seeing. The Board agreed that the KPIs should be focussed on Service Restoration, supported by a suite of Service Level Agreements, which provide the Board with a broader understanding of how at800 is performing but do not, unlike the KPIs, have the potential to invoke Operational Conditions to slow the rollout of 4G in a specific area.

- 1.4 On behalf of the Board, I have asked Ofcom to confirm that the focussing of the KPIs does not inadvertently remove key licence obligations on the licence holders, for example to communicate with potentially affected households before any 4G masts operating in the 800 MHz band are activated.
- 1.5 Finally, this was Simon's Beresford-Wylie's last meeting as CEO. I thanked Simon for his major contribution to the Board.

2. at800 update

Roll-out

- 2.1 At the end of October, the total number of installer visits to date stands at 1535. There are 312 confirmed cases of 4G interference at 800MHz, which excludes the 35 cases found within the pilots and does not yet reflect the outcomes of the quality audits below

Audit Summary

- 2.2 at800 continues to conduct quality audits on a representative sample of installer visits.
- 2.3 In October, 108 audits were conducted, of which 37 were at locations diagnosed as having 4G interference and 71 at locations diagnosed as not having 4G interference. Of these audits 57% of confirmed 4G cases were overturned (21 out of the 37) and 4% of the non-4G cases (or 3 out of the 71).
- 2.4 at800 is strengthening the training and awareness of the installers to reduce future occurrences.

Contact Centre

- 2.5 Calls to the contact centre continue to decline with no major spikes or issues. Whilst the number of call agents is reducing to reflect this, at800 is re-directing remaining resources to support other activities including outbound audits and focussing on the quality of service provided to callers with results evident in the reduction of escalated complaints.

Arrangements for Christmas and New Year

- 2.6 at800's offices in London will be closed for the Christmas and New Year period, reflecting the agreed pause in licence holder mast activations for a two week period. Senior at800 managers will be on a call-rota system and will be closely monitoring call centre and network activity. The contact centre arrangements will mirror those of Digital UK with automated messaging on the days that it is shut - 25 & 26 December and 1 January only. If and when there are spikes, action will be taken including drafting in call agents (with suitable financial remuneration) if necessary.
- 2.7 at800 has been advised by mobile operators not to expect any particular increases in mobile network traffic to the network over this period, as there has been a general reduction in the number of mobile devices given as Christmas gifts as people are tending to buy these when they want them now.

3. KPI Report

- 3.1 KPIs 1 to 5 were successfully met in September. Due to a single complaint following delays in the provision of a filter which exceeded the 6 working day target, KPI6 (a) was not met.
- 3.2 Failure to meet any KPI invokes the relevant Operational Condition. For KPI6, these are to "a) reduce the in-block transmission level of the relevant base station by 6 dB for three weeks, or until such time as the Oversight Board is satisfied that the Licensee is able to meet the Standard S6, whichever is shorter and b) provide, or arrange to be provided, a written apology to each household that has been eligible for installation support and who has had to wait longer than twelve working days before a technician first attended their house."
- 3.3 at800 provided background and explanation on why the KPI was missed which included both operational errors (the lack of a named individual on the parcel containing the filter which led to Royal Mail withholding the parcel from the householder) and circumstances outside of at800's control (re-arranged installer visits at the viewer's request).

- 3.4 at800 also pointed out that when the installer visit did take place, it was identified that the issue was not related to 4G interference after all. However, arrangements were made for the aerial problem to be resolved anyway and the customer has expressed satisfaction with the outcome.
- 3.5 Given the explanation provided, the steps taken to address the issue (including revising internal operations to ensure that any filters posted reactively are correctly addressed to a named householder) and that this was a single incident, which was non-4G related, the Board unanimously agreed that the Operational Condition should be lifted, this being within the Board's authority.
- 3.6 I noted that this issue has reinforced the need for a revision of the current KPIs and Operational Conditions. The low volumes of interference mean that it is possible for at800 to breach KPIs and Operational Conditions, as they are currently drafted, for very limited instances of 4G interference, which was not the original policy intention.

4. Policy sub-group

- 4.1 The sub-group summarised their current position on the revision of the KPIs and Operational Conditions to support a medium touch engagement model. Whilst they have made progress in their considerations, they are not as advanced in finalising their proposals as they had hoped. However, they are on track to present their final agreed proposals to the Board in December, I will aim to brief you on these proposals early in the New Year.
- 4.2 We agreed that the KPIs and Operational conditions should be focussed on service restoration with sub-categories to distinguish the assistance to be provided for the differing consumer groups, e.g. vulnerable people. These KPIs would be supported by a separate set of performance measurements, or SLA's, that assure the overall quality of service provided in mitigating interference but have no associated operational conditions.
- 4.3 We discussed how best to implement any revisions, agreeing a co-existing trial period for both sets of KPIs and operational conditions to provide the Board, Ofcom

and DCMS with assurance that the new KPIs will work in practice. During this trial period, we are proposing that Ofcom forbears from enforcing the existing KPIs.

- 4.4 The Board agreed to propose to Ofcom that, should the need arise, the Oversight Board would have the power to suspend any associated operational conditions on the proviso that there is full agreement of the Members.
- 4.5 On the basis of our steer, we asked the Policy Sub-group to provide the final and agreed set of proposals for the targeted medium touch engagement model, and accompanying revised KPIs and operational conditions, to the Oversight Board meeting in December.
- 4.6 Once they have had an opportunity to review the proposals, Ofcom will be able to provide clarity on the procedures and legal obligations required to implement an agreed set of revised KPIs and operational conditions. However, in the interim, I have asked them to confirm that the focussing of the KPIs would not inadvertently remove key licence obligations on the licence holders, for example to communicate with potentially affected households before any 4G masts operating in the 800 MHz band are activated.
- 4.7 Finally, last month, I reported that the Oversight Board had agreed with at800's proposal to extend the maximum period for sending a postcard before a base station is activated to 24 weeks for the whole country.
- 4.8 The Board agreed to a further request by at800 to extend this by another 4 weeks on the basis that the new model being developed by the Policy Sub-Group will include the approach for reminder mailings. The maximum period for sending a postcard pre- mast activation is now 28 weeks.

5. Technical and consumer research

- 5.1 Ben Roome presented the Research Grid, a document which provides a single view of the at800 research projects. I can provide a copy of the grid to your office, should you wish.

6. Simon Beresford-Wylie and Ben Roome

- 6.1 Simon Beresford-Wylie will shortly be leaving DMSL (and the UK) to start his new appointment at Samsung in Korea. I thanked Simon for his major contribution to the Oversight Board and his fantastic job in establishing DMSL, particularly in an environment of the unknown. On behalf of the Board, I wish him every success in his new ventures.
- 6.2 I welcomed Ben Roome to the Oversight Board and congratulated him on his appointment as the new CEO of DMSL. We look forward to working with him.

7. AOB & Next Meetings

- 7.1 In May, Ofcom adopted a "de minimis" threshold for KPI2 enforcement in certain limited circumstances for a trial period from 23 May to 22 August 2013. This was then extended in July to cover a number of KPI adjustments proposed by at800 and agreed by the Oversight Board. In August, the trial period was extended to 21 November.
- 7.2 In view of the on-going review of the KPIs and operational conditions, it was agreed that Ofcom should be asked to extend the trial period a further 3 months (until 21 February 2014).
- 7.3 I reported last month (October) that the quorum for this meeting would not be met. However, due to changes in diaries, it was a quorate meeting.
- 7.4 The last meeting in 2013 is scheduled for 10 December, with the first meeting in 2014 on Wednesday 15 January (at Ofcom).

David Hendon

Chair

4G/TV Co-existence Oversight Board