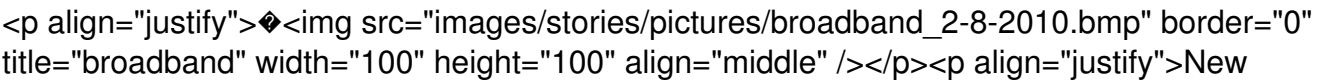


Broadband: real speeds barely half what consumers pay for

Written by 3K Admin

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New research from industry regulator Ofcom reveals that broadband speeds are typically delivering just 58 per cent of the tariff internet service providers are advertising.

By Matt Warman, Consumer Technology Editor
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Householders are receiving less than half the the broadband speed they are paying for, according to an official report.

The average customer is now charged for a speed of up to 11.5 mbit/s, but receives just 5.2 mbit/s, Ofcom, the industry regulator found.

The findings are the latest indication that consumers are being regularly short-changed by their broadband companies for a service now considered as essential as a utility, by the majority of consumers. This is despite paying up to £30 a month for the service.

Consumer Focus, the Government consumer watchdog, condemned internet service providers (ISPs) for selling a Ferrari-style service but providing push bike speeds. Robert Hammond, the head of digital communications, said the advertising authorities needed to take a tough approach to broadband providers who promise speeds they don't deliver.

The tests, undertaken on behalf of Ofcom, found customers on some tariffs provided by Orange and BT broadband routinely received less than one third of the speeds they were paying for at peak times.

Ofcom research revealed, that while the average speed Britain's 15.9 million broadband customers are receiving has risen over the last year from 4.1 mbit/s to 5.2 mbit/s, the gap between advertised and received speeds has more than doubled from 3 mbit/s to 6.3 mbit/s. On average, that's just 46 per cent of the speed paid for, down from 58 per cent last year.

Most packages advertised as up to 20 mbit/s in fact delivered less than 8 mbit/s. Only one in 50 customers received 14 mbit/s or higher.

Ed Richards, the chief executive of Ofcom, also attacked broadband providers for advertising services as available up to certain speeds, when in fact no customers could actually receive that level of service. Our view is that speeds should only be advertised if they are achievable by at least some customers, said Mr Richards.

The regulator announced that a new voluntary code will be brought in across the industry, giving a small minority of customers the right to leave their ISP if they are receiving a particularly poor level of service, without incurring any penalty fees. It will take up to 12 months to come into force, however, and Consumer Focus urged Ofcom to monitor closely the effectiveness of these new voluntary rules.

The regulator aims to introduce as Typical Speed Range, equivalent to miles per gallon used by the car industry, to make it clearer to consumers what level of service they will actually receive. This is becoming more important as an increasing number of customers buy higher speed, expensive packages. Three times as many customers now pay for packages of up to 10 mbit/s compared with last year.

Jeremy Hunt, the Culture Secretary, who is ultimately responsible for broadband, has recently delayed a commitment for a universal broadband service of 2 mbit/s until 2015, pushing it back from 2012. The Government maintains, however, that Britain will have the best broadband network in Europe by the end of the parliament. Mr Hunt has said that the focus will be on next-generation fibre networks, which BT has said it will deliver to two-thirds of the country by 2015. Currently, however, only Virgin Media customers are routinely using the technology. Virgin was the only company which regularly delivered more than 60 per cent of the headline speeds.

Source: <http://www.telegraph.co.uk/technology/news/7910745/Broadband-real-speeds-barely-half-what-consumers-pay-for.html>

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