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Report for ComReg

Review of maximum permitted emergency call handling fee for 2026/2027

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Contents

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1 Introduction

In Ireland, the emergency services are called by dialling 999 or 112, and these calls are initially received by the Emergency Call Answering Service (ECAS). Emergency calls are currently free of charge to the caller on all networks. The ECAS is funded through the Call Handling Fee (CHF). The CHF is charged by the ECAS operator, BT Business Telecoms Ireland Ltd (BTBTIL), to the operator on whose network the emergency call originates.

The current CHF is EUR3.93 per call, as determined by the Commission for Communications Regulation (ComReg) in January 2025, pursuant to Section 58D (1) of the Communications Regulation Act 2002 (as amended). The contract between the Department of Culture, Communications and Sport (DCCS) and the ECAS operator is approaching its annual review point, which triggers an assessment of the maximum permitted CHF that the ECAS operator can charge for handling emergency calls.

ComReg has selected Analysys Mason to provide assistance in relation to the CHF review. This report sets out the findings of our work:

- Chapter 2 sets out our cost review
- Chapter 3 presents our review of call volumes
- Chapter 4 sets out the new CHF and our explanation and quantification of the main contributors to the change in CHF

Items in this report marked with [✂] have been redacted in the version for publication due to confidentiality requirements.

1.1 Contract period

The ECAS contract was previously due to expire in November 2025. In June 2025, due to developments in the public procurement process for the upcoming ECAS operator and in line with the current contract, DCCS requested continuation services to assist with the migration of the service, extending up to a period of 24 months (i.e. no later than 24 November 2027). This extended period (the "extension") has been incorporated into the CHF model produced by BTBTIL, which now reflects a 105-month contract duration. While the model has been updated to reflect the full contract term, the bid totals referenced throughout this report remain based on the original 84-month[1] period.

[1] The contract duration in the model has been extended by 21 months (rather than the full 24-month option) to align with the actual termination date of end-November 2027, as a result of the two (2) year extended period beyond November 2025

2 Cost review

The cost review provides an assessment of whether or not the costs borne by BTBTIL in operating the ECAS since 1 April 2025 and the associated cost forecasts are reasonable and that none could be considered unnecessary, avoidable or excessive.

The main cost components of the ECAS are operating costs, depreciation and financial costs, as shown in Figure 2.1 below. Total costs are presented in this report as follows:

- 'Bid Total' represents the total projected costs at the time the ECAS contract was awarded to BTBTIL.
- 'Contract Total (2024)' represents the total costs projected by BTBTIL during the 2024 CHF review for the extended 105-month contract period.
- 'Contract Total (2025)' represents the total costs projected by BTBTIL during the current CHF review for the extended 105-month contract period.

Figure 2.1: Total costs [Source: BTBTIL, Analysys Mason, 2025]

[✂]

The total projected costs for the full 105-month ECAS contract period (the "contract period") are estimated at [✂] million, an increase of [✂] compared to the 2024 costs. The total projected cost represents a net cost increase of [✂] compared to the Bid Total for the original 84-month contract period. The increase in costs compared to the Bid Total is mainly driven by the increase in the contract duration as well as an increase in call volumes which resulted in reasonable costs over and above those forecast at the time of the bid.

We have reviewed the operating costs, depreciation and financial costs included in the proposed contract extension for the additional 21 months beyond the original 84-month ECAS contract period. We have determined that these are reasonable and in line with forecasts seen for the original contract period.

While our CHF review has been supported by multiple meetings with BTBTIL, multiple iterations of a model with revenues and costs broken out on a quarterly basis and a written question and answer process, we have not had visibility of BTBTIL's audited accounts or quarterly management accounts. However, we understand that ComReg has conducted a review of them. We recommend that this documentation continues to be considered in future CHF reviews such as the over-recovery / under-recovery calculation planned after the expiry of the ECAS contract.

The following subsections present an assessment of the changes within each of the three cost categories: operating costs, depreciation and financial costs.

2.1 Operating costs

The main components of ECAS operating costs are shown in Figure 2.2 below.

Figure 2.2: Operating costs [Source: BTBTIL, Analysys Mason, 2025]

[✂]

As of October 2025, the total projected operating costs for the contract period are estimated at [✂]million, an decrease of [✂]compared to 2024, the period under review. The total projected cost represents a net cost increase of [✂] compared to the 84-month Bid Total.

The main causes of change in the operating costs for the period under review are described below.

Total staff costs

Since the previous review, total staff costs (general BTBTIL staff and call centre staff) have decreased by approximately [✂]or [✂] over the contract period.

Several factors contributed to the decrease in total staff costs. A key driver was the removal of BTBTIL staff costs driven by changes to senior ECAS management during Year 7 (year ending March 2026) . The timing of staff departures and new hires also influenced overall costs.

Despite a 0.1% increase in call volumes during the contract period, the number of call centre staff has remained unchanged. This is because staffing levels were not reduced during previous periods of lower call volumes, meaning the existing team is already sufficient to handle the projected increase.

While call centre staff costs for Year 7 (year ending March 2026) have increased by [✂] due to pay increases awarded to operators and frontline managers in June 2025, general BT staff costs have decreased by [✂] for the same period.

Maintenance

Since the previous review, maintenance costs have increased by approximately [✂] over the contract period. This increase is primarily due to additional ongoing support requirements associated with the implementation of NG e-Call services.

Network services

Since the previous review, network service costs have increased by approximately [✂] over the contract period. The increase in service costs stems from the replacement of a legacy circuit between Belfast Telehouse and ECAS, which supports international services delivered by BTBTIL. The legacy circuit, based on TDM technology, was being phased out as part of a broader move away from older infrastructure and has been replaced with a higher capacity ethernet circuit. BTBTIL opted to self-provide the replacement circuit rather than engage with the wider market as part of a

procurement exercise in order to maintain greater control over the ECAS and ensure service continuity. While the new arrangement is marginally more costly than the previous setup, the overall impact on the CHF is minimal over the duration of the contract.

Premises

Since the previous review, premises costs have decreased by approximately [✂] over the contract period despite increases in energy costs.

Other

Since the previous review, costs categorised as 'other costs' have decreased by approximately [✂] over the contract period. This change is not material.

2.2 Depreciation

The main components of ECAS depreciation costs are shown in Figure 2.3 below.

Figure 2.3: Depreciation [Source: BTBTIL, Analysys Mason, 2025]

[✂]

As of October 2025, the total projected depreciation costs for the ECAS contract period including extension are estimated at [✂], an increase of [✂] or [✂]in comparison to the previous review. The total projected cost represents a net cost increase of [✂] compared to the 84-month Bid Total.

The key contributors to that change are described below.

Set-up costs

Since the previous review, set-up costs[2] have not changed for the contract period since the previous year's review.

Other

Refresh costs are costs put in place to allow for replacement of certain network items during the lifetime of the ECAS contract as well as feature additions approved by DCCS since the previous review, updated cost estimates have been incorporated to reflect the implementation of NG e-Call and Real-Time Text (RTT) functionality. The estimated cost of NG e-Call was included in last year's model; however, the cost has since increased by [✂] due to the need for external supplier support. Initial estimates assumed the work would be delivered entirely by internal BTBTIL resources. In

2 Set-up costs are those costs which allow BTBTIL to recover the initial capital expenditure associated with its deployment of the ECAS.

contrast, the actual cost to implement RTT came in [✂] lower than expected, due to delivery efficiencies. These updated figures have been approved by DCCS.

This results in a net refresh cost increase of [✂]. The NG e-call operating costs will continue to be funded via the CHF over the remaining contract period. As the capital cost of RTT has been funded by DCCS through the sinking fund, it does not impact the CHF allocation.

2.3 Financial costs

The main components of ECAS financial costs are shown in Figure 2.4 below.

Figure 2.4: Financial costs [Source: BTBTIL, Analysys Mason, 2025]

[✂]

As of October 2025, the total projected financial costs for the contract period are estimated at [✂], a slight increase of [✂] compared to 2024, the period under review. The total projected cost represents a net cost increase of [✂] compared to the 84-month Bid Total.

Both the sinking fund cost and the guaranteed return are fixed for the duration of the contract period. The small change described above is the result of the requirement to select a CHF rounded to the nearest cent to provide the necessary guaranteed return.

We have reviewed the financial costs included in the contract extension for the additional 21 months beyond the original 84-month ECAS contract period. We have determined that these are reasonable and in line with forecasts seen for the original contract period.

3 Call volumes

3.1 Call volumes to date

In updating the call volume forecast, BTBTIL and ComReg have been mindful of the contribution of silent, abandoned and noisy calls to total ECAS call volumes. Silent calls are those in which the calling party does not speak or provide input to the operator when the call is answered, whilst abandoned calls are those calls of extremely short duration which are terminated before the call can be answered by an operator. Noisy calls are those in which the audio is disrupted by interference, static or background noise, making it difficult for the operator to hear or understand the caller.

Silent call volumes saw a steep decline in 2024, dropping from 981 696 in 2023 to 743 231, following a mid-2023 Android software update that resolved a temporary spike. While the 2024 forecast had anticipated a volume of approximately 730 000, the actual figure came in slightly higher, at 743 231, but still well below the 2023 peak. Between January and August 2025 silent calls totalled 17 173, up from 15 887 for the same period in 2024, an 8.1% increase.

Abandoned calls continue to decline as seen in last year's review, between January and August 2025 abandoned calls totalled 1236, down from 3467 for the same period in 2024, a 64% decrease.

The trend of declining noisy calls also persists, with volumes expected to drop to 8045 in 2025. Meanwhile, the increasing trend in normal call volumes seen to date is expected to continue, with volumes anticipated to rise by 3.42% from 1.19 million in 2024 to 1.23 million in 2025 as shown in Figure 3.1 below.

Figure 3.1: Contribution to total annual (calendar year) call volumes by type[3] [Source: BTBTIL, Analysys Mason, 2025]

[✂]

3.2 Call volume forecast to end of contract period

BTBTIL's call volume forecast as shown in Figure 3.2 below, has allowed for an increase in normal calls for future year forecasts owing to population, economic growth and changes in weather patterns, whilst noisy calls are expected to decline due to network upgrades by operators and a reduction in the use of voice services on fixed-line networks. A slight increase in silent call and abandoned calls is anticipated, linked to the same variables influencing normal call volumes.

[3] Numbers may differ slightly from last year's report due to rounding in source data.

Figure 3.2: Forecasted call volumes 2026 vs 2025 for year ending August [Source: BTBTIL, Analysys Mason, 2025]

	Aug 2024-25		Forecast 2026		
Classification	Daily volume	Yearly volume	Daily volume	Yearly volume	Change
Normal calls	3382	1 237 812	3450	1 259 250	2.0%
Noisy	22	8052	20	7300	-9.1%
Abandoned	146	53 436	170	62 050	16.4%
Silent	2137	782 142	2200	803 000	2.9%
Other	339	124 074	340	124 100	0.3%
Total	**6026**	**2 199 490**	**6180**	**2 255 700**	**2.6%**

The annual call volumes for the contract to date and the forecast for the remaining contract period are shown in Figure 3.3 below. Note that the period ending March 2020 (Year 1) was a 13-month period, while the period ending November 2027 (Year 9) is an 8-month period, which contributes to volumes that are respectively higher and lower than average[4].

Figure 3.3: Call volume forecast per financial year [Source: BTBTIL, Analysys Mason, 2025]

[✂]

While the previous CHF review forecast that total call volumes for the 12-month period ending March 2025 (Y6) would be c.2 190 052, the actual outcome was 2 119 787, or 3.2% fewer calls than forecast.

Looking ahead, while the total call volume for the 12-month period ending March 2026 (Y7) remains to be seen, the increase in normal calls in 2025 suggests that the total may be 2 250 000, or ~2% higher than the 2 205 000 forecast in the previous CHF review. Total call volumes in Year 8 are expected to decrease by 0.03% year-on-year, owing to a continuing decline in noisy calls and a plateauing of growth in normal calls. The apparent decline in year 9 is due to the shorter financial year.

This forecast appears reasonable based on the data available, recent trends and the requirement to ensure that the CHF is set to ensure recovery of costs without large adjustments to the CHF in the final years of the contract period.

3.3 Change in call volumes

The net change in total call volumes across the contract period is shown in Figure 3.4 below.

4 Based on a review by the Department of Culture, Communications and Sport we understand that the operational period of the current ECAS contract was extended for up to a period of 24 months (i.e. no later than 24 November 2027).

Figure 3.4: Call volumes [Source: BTBTIL, Analysys Mason, 2025]

[✂]

As of October 2025, the total projected call volumes for the contract period are estimated at 19.92 million, an increase of 0.1% compared to the previous CHF review. This increase in call volumes has a downward impact on the CHF. The total projected call volume represents a net increase of 61.7% compared to the bid total. However, it's important to note that the bid total covers only 84 months.

4 Calculation of the CHF

The ECAS model requires the calculation of the CHF to take account of actual and forecast costs and volumes, such that the ECAS operator achieves the guaranteed return over the contract period.

To support the calculation of the CHF, Analysys Mason reviewed a draft CHF model provided by BTBTIL and participated in workshops with ComReg and BTBTIL to determine reasonable costs and volumes. Subsequently, BTBTIL provided an updated cost model[5] and supporting information, taking account of the feedback provided.

Based on the reasonable cost review and updated CHF model, the new CHF is calculated at EUR3.96 for the period commencing 12 February 2026 to 11th February 2027.

Explanation and quantification of the main contributors to the change in CHF

In summary, the primary contributors to the change in CHF as discussed in Section 2 of this report are:

- an increase in depreciation costs to cover for a higher than previously estimated cost of new technology introductions to ECAS, for NG eCall which are to be recovered over the remaining contract period
- an immaterial change in operating costs as outlined in section 2.1
- an increase in actual and forecast call volumes due to an increase in normal call volumes arising from population changes, economic activity and weather patterns

The amount by which each of these contributors affected the CHF is set out in Figure 4.1 below.

5 Filename : "*ECAS II QMA (OBM format) to Q1 25-26 (to 30-06-2025) to Nov-27*" (provided via email 1st October 2025)

Figure 4.1: Contribution of changes to the new CHF for 2025/26 [Source: Analysys Mason, 2025]

Item	EUR	Inputs
CHF 2023/24 (EUR)	3.93	
1. Increase in depreciation (EUR)		[✂]
Corresponding volumes (12 Feb 2026 to contract end 30 November 2027)		4 017 514
Impact on CHF (EUR)	[✂]	
2. Decrease in operating costs (EUR)		[✂]
Corresponding volumes (12 Feb 2026 to contract end 30 November 2027)		4 017 514
Impact on CHF (EUR)	[✂]	
3. Impact due to greater call volumes	[✂]	
CHF 2025/26 (EUR)	3.96	

5 Summary

Overall compared to the previous CHF review, total costs over the contract period are slightly higher and there are more calls. The main impact on the CHF is due to this increase in costs expected over FY26 and FY27. Based on the reasonable cost review and updated CHF model, the CHF is calculated at EUR3.96 for the period commencing 12 February 2026 to 11 February 2027, an increase from the current CHF of EUR3.93.