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Your Ref:


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Andrew Mackinlay MP
House of Commons
London
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To ask the Minister of State for Business, Innovation and Skills, how many complaints from consumers Ofcom (a) received and (b) upheld relating to Pipex Homecall and its related companies in the last 12 months; and if he will make a statement. [304595]

I am writing in response to your question (above) to the Minister of State for Business, Innovation and Skills tabled on 2 December 2009. It has been forwarded to Ofcom for a reply as the independent regulator for the UK communications industry.

Ofcom monitors all of the complaints we receive from consumers and will open investigations where there appears to be evidence of consumer harm and based on administrative priority. We generally only investigate complaints relating to clearly identified breaches of relevant regulatory (ex ante) obligations or relating to abuses under the Competition Act 1998. Details of Ofcom's current investigations in relation to telecoms can be found on our website under Competition Bulletins (www.ofcom.org.uk/bulletins/).

Under the restrictions on the disclosure of information in the Communications Act 2003, we are not able to give you the details you requested regarding complaints received and upheld about Pipex. This information could be commercially sensitive and cannot be disclosed without Pipex's consent.

However, complaints information forms an essential part of our investigation process and is used to monitor compliance with regulatory obligations. Formal investigations are opened and enforcement steps are taken, in part based on these data, the details of which are published on our website.

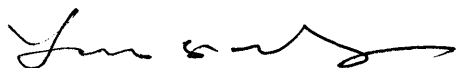
Ofcom concluded an investigation into Pipex in November 2009 http://www.ofcom.org.uk/bulletins/comp_bull_index/comp_bull_ccases/closed_all/cw_946/. This related to a breach of General Condition 22 (GC 22) which regulates the provision of a Migration Authorisation Code (MAC) for the transfer of a broadband service between providers. Breaches of the General Conditions can ultimately end up with Ofcom fining the provider.

In 2007, we introduced GC 22 to ensure that all broadband providers issue a MAC within five working days of receiving a request from their customers. Following the introduction of these regulations, the overall number of complaints to Ofcom from consumers having difficulty in switching broadband provider declined significantly. Since the beginning of 2008, the focus of our enforcement work in this area was engaging with the broadband providers who were the subject of the most MAC - related complaints from consumers.

The vast majority of broadband providers complied with the new regulations. However, in December 2008, we issued Pipex with a notification that we had reasonable grounds to believe that they had failed to meet with their obligations in relation to customers who wish to migrate to another broadband provider. Our notification highlighted a number of occasions where Pipex failed to abide by our rules and it required them to ensure that they were compliant by the deadline of 23 January 2009.

Following close monitoring of Pipex's performance, which included extending the monitoring period, we closed our enforcement programme in November as we had seen a marked improvement in compliance rates, not just with Pipex, but across the sector. In closing our programme, we wrote to the ISPs with whom we had engaged (those who were attracting the most number of complaints), warning them that should we see an increase in complaints, or identify trends relating to any provider, whether we had written to them or not, we would not hesitate to open individual investigations.

I am sorry that we are not able to provide you with the requested information, but I hope the information provided is helpful.



Ed Richards