Department for
Science, Innovation
& Technology

Open Communications

A Smart Data scheme for the UK telecoms market

Closing date: 13 November 2023

September 2023

Any enquiries regarding this publication should be sent to us at: OpenCommsConsultation@dsit.gov.uk

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Foreword

Rt Hon. Michelle Donelan MP, Secretary of State for Science, Innovation and Technology

Twenty years ago, and within months of each other, two services launched which - in retrospect - may have been the most pivotal in the UK's digital revolution.

In March 2003, Three became the UK's first 3G network[1], while in August, BT unveiled a 1 Mbps broadband service[2]. These two product launches were the start of a tectonic shift in how we use and view the internet. These faster, widely available, more reliable forms of connectivity, acted as foundations for the multimedia web experience of video and high-resolution images that we know today.

And as these networks rolled out across the UK, and internationally, they acted as catalysts for creativity, inspiring innovators to develop devices and services able to take advantage of their new capabilities. It is easy to draw a line from widespread, public access to faster internet services from 2003 onward to subsequent launches of YouTube (2005), the iPhone (2007) and BBC iPlayer (2007).

Few in 2003 could have predicted the innovation which the availability of these networks were set to unleash, but today - in 2023 - we are potentially at the beginning of the next evolution of our digital revolution.

The UK Government is working with the telecoms industry to deliver the next generation of connectivity to people's homes and business, setting ambitious targets to bring gigabit broadband to at least 85% of the country by 2025, and investing £5 billion as part of 'Project Gigabit' to ensure hard-to-reach premises have access to better broadband - helping to contribute to both local and national growth. Together with Ofcom, we are enabling the telecoms industry to roll out this next generation of connectivity further and faster.

We have also put in place ambitious policies to drive the deployment and adoption of wireless connectivity. Our £1 billion Shared Rural Network deal with the mobile industry will extend 4G geographic coverage to 95%. 5G deployment is underway, with non-standalone or basic coverage available to 85% of the UK population[3]. In April we published the Wireless Infrastructure Strategy setting out the Government's long-term vision for wireless connectivity, including a new ambition for nationwide coverage of standalone 5G in all populated areas by 2030 and £40 million to create 5G Innovation Regions across the country.

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[1] BBC, '3G goes live in the UK', 2003 (accessed 22 August 2023)
[2] The Guardian, 'The internet with go faster stripes', 2003 (accessed 22 August 2023)
[3] Ofcom, 'Connected Nations update: Spring 2023', 2023

But the rolling out of networks is only a part of the story. To fully realise the economic and social benefits of the investment we are making in the gigabit broadband and 5G networks, we must ensure that the sector remains competitive, accessible and that consumers are able to sign-up for the services they need at prices they can afford.

The rapid pace of technological change in connectivity services, and the bundling of these products, may have made the telecoms market difficult to navigate for some people. The average consumer is increasingly required to possess technical knowledge to be able to engage in the market successfully - such as understanding the difference between a gigabit and gigabyte, fibre-to-the-cabinet (FTTC) and fibre-to-the-premise (FTTP), and establish how they fit their particular connectivity needs.

This consultation seeks to understand whether the telecoms market may be easier to navigate and made more accessible for consumers by the introduction of a smart data scheme - Open Communications. This consultation asks whether a smart data scheme, which would require broadband and mobile operators to provide their customers - on request and with their consent - information about their own connectivity service usage, may support consumers to more easily find deals which best suit their needs and their budgets - which is particularly important as people contend with the rise in the cost of living.

Smart data has significant potential to supercharge competition, invigorate investment and act as an engine for growth in sectors across our economy. My department works closely with the Department of Business and Trade, to unlock the potential within consumer data. We are core members of the Smart Data Council which brings together a broad range of organisations - including business, consumer groups and charities - to examine and unlock the potential within the information made available via smart data schemes as well as bringing forward new powers to establish schemes across the economy through the Data Protection and Digital Information (No. 2) Bill (DPDI Bill).

We have set out a number of potential ways forward in this consultation and I look forward to receiving your views.

Rt Hon Michelle Donelan MP

Secretary of State for Science, Innovation and Technology

General information

Why we are consulting?

The Government is seeking views on the potential benefits and implications of establishing a Smart Data scheme - 'Open Communications' in the UK's telecommunications market.

Consultation details

Issued: 18 September 2023

Respond by: 11:59pm, 13 November 2023

Enquiries to:

DSIT Open Communications Consultation
Digital Infrastructure Directorate
Department for Science, Innovation and Technology
100 Parliament Street
London
SW1A 2BQ

Email: OpenCommsConsultation@dsit.gov.uk

Consultation reference: Open Communications: A Smart Data Scheme for the UK telecoms market

Audiences: Individuals, groups, or organisations working in or representing:

- Consumers of connectivity services
- Businesses or other public institutions that procure telecoms services
- Internet Service Providers (ISPs)
- Mobile Network Operators (MNOs)
- Mobile Virtual Network Operators (MVNOs)
- Technology companies who may seek to use Open Communications data or are already within scope of a Smart Data scheme - such as price comparison websites and banks.

Territorial extent:

United Kingdom

How to respond

Your response will be most useful if it is framed in direct response to the questions posed, though further comments and evidence are also welcome. We ask those responding to the consultation to limit any responses to a maximum of 10 pages, if possible. In your response, please avoid including personal identifying information.

Respond via email to: OpenCommsConsultation@dsit.gov.uk

or

Write to:

DSIT Open Communications Consultation
Digital Infrastructure Directorate
Department for Science, Innovation and Technology
100 Parliament Street
London
SW1A 2BQ

When responding, please state whether you are responding as an individual or representing the views of an organisation.

Please contact alt.formats@dsit.gov.uk if you require any other format.

This consultation is intended to be an entirely written exercise as described in this document, but we reserve the right to follow up any responses to seek further information.

Your response will be most useful if it is framed in direct response to the questions posed, though further comments and evidence are also welcome.

Confidentiality and data protection

Information you provide in response to this consultation, including personal information, may be disclosed in accordance with UK legislation (the Freedom of Information Act 2000, the Data Protection Act 2018 and the Environmental Information Regulations 2004).

If you want the information that you provide to be treated as confidential please tell us, but be aware that we cannot guarantee confidentiality in all circumstances. An automatic confidentiality disclaimer generated by your IT system will not be regarded by us as a confidentiality request. We will process your personal data in accordance with all applicable data protection laws. See our privacy policy. We may summarise all responses and publish this summary on GOV.UK. The summary may include a list of names or organisations that responded, but not people's personal names, addresses or other contact details.

Quality assurance

This consultation has been carried out in accordance with the government's consultation principles.

If you have any complaints about the way this consultation has been conducted, please email: OpenCommsConsultation@dsit.gov.uk.

Executive Summary

- The internet has had a transformative effect on our country. It has been an engine for our economy, enabling growth and innovation in sectors from finance to green energy, music to manufacturing. It has changed the way we shop, work, communicate with our loved ones, and how we spend our leisure time. It has also led to a shift in the delivery of public services and how we engage with them, with GP appointments, schoolwork and local council services increasingly delivered digitally.
- The online world is now part of our everyday lives, making access to fast, reliable, secure connectivity increasingly essential for full participation in modern society.
- However, the everyday nature of connectivity, combined with the national deployment of new networks and providers as well as new online services and devices may mean that the telecoms market is difficult to navigate for the average person.
- This consultation explores whether there may be benefit in establishing a Smart Data scheme - 'Open Communications' - in the UK telecoms market to support consumers make more informed choices about the services they buy.
- Open Communications would be a data portability initiative and would stem from the Government's Smart Data Review[4] and its continued work through the Smart Data Council[5]. If progressed, it would require broadband and mobile operators to provide their customers, on request, data relating their connectivity service, for example, usage statistics, price, and speed. The expectation is that this information could be used by the customer to more easily understand their connectivity requirements, compare their existing services with others in the market and therefore secure better deals, which suit their needs as well as household budget.
- Open Communications could complement existing interventions in the consumer market, filling the gap between End-of-Contract Notifications (introduced by Ofcom in 2020), and the existing mobile, and soon to be launched One-Touch Switching process in fixed-line broadband services, expected in 2024.
- More broadly, the data could, with the customer's consent, be shared with an Authorised Third Party such as price comparison websites to offer additional support to consumers.
- This consultation is designed to explore the merits of establishing a smart data scheme for telecoms, in particular the ways it may support consumers and the effect it may have on the market more broadly. Equally, we would like to seek feedback on the potential challenges, unintended consequences, and wider impacts any future Open Communications scheme may have. The data and views collected by this consultation will allow us to more accurately determine whether we should progress with an Open Communications scheme.

[4] HM Government, 'Policy paper: Smart Data Review', 2018 (accessed 23 August 2023)
[5] HM Government, 'Smart Data Council to drive forward savings for household bills', 2023 (accessed 23 August 2023)

- This consultation sets out to examine three core elements which would underpin an Open Communications scheme:
- Participation: The telecoms services, users and providers that should be included in an Open Communications initiative – we are seeking views on whether all telecoms companies that offer domestic connectivity (fixed and wireless broadband delivered to users) and personal mobile services would be in scope of any scheme. We are also seeking views on whether there is a case for extending the scheme to providers of business connectivity services.
- Data: The information that will support consumers navigate the market and therefore should be in scope of an Open Communications scheme - such as connection type (e.g., fibre to the premises, fibre to the cabinet, 4G, or 5G), price (including any discounts, handsets, and in-contract price rises), data use, reliability as well as available download and upload speeds.
- Sharing: How the data should be made available to consumers – we are seeking views on how information should be provided to consumers, for example through a downloadable file, or common sharing Application Programming Interface (API).
- These core elements will allow us to further consider the potential benefits and unintended consequences of taking forward Open Communications.
- The Government may publish further documents seeking feedback on more detailed design elements of Open Communications including funding, administration, and the technical privacy and security standards.
- We look forward to receiving your views.

Introduction

The average individual now spends around 4 hours a day online[6], and households used on average 482 Gigabytes (GB) of fixed broadband data per month in 2022, compared to 190 GB in 2017[7]. More than nine out of ten (92%) of UK adults use the internet at home or elsewhere to access apps, games, and internet-based services[8].

To ensure current and future demand is met, the Government continues to work with the telecoms industry to deliver world-class, reliable broadband and mobile services to every part of the UK. In the past 5 years, the government has:

- **Allocated £5 billion for gigabit broadband**[9] networks, through Project Gigabit, to bring next generation broadband to at least 85% of premises by 2025 and over 99% by 2030;
- **supported rural communities**, with our £1 billion deal with the mobile network operators to deliver 4G coverage to 95% of the UK landmass by 2025[10];
- **strengthened the security of our networks and diversity of supply chains** through the Telecommunications (Security) Act 2021 and the 5G Supply Chain Diversification Strategy; and
- **published our Wireless Infrastructure Strategy** which set out our ambition for nationwide coverage of standalone 5G to all populated areas by 2030.

Furthermore, Ofcom, the independent regulator for telecoms, has created a regulatory framework that encourages competition and investment in telecoms networks. These next generation connectivity services exist in the market alongside copper-based and super-fast broadband, 4G and fixed-wireless connections. The market continues to change - there are now many more operators, both at the retail and wholesale level, offering a variety of connectivity options for consumers.

73% of homes can now access gigabit-capable services[11] (up from around 2% in May 2017[12]), while basic non-standalone 5G is available from one Mobile Network Operator (MNO) outside 85% of premises[13].

However, deployment and availability of broadband and mobile infrastructure is only part of the journey. To fully realise the economic and social benefits of our investment in nationwide fast, reliable, secure connectivity, we must also ensure that the telecoms market operates efficiently, and consumers are able to access the services they need.

[6] Ofcom, 'Online Nation', 2022
[7] Ofcom, 'The Communications Market', 2023
[8] Ofcom, 'Adults' Media Use and Attitudes', 2023
[9] Gigabit broadband refers to fixed-line connections able to support download or upload speeds of 1000 Mbps or over.
[10] Currently at 92% - Ofcom, 'Connected Nations: Spring 2023 update', 2023
[11] Ofcom, 'Connected Nations update: Spring 2023', 2023
[12] Ofcom, 'Connected Nations 2017: Interactive dashboard', 2017 (accessed 23 August 2023)
[13] Ofcom, 'Connected Nations update: Summer 2023', 2023

Overall, UK consumers benefit from a mature, highly competitive, and innovative telecoms market. A large number of broadband and mobile providers are competing actively for customers which has led to the UK having some of the lowest prices in Europe for mobile services and broadly comparable prices for broadband to those of Germany, France, and Spain[14].

However, despite a large number of providers offering services in the market, there are signs that significant changes in the ways consumers use, access and engage with the internet, the arrival of new forms of connectivity (such as gigabit broadband and 5G) as well as the new companies supplying them, has led to the retail market becoming more difficult for consumers to navigate and find competitive deals.

1. Why are we looking at Open Communications?

Changing consumer behaviour, new networks and new services have made it more difficult for the average consumer to successfully navigate the market

The ways that consumers use, access, and engage with the internet has rapidly evolved, high bandwidth streaming services and web-enabled devices are increasingly common, consuming data often in the background without the consumer even being aware. 77% of adults in the UK own at least one smart device, such as a smart TV, video game console, video doorbell, or smart speaker[15] while 67% of households subscribe to at least one video streaming service such as Netflix, Disney+ or Amazon Prime Video[16]. In an always online world, it can be difficult for consumers to monitor their internet usage and understand whether the speed or data allowance of their connectivity package is suitable and represents value for money - which is particularly important as households deal with the rise in the cost of living.

The changes in consumer behaviour, and the rapid increase in demand for data, has led to digital infrastructure providers undertaking one of the largest upgrades to the UK's national infrastructure in a generation, bringing new networks into the market offering speeds of 1Gb per second and more, and basic, non-standalone 5G is being deployed across the UK. These new services, including Fibre-to-the-Premises (FTTP), Fibre-to-the-Building (FTTB), DOCSIS 3.1, 5G, and fixed wireless access (FWA), have joined the existing forms of connectivity in the market including Fibre-to-the-Cabinet (FTTC), Asymmetric Digital Subscriber Line (ADSL), and 4G. However, with so many different forms of connectivity to choose from, each with varying benefits, availability and capabilities, consumers are increasingly required to make decisions which require a degree of technical knowledge not normally possessed by the average consumer or undertake time-consuming market research.

With the national deployment of new broadband and mobile networks, new companies and brands have entered the market. Companies such as Gigaclear, Hyperoptic, CityFibre, County

[14] Cable.co.uk, 'Global broadband pricing league table 2023', 2023 (accessed 22 August 2023)
[15] techUK, 'State of the Connected Home', 2022
[16] Ofcom, 'Media Nations Report', 2022

Broadband in fixed-line, and mobile virtual network operators (MVNOs) such as giffgaff, Smarty, Voxi, and Tesco Mobile, are increasingly challenging larger, more established telecoms providers for customers. Each offers innovative services, or unique propositions to set them apart from the competition such as symmetrical connections, inclusive international roaming, or other add-on services. Again, these technical differences are often difficult for consumers to quantify or compare without research, and the increasingly essential nature of connectivity is likely to make consumers hesitant to switch to these new providers, who may offer better or cheaper services, in case they make the wrong decision.

Finally, consumers are increasingly opting to take out bundled services, where a broadband service for example may include Pay TV, mobile contract, landline telephone, or streaming service subscription. A recent survey by Point Topic suggests 43% of consumers take up a TV services with their broadband connection[17], whilst Ofcom research shows that 79% of UK households take bundles with two or more services from one provider[18]. The bundling of services can make it difficult for consumers to extract the actual price of their broadband or mobile service (particularly as they can often receive a discount as part of the broader bundle deal). This may make it more difficult for some consumers to judge value for money and know whether they may be able to save by switching one or more of the bundled elements to another provider.

Similarly, in the mobile market, contracts may include handsets, data, different speed options (e.g., 5G or 4G services), calls and text allocations, together with subscriptions to music and video streaming platforms. This bundling of services and provision of options to tailor a service, at first glance, feels beneficial, however, it presupposes a degree of knowledge, such as their individual data requirements or the amount of calls they make on a regular basis.

Most MNOs already provide tools to assist their customers to keep track of their connectivity usage, but in the context of (i) the potential regular switching between cellular and WiFi networks e.g. home WiFi, (ii) the inclusion of the cost of a handset or other devices; and (iii) operator zero-rating of some activities such as providing ‘free’ access to social networking or specific media streaming platforms, for example Voxi’s ‘Endless Social Media’ plans – it can still be difficult for a consumer to know exactly what they are paying for and whether it represents value for money.

Potential effects on consumer outcomes

In 2018, Ofcom-commissioned quantitative research by Futuresight, which suggested that perceived complexity in the telecoms market was actively deterring some consumers from engaging with providers to obtain a better deal, either by switching provider or negotiating with their current provider[19]. While further research in 2019 highlighting a perception that switching

[17] Data from Q2 2023. Point Topic, ‘TV and Broadband Services Research’, 2023
[18] Ofcom, ‘Pricing trends for communications services in the UK’, 2022
[19] Futuresight, ‘Consumer Engagement with Communications Services’, 2018

broadband services was more complex and intimidating than in other sectors, such as energy[20].

In 2018, Citizens Advice raised a 'super-complaint'[21] to the Competition and Markets Authority (CMA) stating that consumers in regulated sectors, including telecoms, were collectively overpaying by around £4 billion per year for their services, due to "the loyalty penalty", i.e., the price difference paid by existing, 'loyal' customers, versus new customers for the same service.

In its response to the super-complaint, in 2018 the CMA agreed that the loyalty penalty existed in regulated markets, and for telecoms stated:

> *"Based on our review we consider that the best ways to achieve change are: providing genuine support to consumers through the use of 'Smart Data' (data driven technologies and services to help consumers), using intermediaries (including price comparison websites, automatic switching services, or local face-to-face advisory services) and 'collective switching' which offers exclusive tailored deals"*[22]

Ofcom reviews found that, in 2019, the impact of price differentials on out of contract broadband customers was just under £500 million per year[23], and that, in 2018, bundled out of contract mobile customers were overpaying by around £182 million[24]. Additional Ofcom research in 2022 showed that the average price difference had "widened for both standard and ultrafast dual-play products in real terms between June 2020 and June 2022, increasing by 16% and 37% respectively to £6.73 and £9.89 per month". [25]

To help tackle the issue of loyalty penalty across markets, the then Department for Business, Energy, and Industrial Strategy (BEIS) launched the Smart Data Review in 2018 and a consultation with Smart Data proposals in 2019[26]. In response to BEIS' consultation, on the question of whether a regulated approach is needed for Smart Data and Open Communications, several stakeholders, mainly telecoms companies, highlighted their preference that time is given for voluntary industry-led open data schemes to be developed[27]. Currently, no voluntary schemes have been developed in telecoms.

Since 2019, the Government has strengthened Ofcom's powers, and in February 2020, the regulator required all operators to issue End-of-Contract Notifications (ECNs) to their customers. ECNs highlight to the customer that they are (a) coming to the end of their contract, (b) inform them of any new price they will be paying if they take no action, (c) give the best tariff available from their current provider (as well as, if applicable, discounts available to new

[20] Ofcom and Jigsaw, 'Qualitative research: Consumer engagement in fixed broadband - Executive Summary' 2019
[21] A super-complaint can be made by designated bodies, including Citizens Advice, to the CMA on behalf of consumers, which requires the CMA to investigate
[22] Competition and Markets Authority, 'Tackling the Loyalty Penalty', 2018
[23] Ofcom, 'Helping consumers get better deals - review of pricing practices in fixed broadband', 2020
[24] Ofcom, 'Statement and consultation: Helping consumers to get better deals in communications markets: mobile handsets', 2019
[25] Ofcom, 'Pricing trends for communications services', 2022
[26] HM Government, 'Consultation - Smart Data: Putting consumers in control of their data and enabling innovation', 2019
[27] HM Government, 'Next steps for Smart Data: Putting consumers and SMEs in control of their data and enabling innovation', 2020, paragraph 31

customers, so that customers are made aware of the benefits of switching), and (d) the end of any promotional discounts. This notification allows consumers to decide whether to continue with that service and operator, or switch to a new one. In addition, customers who are out of contract must be given information about their contract and their provider's best tariffs at least annually, via an Annual Best Tariff Notification (ABTN).[28]

Similarly, to support consumers, in September 2021, Ofcom announced that a Gaining Provider-Led 'One Touch Switching' (OTS) process would be made available for all fixed-line residential customers. This process will allow people to switch their service by simply contacting the internet service provider (ISP) they wish to switch to, known as the gaining provider. The new provider will then handle the cancellation of the previous service and the new installation or migration of connectivity. This is expected to make it significantly easier for consumers to move between ISPs[29].

However, while ECNs have been successful in encouraging people to engage in the market, and the new OTS process is likely to support them to move providers, a gap potentially continues to exist for supporting consumers to identify and secure better deals either from their existing or new provider.

Potential benefits of an Open Communications scheme to consumers

Evidence suggests that while the telecoms sector is competitive, to successfully navigate the UK market, a consumer requires a greater degree of technical knowledge not generally possessed by the average consumer or to undertake time consuming market research. This inability for consumers to easily use the market is leading to consumers potentially paying too much or using services unsuited to their needs. This is a particular issue in the context of the rise in the cost of living.

Open Communications is a potential solution to the challenges facing consumers in the market. A data portability initiative, Open Communications, would be a telecoms industry-wide requirement for broadband and mobile operators to provide their customers, on request, data relating to that customer's existing connectivity service - such as data usage, price, and speed.

[28] Ofcom conducted a review of ECN requirements, and in their 2021 analysis found that there was increased re-contracting among broadband customers after the ECNs came into effect in February 2020, attributed to the policy itself - see: Ofcom, 'Helping customers get better deals - A review of the impact of end-of-contract notifications and pricing commitments by broadband and mobile providers', 2021
A further econometric analysis was conducted by Ofcom in 2022. See Ofcom, 'End-of-contract notifications - An ex-post evaluation of the impact of the introduction of ECNs on re-contracting and pricing for broadband services', 2022

[29] The OTS process is not yet in place. On 3 April 2023, Ofcom opened an industry-wide enforcement programme to ensure that providers deliver OTS in accordance with the agreed specifications as quickly as possible

It stems from the work undertaken as part of the Government's Smart Data Review[30] and continuing through the work of the Smart Data Council[31].

The expectation is that consumers could use the data unlocked by Open Communications to compare their existing service more easily with others on the market, mitigating the need for specialist technical knowledge, instead allowing them to concentrate on whether the service they currently have is faster or slower, cheaper, or more expensive than others available to them. This data could also be shared (with the consumer consent) with an Authorised Third Party[32] who may be able to innovate using the data to develop new tools to support consumers in the market or exploit it in other ways to create as-yet-unknown innovative services.

However, aside from helping consumers to navigate the market, a potential Open Communications may enable broader benefits.

Government commissioned research estimates the cumulative benefits of 5G to the UK economy lie between £41 - £159 billion out to 2035[33]. Similarly, analysis undertaken by the Centre for Economics and Business Research (Cebr) on behalf of Openreach, suggests that full fibre broadband could deliver a £72 billion boost to UK productivity by 2030[34].

In 2020, the Government convened the Gigabit Take-up Advisory Group (GigaTAG), co-chaired by Which?, the CBI (Confederation of British Industry) and FSB (Federation of Small Business), to identify the barriers to consumer and SME adoption of gigabit-capable services and produce recommendations to address them. GigaTAG published their final report in June 2021[35] which highlighted low consumer awareness of gigabit services and - for those who were aware - a lack of understanding of the potential benefits of taking up these faster services was a key factor preventing adoption[36].

Open Communications support consumers by giving them greater confidence to explore and take-up these new forms of connectivity and by allowing them to compare gigabit and 5G services to their existing connections. This may allow the cumulative benefits of 5G and gigabit networks to be delivered sooner and potentially encourage the continued investment in these networks by operators.

The data unlocked by Open Communications also has the potential to stimulate innovation and the development of new digital services - such as new comparison tools and apps, and introduce the market conditions to allow telecoms companies, ATPs, and others to develop innovative services.

[30] HM Government, 'Policy paper: Smart Data Review', 2018 (accessed 23 August 2023)
[31] HM Government, 'Smart Data Council to drive forward savings for household bills', 2023 (accessed 23 August 2023)
[32] Any business or organisation that a consumer gives permission to access and/or process their data for the provision of services. This may include organisations such as price comparison websites or other innovative businesses
[33] HM Government, 'Realising the benefits of 5G', 2021
[34] Cebr research on behalf of Openreach, 'The Gigabit Economy - a national success', 2023
[35] The Gigabit Take-up Advisory Group, 'Gigabit Take-up Advisory Group: Final Report', 2021
[36] The Gigabit Take-up Advisory Group, 'Gigabit Take-up Advisory Group: Final Report', 2021

In Open Banking, as of February 2023, there were 7 million users of the data portability scheme, and its usage continues to grow[37]. Open Banking has also resulted in a spectrum of innovation and investment in the FinTech sector. Apps have emerged that allow consumers to benefit from better money management services as well as data driven insights powered through Artificial Intelligence and machine learning and that can access other data sources to support consumers (such as using rent payments to show mortgage affordability).

It is reasonable to assume that the standardised, interoperable data unlocked through Open Communications may lead to innovation and the development of tools and apps - both in telecoms, but also (by linking with data from other Smart Data schemes) in other sectors - for instance matching data from Open Banking to identify financially vulnerable consumers as well as a host of as-yet-unknown uses and services. The Government Smart Data Council, which launched in April 2023[38] and includes representatives from Citizens Advice, Innovate Finance and other stakeholders, is leading the development of new and innovative schemes able to use the power of Smart Data.

Potential wider implications of any Open Communications scheme

This consultation looks extensively at the potential benefits and opportunities of Open Communications, but it is also essential that we consider the potential risks which might be associated with a scheme, so as to inform policy decisions as well as to enable mitigations to be considered. We are particularly interested in assessing Open Communications potential effects on retail competition, market stability, and sector investment. These potential risks are explored further in the following section.

It is also important to recognise that while Open Communications has the potential to support consumers find cheaper, better deals in the market, should this consultation lead to the conclusion that the scheme is desirable and feasible, it will take time to implement, and should be considered a long-term, rather than short term, solution.

Subsequent sections of this consultation set out the core elements that would underpin any such scheme.

[37] Open Banking Implementation Entity (OBIE), 'Press Release: UK reaches 7 million Open Banking users milestone', 2022 (accessed 23 August 2023)
[38] HM Government, 'Press Release: New Smart Data Council to drive forward savings for household bills', 2023 (accessed 25 August 2023)

2. Design of an Open Communications scheme

Overview

This consultation seeks feedback on the impact of an Open Communications scheme, and three core design elements:

- **Participation:** which telecoms services, users and providers should be in scope of Open Communications;
- **Data:** what data should be provided and shared to enable consumers to make an informed decision around their needs; and
- **Sharing:** how the data should be made available and the data-sharing processes, so that it is accessible and usable by consumers.

Questions such as funding, governance and administration of the scheme, and how to maintain security of the data supplied are important - however, these aspects will be informed by the feedback we receive from this consultation, which focuses on core principles and design elements. Based on responses to this consultation, the Government may seek further views on these areas and other elements of an Open Communications scheme in the future.

The impact of Open Communications

As highlighted in section 1, changing consumer habits and rapid change in the sector, means that consumers may be facing barriers to engagement in the market. This may be resulting in consumers overpaying for services, and causing hesitancy in taking up new networks, such as gigabit broadband and 5G services.

The accompanying Impact Assessment highlights the potential benefits of improving access to user data and enabling the creation of new services and tools. Our analysis suggests that an increase in switching rates, as a result of Open Communications, of 5% could result in consumer savings of up to £35 million a year in broadband and mobile. There could also be consumer time savings worth up to £30 million a year, as well as other benefits (that have not yet been monetised) including improved competition, and advantages to telecoms companies, the public sector as well as organisations who may be able to develop new service providers (e.g., an Authorised Third Party) with the data unlocked by Open Communications.

The key financial costs associated with a comprehensive scheme are expected to be for implementation, familiarisation to businesses, as well as an ongoing maintenance, such as upgrading or updating IT systems and data management. These will vary depending on the individual company's existing systems as well as size. We expect to estimate the potential costs of any Open Communications more accurately, once we establish the core elements considered as part of this consultation, though we have included estimates from other Smart Data schemes in the Impact Assessment to give indicative examples at this early stage. For example, costs of the Pensions Dashboard were estimated at up to £163 million a year for

businesses[39], and public sector costs for Open Banking were estimated at £32 million a year. It should be noted that increased costs are likely to ultimately be passed through to consumer prices and so need to be set against potential competition benefits.

We believe that there is sufficient evidence to support our further exploration of a potential Open Communications scheme, but this consultation also seeks to understand any potential broader impacts or unintended consequences. It is important that we fully understand these potential negative implications before making any final decision as to whether to pursue Open Communications in the UK market.

The responses to this consultation will help us establish a number of fundamental aspects of any potential Open Communications scheme, and better estimate the costs, but it is also necessary to consider carefully whether they may lead to higher bills for consumers. Any Open Communications scheme will likely require industry to develop or upgrade IT systems and will also be in addition to an existing list of programmes, including the nationwide deployment of new gigabit and 5G networks, PSTN migration[40], 2G/3G switch-off and establishment of a One-Touch Switching process for broadband. It is possible that operators may seek to fund these programmes by raising consumer prices.

Responses will also allow us to better assess the resources required for organisations to participate in a scheme, and therefore the potential implications to smaller providers. It is likely that implementation will have a larger impact - in terms of relative cost and resources - on smaller providers, than bigger operators, who will have greater capacity and resources within their businesses to undertake any necessary IT upgrades or implement additional processes. It will therefore be necessary to consider carefully whether participation in a scheme may be burdensome on smaller providers, but equally the implications to their businesses and customers of excluding them.

We also foresee a potential risk that Open Communications may distort competition, with operators changing their strategies to focus only on those elements of their service which are monitored by the scheme. This could lead providers to invest less in innovation or other aspects of their service which are not within scope of Open Communications (such as customer service) which could lead to new forms of consumer detriment. Equally, it will be necessary to consider whether this refocusing of competition favours larger players, who will have greater room to lower prices or bundle services, for competitive advantage.

It is also important to ensure that Open Communications delivers for the groups most likely to benefit from the scheme. All smart data schemes require some degree of digital skills in order to participate. In 2022, Lloyds Bank's Digital Consumer Index[41] showed that 20% (10.2 million) of people in the UK do not possess 'foundation digital skills' - such as having the ability to turn on a computer or open a web browser[42]. The same research also showed that older people, those on low incomes, as well as those with a sensory, physical, learning, or mental health

[39] Pension Schemes Act 2021, 'Impact Assessment Annex H', 2021
[40] Public Switched Telephone Network
[41] Lloyds Bank, 'Consumer Digital Index 2022', slide 38, 2022

[42] Lloyds Bank, Consumer Digital Index 2022, slide 39, 2022

impairment were more likely to not possess foundation digital skills. The Department for Business and Trade has previously commissioned research[43] focused on how to design and create inclusive smart data schemes, and produced a set of principles to help vulnerable consumers interact with smart data. The conclusions from this project will inform inclusive scheme development of Open Communications.

Overall, Open Communications has the potential, by providing consumers with clear information relating to their existing service, to assist consumers in the market. We are also aware that a number of other Smart Data schemes are currently under consideration. In the future the data unlocked by an Open Communications scheme may (with the customer's consent and authorisation), combine with other pieces of data unlocked by other Smart Data initiatives in other sectors, and we are therefore also interested in exploring the potential this scheme may have to unlock new innovative, personalised consumer services.

Question 1: What are your views regarding the potential impact - positive or negative - on consumers of establishing an Open Communications scheme in the UK telecoms market? Please provide evidence or data where possible to support your answer.

Question 2: If you highlighted any negative impacts to consumers, do you have any views about how these potential negative impacts may be prevented or mitigated?

Question 3: What are your views regarding the potential impact - positive or negative - on telecom providers of establishing an Open Communications scheme in the UK telecoms market? Please provide evidence or data to support where possible to support your answer.

Question 4: If you highlighted any negative impacts to telecom providers, do you have any views about how these potential negative impacts may be prevented or mitigated?

Question 5: What are your views regarding the potential impact - positive or negative - on the telecoms market as a whole, in establishing an Open Communications scheme? Please provide evidence or data to support where possible to support your answer.

Question 6: If you highlighted any negative impacts to the telecoms market as a whole, do you have any views about how these potential negative impacts may be prevented or mitigated?

Question 7: Are you able to provide any examples of the potential new services or apps which may be developed by an Authorised Third Party to use the data unlocked by any Open Communications scheme?

[43] HM Government, Design principles for Smart Data research, 2023

3. Who should participate in an Open Communications scheme?

Home broadband service providers [44]

We have considered the types of consumers who are most likely to need assistance navigating the market and therefore may benefit from access to the data provided by an Open Communication scheme.

As set out in section 1, the rise of internet-enabled devices, proliferation of streaming services, advances in digital infrastructure and competition between ISPs, may have led to the market becoming difficult to understand for the average home broadband consumer. At the same time, home broadband customers, and in particular those who may be vulnerable[45], are the least likely to have the technical knowledge or access to the specialist advice necessary to successfully navigate the market. Ofcom found that those aged 65 and over and those in financially vulnerable households had lower confidence levels when using internet services and performed fewer tasks online.[46]

Home broadband customers are often faced with deciphering the telecoms market with few means to access free, independent advice, aside from commercial services such as price comparison websites. However, these websites rely on the customers to input information about the service they are seeking, and – in the context of our concerns previously set out - this may mean that results from comparison sites are inaccurate and lead to consumers taking out packages above their needs and paying more than necessary as a result.

By providing home broadband customers with access to data about their current connectivity package[47], an Open Communications scheme has the potential to assist users more easily compare what they have and what they use, to the other services on offer in the market - allowing them to more easily identify deals which suit their needs and household budget.

For the reasons set out above, the Government therefore proposes that any Open Communications scheme would seek to include providers of home broadband services.

However, we are aware that the home broadband market has players of various sizes, with some ISPs having customers in the millions and others in the thousands. We also know that some providers of home broadband operate in specific geographical areas and provide services to meet a local need. Any Open Communications scheme is likely to require operators to undertake significant upgrades to their IT systems to generate and provide the information to consumers.

[44] For the purpose of this consultation, home broadband is defined as: An internet service delivered to a domestic premise or dwelling via a fixed connection. This may include fixed-line broadband, fixed wireless access, or mobile broadband. These can be included as a standalone product or bundled with other services.
[45] Ofcom's General Condition C5: Requires operators to support those who may be impaired due to age, physical or learning disability, physical or mental illness, low literacy, communications difficulties or changes in circumstances such as bereavement
[46] See for example page 25, Ofcom, 'Adults' Media Use and Attitudes report 2023', 2023
[47] Set out in Section 4 of this consultation.

Depending on the size of the provider, the impact of making these changes will vary, with smaller providers[48] potentially facing greater burden to participate than larger providers. We recognise that for some small providers, mandating participation in an Open Communications scheme may be excessively burdensome, however, we similarly recognise that failure to include smaller providers may have a negative impact on competition and prevent their customers from accessing any potential benefits a Smart Data scheme may enable.

Failure to include smaller providers may lead their services not to show up on comparison sites or other services which may use the data unlocked by Smart Data. Given that many smaller ISPs serve smaller communities and may be the only provider of full fibre services in their location, this would be particularly concerning. Similarly, we believe that failure to include small providers may disadvantage the customers of these providers, who - as previously stated - may be in locations with limited competition.

On balance, we would expect that all providers of broadband services, regardless of size, might be required to participate in any Open Communications scheme.

Question 8: Do you have any views regarding the potential benefits, challenges, or unintended consequences of requiring providers of home broadband services to participate in any Open Communication scheme? Where possible, please provide evidence or data to support your answer.

Question 9: Do you have any views regarding our assessment that any such scheme should require all providers of home broadband services - regardless of size - to participate?

Question 10: Do you have any views or data regarding the potential impact on small, medium or large providers of requiring their participation in any such scheme?

Question 11: Do you have any views about ways to design any Open Communications scheme which will allow smaller providers (and their customers) to participate, without placing a potential excessive burden on those providers?

Personal mobile service providers

The Government believes that many of the same challenges facing customers in the home broadband market may also be present for personal mobile phone consumers[49], but they also face some unique difficulties.

[48] For the purpose of this document, we are classing any provider with a subscriber base of less than 500,000 as a small provider. Inversely, for the purpose of this document we are classing any provider with a subscriber base over 500,000 customers as a large provider.

[49] For the purpose of this consultation, we are defining personal mobile services as: mobile voice or data connections available to individual members of the general public to connect a mobile phone owned by them in a personal capacity

Ofcom's Communications Market Reports[50] showed that the average mobile data usage per month in 2015 was 1 GB; this figure increased to 7 GB in 2022. This significant increase in usage highlights the increasingly essential role mobile communications plays in everyday life. Mobile phones are used for an increasing variety of purposes, from making calls and sending texts, to paying bills and accessing essential public services, they stream music, play games and as payment devices for in-store purchases. Knowing the data you need for any one of these services can be difficult to determine. With mobile contracts sold based on (amongst other things) allowances of calls, text and data, mobile users are increasingly expected to know the precise data requirements of a range of services to determine the package right for them. A survey by Citizens Advice in 2019 suggested consumers on sim-only plans were paying for an extra 2 GB of data each month, affecting around 12 million people[51]. This is of particular concern in the context of the rise in the cost of living.

Furthermore, consumers using their mobile device may use multiple ways to connect - such as their mobile network, home WiFi or public WiFi. Some providers include access to public WiFi hotspots as part of their consumer packages. It is likely that this jumping between networks may add to consumer difficulty in understanding their requirements and what packages are right for their needs. An individual might consider themselves a 'heavy user' who requires significant data, while - in reality - they may predominantly use their device at home or work and use a WiFi rather than mobile network to connect.

Finally, there has been significant innovation in the telecoms sector which may have made deals difficult to identify for consumers. For example, mobile contracts may include the cost of the handset, 'free' access to subscription services, the zero rating[52] of some services, cashback, in-contract price rises and/or promotional deals. These often subtle differences between providers' offerings can make the search for a good deal difficult within extensive research or specialist knowledge.

An Open Communications scheme may be able to support consumers on each of these points. The provision of usage information (as set out in section 5.3 below), by MNOs, Vodafone, EE, Three, and Virgin Media O2, as well as MVNOs would seek to provide consumers with a clear breakdown of their use of the mobile device over time, the price they are paying and highlight any benefits they are receiving.

Given the nationwide coverage of MNOs and MVNOs, and therefore the ability of nearly any consumer to use any network, we believe that any such scheme might benefit from including all providers of personal mobile services. However, like in home broadband services, we are aware of size differences between operators and concerns that smaller MVNOs may face excessive burdens to participate in a scheme.

[50] Ofcom's annual Communications Market reports are available on their research portal
[51] Citizens Advice, 'Press release - Majority of mobile consumers overpaying for data at a total cost of £800 million', 2019 (accessed 23 August 2023)
[52] Websites or services - designated by service providers - which do not incur charges or use data allowances to use or view

Question 12: Do you have any views regarding the potential benefits, challenges, or unintended consequences of requiring providers of personal mobile services to participate in any Open Communication scheme? Where possible, please provide evidence or data to support your answer.

Question 13: Do you have any views regarding our assessment that any such scheme should require all providers of personal mobile services - regardless of size - to participate?

Question 14: Do you have any data or information regarding any barriers or specific challenges which may prevent smaller MVNOs from participating in any such scheme?

Business broadband and mobile providers

Qualitative research undertaken by Ofcom in 2020[53], indicates that many of the challenges facing retail consumers navigation of the telecoms market also face Small or Medium-sized Enterprise (SME) [54]customers. However, depending on the size of the organisation, the needs of business can be more bespoke making them difficult to quantify or capture in data.

SMEs are the foundation of our economy, making up 99.9%[55] of all businesses in the UK, with 94% of companies using the internet and 83% agreeing that communications services are fundamental to their business[56]. It is therefore important that they - like home consumers - are able to find and access the connectivity services their organisations need.

Just as with home broadband and personal mobile markets, business users enjoy access to a competitive market, with widespread availability of services from large national providers as well as smaller, specialist, local providers. However, also like home broadband and personal mobile customers, they are faced with similar challenges regarding the need to possess technical knowledge to successfully engage with the market.

SMEs, like home consumers, are often presented with an array of services and options when considering their connectivity, including Voice over IP (VOIP) telephony, cloud-storage, and network-level security. Similarly, SMEs equally must contend with the growing suite of services looking to take advantage of the increased speed and reliability of gigabit broadband and 5G in the business market. Ofcom research showed that individuals tasked with making decisions for their companies are not normally experts in the field and even those with knowledge find it difficult to fully understand the services being offered[57].

[53] PWC research for Ofcom, 'Open Communications Qualitative Research', slide 20, 2020
[54] The UK government definition of organisations within the SME: Micro (less than 10 employees and an annual turnover under €2 million), small (less than 50 employees and an annual turnover under €10 million) and medium-sized (less than 250 employees and an annual turnover under €50 million) businesses
[55] UK Government, 'Business Estimates for the UK and Regions', 2021
[56] Ofcom, 'SME consumer experience in the telecoms market', slide 11, 2022
[57] Ofcom, 'SME's Communication Needs', 2018

The similar challenges faced by SMEs and home broadband and personal mobile services consumers leads us to consider that it may be beneficial to require business broadband and mobile providers to participate in any Open Communication scheme. However, we are concerned that, while certainly overlapping in several areas with residential customers, the needs of business users may be more bespoke, with specialist requirements that may be difficult to capture.

Business broadband and mobile providers offer services to large, multinational companies as well as SMEs. The SME sector itself is a diverse range of sole traders, micro, small and medium-sized companies, made up of businesses from cafes and shops to media production companies and online marketers. The connectivity requirements of this broad range of businesses are likely to vary wildly, with packages more likely to be tailored to the connectivity requirements of any individual company, rather than off-the-shelf solutions. Larger SMEs (as well as larger companies) for example are likely to place greater value on leased lines, static IP addresses, guaranteed uptime, multi-site provision and robust, confidential service-level agreements (SLA), than sole traders or micro businesses. Many of these services - in particular leased lines and multi-site provision - will be bespoke offerings without a regular, fixed price.

These more advanced requirements of larger business users may also be varied, specified, or tailored as part of a negotiation process between the SME and their broadband or mobile provider, which makes them difficult to capture for the provider and difficult to compare for SMEs (who may equally seek to negotiate with any new provider). Larger businesses are also more likely to access or employ individuals with specialist knowledge (such as IT consultants) to support their decision-making as well as have greater leverage to negotiate better deals with providers directly - e.g. there is a possibility that rather than assisting companies to get a better deal, a potential Open Communications scheme may deter organisations from negotiating and lead to them purchasing more expensive, less tailored, off-the-shelf services.

We also note that, the majority (72%)[58] of micro businesses (which are the least likely to have access to specialist IT support, and most likely to face challenges engaging in the market), opt to use residential internet and personal mobile services, meaning they will be captured within the scope of any Open Communications scheme that includes home broadband and personal mobile services.

At this stage, we believe that we require more quantitative data and evidence for making any decision regarding requiring business broadband and mobile services to participate in any such scheme. In particular, we would benefit from further data regarding the impact on business consumers, as well as whether including providers of business broadband, business mobile services or both, would be beneficial. Similarly, we would like to understand the potential implications to the broader business connectivity market.

Question 15: Do you have any views, evidence or data regarding the unique challenges facing businesses navigating the business broadband and mobile markets?

[58] Ofcom, '[SME consumer experience in the telecoms market]', slide 28, 2022

Question 16: If you have highlighted challenges in Question 15, do you have any evidence of any negative impacts or consequences of these challenges on businesses ability to operate efficiently or successfully?

Question 17: Do you have any views, evidence or data relating to unique challenges associated with successfully navigating the business broadband market?

Question 18: Do you have any views, evidence or data relating to unique challenges associated with successfully navigating the business mobile market?

Question 19: Do you have any views on the data points which any Open Communications scheme should require providers of business broadband and mobile services to make available to consumers to assist them navigate the market?

4. What data should be shared via an Open Communications scheme?

Access to data is at the core of Open Communications, it is therefore important to consider the data a consumer needs to be able to successfully navigate the market. Broadband and mobile providers potentially capture significant amounts of data from their users, from where and when they log into services to the websites and services they access. This data may be deeply personal or confidential, but it may also be simple, anonymous usage statistics. It is the latter which we believe may be most beneficial to support consumers.

We have considered some key areas of competition between providers, the information showcased in their marketing and advertising designed to emphasise distinct selling points or areas of difference. We believe that unlocking information relating to these points of competitive differences will likely be the most beneficial for supporting consumers in the market, allowing them to see how services may be better or worse or cheaper or more expensive than one another.

Below, we have set out the data types and categories that we consider are potentially beneficial to consumers in the market.

- **Network type:** The type of network that the customer currently uses – e.g., FTTP, FTTC, cable, 3G, 4G, or 5G. This will allow consumers, and third-party providers to assess the connection the consumer currently has and be able to compare that with other forms of connection on the market that are available to them/their premises.
- **Price:** The price the consumer pays for their current broadband or mobile connection. This should include any scheduled price rises, any change when their contract comes to an end, and any discounts. This information is essential for consumers to be able to see the cost of the connectivity and to be able to judge – against other propositions in the

market – whether they are receiving value for money or could get a cheaper deal elsewhere.

- **Contract length:** The contractual period of their existing telecoms service. This should include any charges or penalties for early termination, as well as the notice period required by the contract to end the service. This information will allow consumers to compare the commitment they have already made to other potentially longer or shorter contractual periods offered in the market.
- **Usage:** The average amount of calls, texts and data used against the inclusive allowances paid for on a monthly basis, or when allowances reset. While this is primarily a concern for mobile users, this information may also be relevant for broadband users with landlines or specific add-on packages (this may also include any instances of where the customer has exceeded their usage allowance and any penalties they incurred as a result). This data will help consumers understand the complete picture of their consumption patterns and help judge whether they are getting value for money, in combination with pricing information. Add-ons, discounts, or other additional benefits: Including discounts currently on their bill, or on other services they receive from being a customer – such as inclusive streaming services subscriptions or high street retail offers[59]. As consumers are increasingly purchasing their services in bundles, this information is essential so that consumers can easily compare their current package with other available offers in the market.
- **Reliability:** The uptime of their line (i.e., the amount of time the services are operational) compared to the operator's national average, and the average across the sector. Consumers are increasingly demanding and factoring in reliability as a key component when deciding which services to take-up.

Download speed: The download speed that their broadband or mobile service can reach. In the case of mobile this may be the average connection speed over the course of their contact - delivered to devices (rather than that device's capability). Given the increased range of devices and consumption of services in households, it is important for consumers to know what their download speeds are, whether it is sufficient for their usage needs, and to see what other speeds (and at which prices) are available to them.

Upload speed: The upload speeds that their broadband service or mobile service can reach. In the case of mobile this may be the average upload speed over the course of their contract. We think it is important for consumers to understand the upload speeds they receive with their current provider and be able to compare that with other offers.

Some of the data types will be dependent on the service type, as such we are open to the idea that data provided may vary depending between fixed-line and mobile. Network type, price, contract length, usage, reliability, and speeds are common data points for the telecoms sector, and it is expected that providers will already collect this information. We therefore assume that providing this data should not place undue burden on operators. We may seek to explore this aspect further based on feedback to this consultation.

[59] For example, O2 Priority which provides discounts to qualifying O2 customers

Question 20: Do you have any views about the data points we have highlighted above, and do you believe that - should they be included within the scope of any Open Communications scheme - they would support consumers in the market?

Question 21: Do you have any views about any other data points which might be made available by any such scheme? If you have added any other data points, please explain why these additional data points will support consumers navigate the market?

Question 22: Do you foresee or anticipate any negative impacts of releasing any of the sets of data outlined in this section? Please provide evidence or data to support your response.

5. How should the data be shared and how should consumers participate in Open Communications?

Key scheme objectives

Smart Data is based on sharing and any Open Communications scheme will require information to be shared between the operator and consumer, as well as allowing that consumer to then share again (should they choose) with other businesses or organisations. To transform data into 'smart' data requires clear, standardised, interoperable standards. These standards will allow the fast and efficient transfer of data and allow the development of new software and applications able to access information from multiple sources.

The success of any such scheme will therefore be dependent on establishing a consistent sharing process which is both convenient and easy to access, but also engenders sufficient trust from consumers that they are willing to participate and share their data. It is therefore important that data made available by any such scheme:

- **is secure**, and ensures that consumers have full trust and confidence in their data being shared between communication providers and third-party providers, and that data is sufficiently anonymised;
- **is consistent** and conforms to agreed standards so that the data is fit for purpose by third-party providers when giving advice and services to consumers;
- **is accessible** and easy to use for consumers, in particular, to ensure that use of Open Communications is not limited to those who are already tech-savvy; and
- **allows new and innovative services** to flourish so that consumers have a greater choice of third-party provider services – for instance account and bill management services, switching tools, etc, in addition to existing comparison tools, to further cut through complexity and improve consumer engagement in the market.

In this section we are seeking views on how providers participating in any Open Communications scheme might make data available to their customers. The design of the sharing regime will likely have a significant impact on the implementation and running costs of

any scheme, and we will seek to use any information gathered in this section to inform our estimates of the potential financial and resource costs.

In the future, we may seek further views on how to ensure that data is handled securely, including the technical standards and core privacy principles. We will aim to build on any technical work of the DBT-led Smart Data Council[60] of which DSIT is a core member.

Data sharing methods and options

We have considered a number of potential options that data might be shared.

Direct downloadable files

We have considered the potential merits of requiring operators to make available - upon request - a simple downloadable file containing the data that can be viewed and shared by the customer. The data may be in a standardised, Open Format[61], with the information set out in a manner which is easily understood by the average consumer.

This approach would be beneficial as a starting point but would involve several steps for the consumer which may act as a barrier to those who are already apprehensive about engaging in the telecoms market. We are, however, concerned that different standards and versions of downloadable files would develop over time, which could cause compatibility issues for third-party providers, resulting in their inability to use the data supplied.

Data portals

These include requiring operators to create a dedicated portal on their existing web page that customers can access via a secure login process to view the data. We believe that the use of an existing, familiar website may have benefits to engender initial public trust in an Open Communications scheme (and may be helpful as a starting point) but the inability to easily share the data with third-party providers or others may act as a barrier for those with limited technical skills.

Data-sharing Application Programming Interfaces (APIs)

Finally, we have considered the potential merits of requiring operators to make data available to consumers through an API. Through this approach, consumers would be able to directly access their information through an Authorised Third Party whose IT systems will connect directly (or indirectly) to provider data. This approach has a number of benefits, including the continuous availability of up-to-date information as well as allowing a near-seamless engagement process for consumers.

[60] HM Government, '[New Smart Data Council to drive forward savings for household bills]', April 2023, (accessed 30 August 2023)
[61] That is to say a file in a format that anyone can use and does not require proprietary software to view

Developing an API will require the establishment of core standards particularly around sharing and security, as will also likely require an upgrade by participating organisations' IT systems.

On balance, we believe that any Open Communication scheme would benefit from the establishment of an API to underpin data sharing. We recognise that this approach is likely to be the most costly of those considered, but we equally believe it is likely to be the most easily understandable and accessible for consumers. This approach will also help innovation in the third-party provider market, allowing new services to be developed that will help consumers understand and navigate the market better.

However, we also think it is important that consumers should not be forced to engage with a third-party provider to access their data. We therefore suggest that there may also be benefit in requiring operators participating in any scheme should make information available to consumers via a downloadable file. We believe this may assist consumers to seek help from friends and family, or other organisations (such as charities).

As set out previously in this consultation, we may seek further information regarding implementation challenges, in particular funding, resources, and timescales, however we would welcome feedback from stakeholders on the potential impact of an API-based approach should best be delivered.

Question 23: Do you have any views on how information might be shared between providers participating in any Open Communications scheme and consumers?

Question 24: Do you have any views on the potential merits, challenges, or unintended consequences of requiring providers participating in any Open Communications scheme to make data available via an API?

Question 25: Do you have any data or evidence which may assist us in assessing the potential financial and resource costs of pursuing an Open Communications scheme which requires the creation and maintenance of an API?

Question 26: Do you have any experience or views you are able to share about how best to facilitate collaboration between providers and third parties to establish a safe and secure sharing process which might underpin an Open Communications scheme?

Consultation questions

Design of an Open Communications scheme

1. What are your views regarding the potential impact - positive or negative - on consumers of establishing an Open Communications scheme in the UK telecoms market? Please provide evidence or data to support where possible to support your answer.

2. If you highlighted any negative impacts to consumers, do you have any views about how these potential negative impacts may be prevented or mitigated?

3. What are your views regarding the potential impact - positive or negative - on telecom providers of establishing an Open Communications scheme in the UK telecoms market? Please provide evidence or data to support where possible to support your answer.

4. If you highlighted any negative impacts to telecom providers, do you have any views about how these potential negative impacts may be prevented or mitigated?

5. What are your views regarding the potential impact - positive or negative - on the telecoms market as a whole, in establishing an Open Communications scheme? Please provide evidence or data to support where possible to support your answer.

6. If you highlighted any negative impacts to the telecoms market as a whole, do you have any views about how these potential negative impacts may be prevented or mitigated?

7. Are you able to provide any examples of the potential new services or apps which may be developed by an Authorised Third Party to use the data unlocked by any Open Communications scheme?

Participation in Open Communications Scheme

Home Broadband

8. Do you have any views regarding the potential benefits, challenges, or unintended consequences of requiring providers of home broadband services to participate in any Open Communication scheme? Where possible, please provide evidence or data to support your answer.

9. Do you have any views regarding our assessment that any such scheme should require all providers of home broadband services - regardless of size - to participate?

10. Do you have any views or data regarding the potential impact on small, medium, or large providers of requiring their participation in any such scheme?

11. Do you have any views about ways to design any Open Communications scheme which will allow smaller providers (and their customers) to participate, without placing a potential excessive burden on those providers?

Personal Mobile Services

12. Do you have any views regarding the potential benefits, challenges, or unintended consequences of requiring providers of personal mobile services to participate in any Open Communication scheme? Where possible, please provide evidence or data to support your answer.

13. Do you have any views regarding our assessment that any such scheme should require all providers of personal mobile services - regardless of size - to participate?

14. Do you have any data or information regarding any barriers or specific challenges which may prevent smaller MVNOs from participating in any such scheme?

Business broadband and mobile providers

15. Do you have any views, evidence or data regarding the unique challenges facing businesses navigating the business broadband and mobile markets?

16. If you have highlighted challenges in Question 15, do you have any evidence of any negative impacts or consequences of these challenges on businesses ability to operate efficiently or successfully?

17. Do you have any views, evidence or data relating to unique challenges associated with successfully navigating the business broadband market?

18. Do you have any views, evidence or data relating to unique challenges associated with successfully navigating the business mobile market?

19. Do you have any views on the data points which any Open Communications scheme should require providers of business broadband and mobile services to make available to consumers to assist them navigate the market?

What data should be shared in the Open Communications scheme?

20. Do you have any views about the data points we have highlighted above, and do you believe that - should they be included within the scope of any Open Communications scheme - they would support consumers in the market?

21. Do you have any views about any other data points which might be made available by any such scheme? If you have added any other data points, please explain why these additional data points will support consumers navigate the market?

22. Do you foresee or anticipate any negative impacts of releasing any of the sets of data outlined in this section? Please provide evidence or data to support your response.

How should the data be shared and how should consumers participate in Open Communications?

23. Do you have any views on how information might be shared between providers participating in any Open Communications scheme and consumers?

24. Do you have any views on the potential merits, challenges, or unintended consequences of requiring providers participating in any Open Communications scheme to make data available via an API?

25. Do you have any data or evidence which may assist us in assessing the potential financial and resource costs of pursuing an Open Communications scheme which requires the creation and maintenance of an API?

26. Do you have any experience or views you are able to share about how best to facilitate collaboration between providers and third parties to establish a safe and secure sharing process which might underpin an Open Communications scheme?

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