



Complying with EECC-Based Changes to Ofcom's General Conditions

Introduction

Compliance failings may expose a business to financial and operational risks. They can also result in harm to corporate reputation and lead to problems with capital financing. In addition, commercial relationships with other firms may suffer.

Ofcom is implementing the European Electronic Communications Code (EECC)¹ in the UK via the General Conditions, which set the parameters within which UK telecommunications providers must operate their businesses. The EECC-based regulatory changes are being phased in over several stages. UK providers are, therefore, in the process of making, or attempting to make, a significant number of changes to the way their businesses operate in order to comply with the new requirements.

¹ The EECC replaced four EU directives: the Framework Directive, the Access Directive, the Authorisation Directive and the Universal Service Directive

The Burden of Compliance

Smaller firms are particularly burdened by the wall of regulation they face. They do not have the economies of scale which allow competing larger firms to employ teams of specialised personnel to address compliance issues. Nor is it practical for smaller operators to address every compliance task at once. A staged approach to compliance based on an assessment of risk is necessary so that operational resources are not overwhelmed.

Vanilla Compliance Advice May Not be Helpful

External advice frequently comes in a cookie-cutter type format which simply lists everything that needs to be done. It may not be prioritised or interpreted sensibly in the light of the firm involved. Moreover, the operational challenges and the need for adequate explanation and implementation guidance may not be addressed. This can leave operational staff facing a wall of regulation without understanding how they can change things to comply in a proportionate, prioritised and effective manner.



Cenerva's In-Depth Compliance Experience and Practical Approach

Cenerva has in-depth expertise with compliance both operationally and from a regulator's perspective. We have senior industry and public sector compliance expertise. We also have specific compliance experience within the area of changes to the General Conditions resulting from the implementation of the EECC.

We are able to work with operators to audit their state of compliance, target those areas of highest priority and phase in the compliance changes required in the most effective and efficient way possible and in a manner that results in the least disruption to day-to-day commercial operations.

We can also use the end-to-end audit process to provide you with commercial insights that can improve your customer service levels and competitiveness by looking at how your customers are treated from the sign-up onwards. In this way, we can minimise the costs, the potential for fines, reduce the chances of damage to corporate reputation, and help with customer retention.



Key changes resulting from the EECC that we can assist with include:

- New requirements for contractual sign-up, especially for consumers and small businesses, including specific information about internet speeds
- New requirements for notifications to be sent to customers at the start of, during and at the end of contracts, including data usage and cost
- New requirements for termination of contracts, including information related to bundles and best tariff information
- New record-keeping requirements
- New requirements for providing information to customers
- New requirements for publishing information
- New requirements for accessible communication formats and vulnerable customer policies
- New one-touch requirements for customers that switch between operators

In turn, this will help to reduce your risk of facing fines for non-compliance. The fines operators risk are as follows:

- Initial fines for non-compliance with information provision about compliance measures. Ofcom may give an operator only weeks to respond with details of how it has implemented the EECC.
- Subsequently, for the relevant specific breach, and based on fines levied to date in respect of the General Conditions by Ofcom, there is a range of financial penalties that could be imposed.

Cenerva can provide our opinion about the likely fines that operators risk based on the class of customers that were affected by a breach and the nature of the breach.

We can also help you to deal effectively with information demands from Ofcom and information submission to them.

Cenerva: Pillars of EECC Compliance Services

In summary, our range of compliance services could address, subject to your specific requirements, issues affecting people, processes, software and hardware and include:

- An audit of existing compliance and compliance gaps
- The creation of a targeted compliance program, starting with the areas of highest risk, which breaks down your compliance work in to phases
- Using our commercial expertise to find a way of complying that minimises the disruption to your organisation
- Dovetailing EECC-based changes to the General Conditions with your existing commercial processes
- Supporting compliance change implementation
- Using the audit process to generate insight about the customer pathway through your organisation and thereby help with operational effectiveness, customer care and retention
- Advising on how to handle information demands from Ofcom and any threats of fines
- Advising how to conduct ongoing compliance audits in the most cost-effective way possible going forwards and in a manner which provides further commercial insights

To discuss how you can make the necessary changes to ensure effective compliance with the regulatory requirements in time for the April deadline, visit cenerva.com/eecc and book your no-obligation call.