

13 November 2006

Ofcom Consumer Panel  
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Ed Richards  
Chief Executive  
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Dear Ed

### **Ofcom's priorities for consumers**

On behalf of the Ofcom Consumer Panel, I would like to congratulate you on your new post. As you know, the Panel has enjoyed open and frank exchanges in its role as the critical friend of Ofcom and we look forward to these continuing. We have taken very seriously our role as both friend and critic, and hope that we have made a significant contribution, in the first years of Ofcom's life, to the development of the organisation's work for consumers. In this spirit, we are in this letter setting out our views on Ofcom's work to date and what we think Ofcom's priorities should be over the next few years.

I think it is common ground that Ofcom got off to a slow start on consumer policy. By this we mean that from day one, Ofcom was very clear at the level of general principle that it was here to regulate in the interest of consumers. However, it seemed to us that carrying forward the approach of previous regulators, it did not initially organise and resource itself to give full weight to the identification of consumer interests and the framing of regulation to give effect to that.

We have since observed the beginnings of a significant and positive change within Ofcom. We believe that this has been greatly facilitated by the Panel's *Capturing the Consumer Interest Toolkit*. We acknowledge that the Ofcom Board's wholehearted co-operation with this important project has been fundamental to its success. Consumer issues are now being embedded into Ofcom's methods of working and style of thinking. This cultural change has only been possible because it has been led from the top. We would encourage you to continue to provide this strong steer to the organisation on the weight that it must give to consumer issues.

Looking forward, we would like to highlight some areas of Ofcom's work which, we would suggest, should, from consumers' point of view, be high on your 'To Do' list.

We strongly believe that the identification of the various ways in which the so-called Digital Dividend can be best used for our society as a whole should be top of your

list. We urge you to promote a wide and accessible public debate about how this massive – and massively important – resource should be developed in the interest of all of us.

On a related issue – we would also urge Ofcom to be vocal, where it needs to be, in ensuring that digital switchover is handled in a way that does not leave anyone in the UK isolated and without support. You know that the Panel has warned Ministers in strong terms of its concerns about the resourcing and focus of this project. We look to Ofcom to continue to place the closest possible focus on this project. The Panel knows that Ofcom has more than once said that it does not regard it as part of its role to offer detailed public comment on a project for which it is not directly responsible. We do not agree with this. We urge Ofcom to use its authoritative position to speak out about its assessment of the risks around this project. The forthcoming Ofcom audit of the Whitehaven project will be an excellent opportunity for Ofcom to place its views about the organisation, delivery and financing of the digital switchover on the record.

As the research we all carry out shows, a great deal of the consumer experience in the communications market is positive – lower prices and more choice in telecoms being the most obvious examples. But the Panel's research shows that there has been a notable increase in consumer concerns across all communications services and most recently concerning broadband services. With increased service bundling, complexity of service offerings, scams and the plurality of service providers, we anticipate that present concerns about costs, contracts, service quality and security will increase. We note that recent public statements by the Ofcom board have picked up on our view, that some of this rapid and at times tumultuous change in communications is leading to consumer anxiety.

We note Ofcom's sharper focus on monitoring and enforcement and strongly welcome your recent enforcement action against some of the companies responsible for the menace of silent calls. We would welcome not only swifter enforcement action but also more swingeing penalties for wrong doing. If fines on companies are to have a real deterrent effect, they must, in our view, be significant in terms of the companies' profits.

The Panel also believes it critical that you extend your work on citizen issues. We believe that Ofcom should use its authority to make strenuous efforts to support the Government in addressing the emerging problem that broadband internet take up – rather than availability – is a problem for our society, particularly amongst some of our oldest citizens, and amongst children in low income households.

We know Ofcom set out its stall as a light touch regulator at the outset – and, in principle, who could disagree with that? But as we have said before, a light touch can sometimes be the wrong touch – especially if it leaves consumers bedevilled by unacceptably poor service with ineffective redress. Examples have been broadband service quality, silent calls and rogue diallers. In such cases, Ofcom needs to act quickly and firmly in the consumer interest and we urge you to be prepared, to take what might seem like unpopular decisions – if they are in the interests of consumers.

Finally, we should like to say that we have been extremely appreciative of all that your predecessor Stephen Carter did to help us to develop the Ofcom Consumer Panel from a standing start. We look forward to having the same very constructive relationship with you.

Yours sincerely

**COLETTE BOWE**