

# ACCAN Migration Statement

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## Summary

The National Broadband Network (NBN) is a complex rollout. It requires consumers and a number of parties (including Telstra, nbn, retail service providers and device service providers) to coordinate their efforts. For consumers, migrating services can be complicated and loss of services or functionality can cause significant risk to life, cost and inconvenience. ACCAN believes that it is vital to have rigorous procedures in place, to ensure positive consumer outcomes and clear avenues for consumers to use if difficulties arise.

## Need for improved migration processes

As at November 2017 just over 3 million premises were connected to the NBN.<sup>1</sup> Consumer experience of switching to the NBN has been very mixed, with consumers encountering issues including confusion, missed appointments, failed migration and periods without services.<sup>2</sup>

The next three years will see an acute 5.7 million additional premises switching to nbn;<sup>3</sup>

- 2017-2018 – 2 million premises
- 2018-2019 – 2.5 million premises
- 2019-2020 – 1.2 million premises

The increasingly large number of consumers interacting with nbn is likely to exacerbate existing issues, result in more inconvenience for consumers and put pressure on current nbn procedures. The ACMA is currently investigating the types of issues that consumers are encountering and the underlying causes.<sup>4</sup> This week the nbn also paused the rollout of the HFC network, to improve their rollout process and fix known issues that are negatively impacting consumers' experience.<sup>5</sup> This statement aims to set out key areas that ACCAN believes should be improved. It was developed based on consumer experience and input from our member organisations and other stakeholders.

## Key areas for improvement for a successful consumer experience

1. Ensuring that consumers have access to a working service
2. Providing accurate, clear and consistent information to consumers
3. Providing assistance to consumers when needed
4. Appropriate avenues for consumers to seek assistance, answers and raise complaints

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<sup>1</sup> nbn, Weekly Progress Report, 23<sup>rd</sup> November 2017.

<https://www.nbnco.com.au/content/dam/nbnco2/documents/nbn-rollout-metrics/nbn-rollout-metrics-28092017.pdf>

<sup>2</sup> For more information see Telecommunications Industry Ombudsman 2016-2017 Annual Report.

<http://www.tio.com.au/publications/news/2017-annual-report-released>

<sup>3</sup> NBN Corporate Plan 2018 - 2021 <http://www.nbnco.com.au/corporate-information/about-nbn-co/corporate-plan/corporate-plan.html>

<sup>4</sup> ACMA, Focus on the nbn customer experience. <http://www.acma.gov.au/theacma/acma-focus-on-the-nbn-customer-experience>

<sup>5</sup> Nbn, NBN Co takes customer experience improvement program to new levels, 27<sup>th</sup> November 2017. <https://www.nbnco.com.au/corporate-information/media-centre/media-releases/improved-customer-experience.html>

## Key areas of concern

### 1. Ensuring that consumers have access to a working service

It is important that consumers have access to a service and that it is functioning. ACCAN sees three primary issues that are arising and preventing this from occurring.

#### 1.1. Timely and guaranteed connection appointments

Switching to nbn can be highly inconvenient for consumers. This is particularly true when consumers need to take time off work or other activities to be at home for appointments.

The inconvenience is emphasised when technicians fail to turn up, often without any warning. New internet connection delays were the top complaint issue to the TIO last year.<sup>6</sup> The ACMA preliminary findings are that connections are not occurring within the standard timeframes.<sup>7</sup> nbn estimates that 10% of appointments are missed, equating to 82,552 missed appointments in 2016.<sup>8</sup> A number of consumers report experiencing multiple missed appointments. Often it is the consumer who informs the RSP that the technician never appeared.

#### *Case Study: Fran, QLD*

Fran switched to nbn with an installation appointment made for July 2017. After taking the day off work and waiting for the technician to arrive no one showed up. She called her RSP who was unable to advise immediately. After checking with nbn, they were also unable to advise why the technician did not show up. nbn blamed the RSP and the RSP the nbn. Meanwhile Fran has to wait for another appointment to be made and will likely need to take another day off work.

**Recommendation:** *Connection timeframes are needed, with greater transparency into appointment booking, amendments and cancellations and as much notice provided to consumers as possible when re-schedules occur.*

#### 1.2. Service availability

A consumer can only switch if the nbn network is available for them to use. A premises may be in an nbn area but 'not yet ready to connect' for a number of reasons including additional network work required. There are a significant number of premises that are in this position (over 337k in November 2017).<sup>9</sup>

Where a consumer can continue to use the legacy service (such as ADSL), a period of waiting for nbn serviceability, while inconvenient, often only causes a delay in switching. However, where there is no legacy service in place then the consumer is in a position where they are unable to connect to any network. This can lead to periods without service, financial cost to consumers or potential safety

<sup>6</sup> Pg. 29 of TIO annual report. <http://www.tio.com.au/publications/news/2017-annual-report-released>

<sup>7</sup> AMCA speech to Comms Day, October 2017.

<https://www.acma.gov.au/theACMA/Newsroom/Newsroom/Speeches/acting-deputy-chairs-speech-to-commsday-melbourne-congress>

<sup>8</sup> Hansard. Senate Estimates, Environment and Communications Legislation Committee. 15<sup>th</sup> June 2017..

<sup>9</sup> Nbn weekly progress report. <https://www.nbnco.com.au/content/dam/nbnco2/documents/nbn-rollout-metrics/nbn-rollout-metrics-23112017.pdf>

concerns. nbn estimates that 6% of premises require additional work to ensure serviceability, which takes on average 6 months to complete.<sup>10</sup> Consumers who move into a not yet ready to connect premises may face even lengthier periods without services. Previous ABS statistics estimated that 43% of people move every five years.<sup>11</sup> It is therefore highly likely that a number of consumers will move into areas that are ready for service and encounter serviceability issues.

When issues arise ACCAN has found that it can take a long time to establish the serviceability status, leaving consumers without any connection. It is unacceptable to leave consumers for long periods without any service. Options to ensure that these consumers can access a service need to be considered; either expediting the serviceability of the nbn network or establishing a connection to the legacy network.

*Case Study: Scott, VIC*

Scott moved back into his house in March 2017 after a period of renovation. His area recently switched to nbn. Scott tried to order an nbn service only to find that his premises was unserviceable and required additional work by nbn. He was also unable to connect to the legacy network. For four months Scott was unable to get any broadband service. This impacted his children’s education and his ability to work from home.

*Case Study: Alice, NSW*

Alice’s premises has no connection to the telecommunication network and she has been advised that it is not possible to provide one. NBN is expected to be available in her area in the coming months. However, due to a lack of infrastructure at Alice’s premises she is likely to be classified as ‘not yet ready to connect’ for a number of months. Alice is likely to spend a year without any fixed internet connection.

***Recommendation: It should not be assumed that legacy services are available to all consumers. Processes should be established to prioritise connections for consumers who are unable to have a fixed telecommunication service.***

**1.3. Services should be confirmed to be working after migration**

It is important that services are confirmed to be working when they are switched. With the multitude of bodies involved in the switchover it can often take some time to confirm that the switchover was successful. Consumers often report to ACCAN that their services do not work after switching to nbn; either voice and internet or applications such as medical and security alarms.

Fully unusable internet and landline services were the second and third most complained about issues with services over NBN to the TIO.<sup>12</sup> NBN estimates that 3% of installations fail. In 2016 this equated to 42,458 failed installations.<sup>13</sup> When an installation fails it can take time to identify and

<sup>10</sup> Bill Morrow Senate Estimates 25/05/2017

<sup>11</sup> ABS, Australian Social trends, 2010.

<http://www.abs.gov.au/AUSSTATS/abs@.nsf/Lookup/4102.0Main+Features30Dec+2010>

<sup>12</sup> TIO 2016 -2017 annual report, pg 29.

<sup>13</sup> NBN, Question on Notice number 243, 7/06/2017.

resolve the issue, sometimes requiring additional technician visits. Often the consumer is left without any service and is stuck between the nbn and RSP to try and get a working service.

A number of consumers report a loss of function in their service following switching to nbn. One such concern is the loss of phone numbers. Phone numbers can be essential for consumers as all their contacts know their number and switching to a new number can be very inconvenient. It is important that vital functions of a service, such as a phone number are not lost in the transition.

The Joint Standing Committee on the NBN recommended that nbn utilise an ‘active handover’ model.<sup>14</sup> ACCAN supports such a model where both the network (nbn) and service (RSP) confirm that the service works at the time of switch over. Furthermore, the RSP should confirm all applications and services are functional (such as medical alarms).

*Case Study: Tracy, WA*

Tracy switched from ADSL to FTTN. The service didn’t work from the get go. Tracy complained to her provider and a dozen technicians visited her premises. Tracy is still waiting

*Case Study: Mark, QLD*

Mark switched to nbn in 2016. He was keen to keep his fixed phone number which he has had for decades. His RSP said that there wouldn’t be any issue. However, when he was switched, he lost his number and was assigned a new one. His old number was quarantined and he was unable to get it back. This resulted in significant inconvenience for Mark to contact all his contacts and provide them with his new number. He is concerned that some

*Recommendation: Service functionality should be confirmed on switching to nbn.*

## **2. Providing accurate, clear and consistent information**

Consumers need accurate, clear and consistent information from nbn, their disconnecting network, their current retail provider, their chosen retail provider and device suppliers. This includes:

- When services will be available
- The timeframes for connecting and disconnecting
- Any and all changes that switching to nbn will bring to their current in-home set up, services and devices
- All costs that may be required to be paid for services.

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<sup>14</sup> Recommendation 5. Joint Standing Committee on the NBN First Report. September 2017.  
[http://www.aph.gov.au/Parliamentary\\_Business/Committees/Joint/National\\_Broadband\\_Network/NBN/First\\_report](http://www.aph.gov.au/Parliamentary_Business/Committees/Joint/National_Broadband_Network/NBN/First_report)

*Case Study: William, NSW*

All of William's neighbours are looking at switching over to NBN. However, William never received any notice of nbn being available. The nbn website informs him that nbn is expected to be available the previous month. Addresses around him are marked as being able to order a service. William is unclear what is happening with his service.

### **2.1. Informed consent sought for fundamental changes to the operation of services**

Switching to the nbn means that the way telecommunications services work will change. Consumers and small businesses need to be aware that connecting is different for everyone depending on what services are being used. The use of services in power outages is a particularly important change.

For consumers in the FTTP footprint (under 20% of premises in Australia) there is an option for battery backup support and an obligation on RSPs to gain informed consent from consumers about their understanding of the consequences of the loss of power.<sup>15</sup> The battery backup option supports services in consumer premises for a number of hours during a power outage, providing a safety net to consumers.

All other NBN technologies do not have this requirement for informed consent (over 80% of premises in Australia), because those other technologies simply do not offer the battery backup facility. Consumers are likely and entitled to expect that the status quo will continue to apply when they transfer to NBN services, namely that services such as medical alarms, voice services and emergency services like lift phones will work in the same manner that they currently do and in power outages.

ACCAN is concerned that messaging from the nbn and the incentives on RSPs are not sufficient to ensure that they truly inform all consumers. Therefore we believe that an obligation should be placed on RSPs to ensure that consumers give consent to and agree that they have been informed about:

- the likely loss of service in power outages when switched to the NBN,
- the potential that devices will not work in the same manner (for example multiple handsets throughout the house), and
- alternative options that are available to them, including the option to switch to a mobile network where coverage is available.

***Recommendation: RSPs should be required to inform consumers about all fundamental changes to service functionality and ensure that consumers understand this when switching.***

### **2.2. Appropriate communication material**

A number of consumers report receiving a multitude of communication material from a range of sources. Some of this material conflicts, in terms of dates and timeframes for switching. Consumers whose first language is not English, such as Auslan speakers or those who speak an Aboriginal

<sup>15</sup>Telecommunications (Battery Power and Informed Decisions) Service Provider Determination 2014  
<https://www.legislation.gov.au/Details/F2014L01097>

language, or who are blind are limited in the amount of information they can access. All consumers should be adequately informed about the steps they need to take and the status of their premises.

*Case Study: Adam, VIC*

Adam got notification that nbn was available at his premises. He was provided with different information from a number of sources. The notifications from nbn and a number of RSPs said that he would have 18 months to switch. However, his current provider told him that he had three months to switch or he would lose all services. Adam was confused about the range and amount of information that he was provided with and did not know what was correct.

*Case Study: John, TAS*

John is blind and lives alone. He has received a number of letters in the post, which he understands relate to switching to nbn. He checked the nbn website which informed him that his premises is ready to connect and warned him to do so before he is disconnected, but he was unable to find the date which this will occur because it is only available on the printed letters which he is unable to read.

*Recommendation: Communication should be coordinated, ensuring there is an appropriate amount of timely information.*

### 3. Providing assistance to consumers when needed

Each consumer's experience with connecting will be different. Some premises may require a home visit by an installer, new equipment or upgraded wiring in the home while others may require the resident to set up the equipment themselves. This presumes the consumer has sufficient technical ability, and financial capacity to pay for changes required, which may not be the case.

#### 3.1. Medical alarms

A number of vulnerable consumers use monitored and unmonitored medical alarms. These vital services provide security in times of medical emergencies and it is important that they function when needed. Some of these devices are not reliable over the nbn network due to nbn services not working in power outages. Some device providers are offering alternative devices, however, it is not clear to consumers.

*Case Study: Nicola, QLD*

Nicola is concerned about her mother who uses a monitored medical alarm and who is soon to switch to nbn. The provider of the medical alarm informed Nicola that they cannot guarantee services over the nbn technology and there is not sufficient mobile coverage to offer an alternative service. She was told that when her mother switches to nbn she will no longer be able to have a monitored medical alarm.

*Recommendation: Transition of emergency and critical monitored and unmonitored medical devices should be supported to ensure that no consumers are put at risk. Assistance for*

*transitioning devices should be offered and information on such assistance should be publically available.*

### **3.2. Assistance migrating**

For a number of consumers migrating to nbn will be too difficult to complete on their own. This was recognised a number of years ago with funding provided to assist vulnerable voice only consumers.<sup>16</sup> With some nbn technologies there is no technician required for installation; instead the default is a self-install. This may not suit all consumers. In these circumstances, charges for assistance with migration and installation may be significant<sup>17</sup>, and particularly disadvantages consumers with no option but to ask for assistance if they want to continue to have fixed services. By contrast, consumers using other nbn technologies have not been charged for this service.

#### *Case Study: Jacky, QLD*

Jacky arranged to switch to nbn in February 2017. Her RSP sent her a new modem in the post and shortly after the technician visited her house and installed the appropriate nbn equipment. Her legacy services were switched off shortly after.

Jacky was unable to connect her new modem as she was not confident to do it by herself. Her RSP offered to assist her over the phone, as they don't offer home visits. Unfortunately, her legacy service was already disconnected and she had no mobile coverage at her premises. For over a month Jacky had no voice or broadband services and had to seek assistance of

*Recommendation: No consumer should be made worse off in the transition to nbn. Assistance should be available to voice only and vulnerable consumers migrating to the nbn regardless of the technology used.*

## **4. Appropriate avenues for consumers to seek assistance, answers and raise complaints**

### **4.1. Non-standard installations**

A number of premises do not conform to the standard installation process. Their addresses may not be in the system or they may be eligible for a different technology than currently mapped (for example between Fixed Wireless and Satellite). The current process for addressing these issues is complex and often it requires direct contact with nbn.

*Recommendation: A process should be established to ensure ease of addressing non-standard issues with nbn.*

### **4.2. Complaint tracking**

Consumers regularly contact ACCAN when they experience issues migrating to the NBN. Often these are complicated due to non-standard issues arising, lack of communication between nbn and RSPs, or are due to one party not fulfilling their responsibilities. Often consumers report that nbn have failed to fix a problem identified by the RSP. However, when ACCAN raises these concerns with nbn, nbn reports it was never made aware of the problem to begin with. When these problems occur it

<sup>16</sup> TUSMA \$15million a year for voice only migration assistance, including undertaking basic rewiring tasks.

<sup>17</sup> Nbn proposes to charge \$150 for a professional installation on HFC technologies



can be difficult to get the consumer back on track for a successful migration. There needs to be clarity of who is addressing issues when they arise and flexibility for when something does go wrong. All the parties involved should work together to accommodate situations that do arise with the intention of consumers having a successful migration and a positive experience.

*Case Study: Harris, VIC*

Harris switched his services to nbn over a year ago. In the last few months he has experienced outages. His RSP arranged a number of technician visits, only for no one to turn up. His RSP blamed NBN. When ACCAN contacted NBN about the issues, they had no recorded issues for Harris' address and no requests for technicians to visit. Harris was stuck in the middle with no way of understanding his issues and getting them fixed. Only after Harris discussed his situation with the media was the service fixed.

*Recommendation: Consumers should have transparency over issues that they raise and fault tickets to understand who has taken responsibility and when a solution will be available. They should be notified of the progress of their complaint via a complaints tracking system co-ordinated across RSP, nbn and contractors.*

#### **4.3. Escalating complaints to the Ombudsman**

There is a large degree of anecdotal evidence suggesting that RSPs are discouraging consumers from escalating their complaints to the Telecommunications Industry Ombudsman (TIO), to avoid the associated charge for complaint escalations.

*Recommendation: Consumers should not be discouraged from escalating complaints to the TIO due to the cause of the problem not being within the RSPs control.*

Changes to the TIO's Terms of Reference were recently reviewed to address the increasing complexity of the telecommunications supply chain resulting from the rollout of the NBN.<sup>18</sup> The changes will allow the TIO to require action and information from all members of the TIO (not just the party the complaint relates to), increasing the speed and efficiency of complaints resolution, and driving better complaint outcomes for consumers. This will in part address issues that arise when RSPs attempt to shift blame onto the nbn, and vice versa.

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<sup>18</sup> Telecommunications Industry Ombudsman, 2017 Terms of Reference change.  
<http://www.tio.com.au/publications/news/revised-terms-of-reference-published-today>