



JUNE 2016 BULLETIN

Update on Communications Consumer Panel and ACOD activities

Panel members have been meeting stakeholders and partners over the course of June. Mairi Macleod, Panel Member for Scotland, met with Community Broadband Scotland and attended the Advertising Standards Authority council meeting, held in Edinburgh, with particular regard to promoting clarity in the advertisement of broadband speeds. Panel Chair, Jo Connell met with Accan, the Australian Communications Consumer Action Network, the leading body for consumer representation in communications, to discuss common ground and areas for possible collaboration. Other key meetings included:

Consumer Forum for Communications

The Panel participated in the Consumer Forum for Communications (CFC) meeting in June to both give an update on the Panel's work and to hear the views and concerns of Forum members. The CFC expressed concerns about potential increased costs to consumers in regard to the Universal Service Obligation, and the importance of upload speeds for SMEs. Like the Panel the Forum is also concerned about privacy issues relating to the Internet of Things.

Ofcom Advisory Committee for England

Panel member Chris Holland also attended the Ofcom Advisory Committee for England (ACE) meeting. He highlighted our progress toward publication of Alternative Dispute Resolution (ADR) statistics and we are very pleased that ACE support our call to reduce the eight week ADR referral period. He also highlighted our on-going focus on micro businesses. The Committee was additionally interested in the Panel's work on privacy and data security and our work to protect DTT consumers' interests during the 700MHz spectrum reallocation.

RICA Research Exchange

Bob Twitchin presented at a pan-disability exchange of best practice and ideas event organised by the Research Institute for Consumer Affairs (RICA). Bob's presentation of the Panel's recent research 'Inclusive Communications – We're not all the same', sparked a debate about the nature of vulnerability and the need for improvements in customer service, to provide a better service, inclusive of all consumers. He also took

part in a workshop which allowed further discussion in response to the question “*Is accessibility about more than large print?*”

[A summary of the meeting and presentations can be found here.](#)

Nuisance Calls Summit Scotland

The issue of nuisance calls and texts is a priority area for the Panel for 2016/17 as outlined in our recently published workplan ([available here](#)).

The Nuisance Calls Summit Scotland, which Mairi Macleod attended on behalf of the Panel, brought together consumer and business representatives, regulators and communications providers to look for practical solutions to help protect consumers and businesses in Scotland from nuisance calls. Research has indicated that people in Scotland receive a greater number of nuisance calls than people in other areas of the UK.

There was some discussion on technological means of dealing with nuisance calls. The Panel has long called for Caller Line Identification (CLI) to be offered free of charge, which is currently not the case among all providers. On behalf of the Panel, Mairi made the point that there are few tools available to consumers to combat nuisance calls, but CLI generally allows people to make an informed decision about whether to answer a call.

Trading Standards Scotland reported on a successful pilot scheme carried out by some local authorities in Scotland using trueCall call blocking equipment to over 600 older and vulnerable consumers. The equipment was programmed so that there was no need for further action from the consumer, and it gathered data on who was making the blocked calls.

The Information Commissioner’s Office (ICO) is looking at ways of taking legal action against companies which go into liquidation as a way of avoiding fines, however, Mairi on behalf of the panel argued that if the regulators’ enforcement powers were targeted at company directors, it might negate that step. Attendees at the summit also recommended that there should be a Procurator Fiscal in Scotland dedicated to prosecutions related to nuisance calls, to aid the the ICO.

Building on the progress that we made last year, the Panel will continue to work closely with stakeholders on the issue of nuisance calls, and in particular we will urge communications providers to provide free CLI for consumers. We will also encourage communications providers to continue working on innovative solutions that allow nuisance call blocking at network level.

The Panel and ACOD’s consultation responses

Response to Ofcom’s call for inputs into designing the Universal Service Obligation for Broadband.

The Panel and ACOD were pleased to contribute to this consultation; whilst we recognise the effort and investment that has been put into improving broadband coverage and speeds by providers, Government and Ofcom to date, there are still big gaps in availability of a usable broadband service. Large numbers of people are being left behind and detriment is disproportionately experienced by vulnerable consumers and micro businesses.

The USO is needed as a legal ‘safety net’ guaranteeing at least 10Mbps/s to those in the most need. In our response we reiterated that the essential elements of a universal service should include factors of access, affordability and availability alongside quality of service, transparent information, redress and consumer representation. We believe the USO must provide for an affordable broadband and line rental service, with ‘affordable’

covering both set-up and ongoing costs. We urge consideration of voucher schemes to allow consumers to pay upfront set-up costs and social tariffs to manage ongoing costs for low-income consumers (following basic telephony, and other utilities).

While the introduction of a USO recognises the vital nature of broadband for consumers today, it is important that the minimum speed provided grows in line with future consumer needs as they develop. We believe that 10Mbps/s should be a minimum guarantee, across the UK, increasing in line with, or ideally anticipating, consumers' needs. As stated in our response, we suggest reviewing the USO every three years, but with discretion to do so more frequently if evidence of detriment to consumers, market failures or detrimental market distortions.

There is often a lack of effective competition in rural areas, unless this changes, the commercial market alone will never achieve universality - so it is imperative that public policy continues to address gaps in the market. However, some inner city areas and premises in any location where they are not close enough to a cabinet may also suffer and these consumers must not be forgotten. Ofcom's Connected Nations Report highlights that of the 2.4 million premises unable to receive 10 Mbps/s, 1.5 million are in rural locations, so more work needs to be done to ascertain where the other premises are. We welcome initiatives such as the supply of satellite connectivity to those who would benefit from it - but it is critical that the service - and how to obtain it - is well publicised.

In our response, as previously, we encourage Ofcom to work with mobile network operators to ensure that operators are fully using their allocated spectrum, rather than allow allocated frequencies, for example in rural areas, to sit unused. The range and penetration characteristics of the 800 MHz (4G) band are even better than the widely deployed 900 MHz (2G) band, yet we do not seem to see the rapid deployment of this much promoted and highly valuable resource, particularly to support rural data coverage. We would like to see a much stronger sense of 'use it or lose it' with spectrum such as this, that could play a really important role in cost effective provision of the USO.

Our [response can be found here](#).

The Panel's response to the Department for Business, Innovation & Skills (BIS) and Department for Culture, Media & Sport (DCMS)'s call for evidence, towards the Business Broadband Review

Due to the Panel's remit to protect the interests of micro businesses, this consultation was of great interest to the Panel. Micro businesses are a sector which is often neglected by the communications sector but which is vital to the UK economy. The call for evidence document highlights that the UK has 5.4 million small and medium sized enterprises (SMEs), constituting 99.9% of UK businesses, and accounting for 60% of private sector employment and 47% of business revenue. As we noted in our response, approximately 96% of those are micro businesses, that is, those employing fewer than 10 people.

The Communications Consumer Panel recently attended a roundtable event held by BIS as part of this review. Here we reiterated our consistent call for much greater support for micro businesses from government, industry and communications providers to help them maximise the opportunities presented by communications services. In 2014 the Panel commissioned [independent, qualitative research](#), with 115 micro businesses from across the UK. Our research highlights that they face a wide range of challenges in using and fully exploiting the opportunities offered by communications services and technology for the benefit of their business.

We made the following points and recommendations:

- Micro businesses (as discovered in our own research) can effectively be vulnerable consumers and need at least the same protections in the communications sector as individual consumers;
- While some micro businesses use residential broadband packages, it would be reckless to assume that micro businesses using residential services are as well protected as residential consumers;
- Micro businesses may find that they are in violation of their contract if using their broadband service from home for business. This type of contract can prevent micro businesses from disclosing their actual needs and prevent industry from having a true picture of demand;
- At the other end of the scale, it is not uncommon for micro businesses to find themselves in the position of needing to pay for leased lines. In our view, providers should either limit the contract length to two years, or micro businesses paying for a longer contract should expect a substantial discount;
- Access to a quality broadband package should be considered as more than just a web-connectivity or speed issue - services such as VOIP, and those dependent on connectivity such as building security, together with reliability are key;
- Businesses must clearly know "at least" what speed they should receive - "up to" speeds are too uncertain or even misleading;
- Proportional billing should be in place;
- Openreach's quality of service, especially in terms of accountability, needs to be improved;
- Good quality broadband connectivity and wifi are now vital for businesses and expected by all consumers;
- A speedily-delivered, affordable USO for all, with special consideration of the needs of micro businesses, is needed;
- Broadband connection vouchers have been useful to many and we applaud such measures where micro businesses are able to benefit from their value;
- A technology-agnostic approach should be used to encourage communications providers to provide 4G dongles to deliver what their physical infrastructure cannot.

We also voiced our opinion that a requirement for all new housing developments and business parks/premises is the provision of fibre broadband. The gap between the available speeds is increasing – not decreasing. Those who are disenfranchised are becoming increasingly so.

Finally, we noted that Ofcom have announced that they are considering the introduction of an Automatic Compensation provision for consumers and we would strongly urge that micro businesses purchasing mobile and broadband services are included within any such plans.

Our [response can be found here](#).

Response to Ofcom's proposals on mobile switching

The Panel and ACOD believe it is essential that there is consistency in switching processes for all communications markets, so that consumers become accustomed to a straightforward and fair process in each part of the communications sector.

We have previously highlighted our concerns about the barriers to switching which face all consumers, but particularly those who are older, disabled, or on lower incomes. The number of different switching processes operated, lack of clarity regarding timescales and charges and the fact that switching processes are currently in the hands of the provider who has most to lose from the switch, all leave consumers open

to harm and detriment. In light of Ofcom's recent improvements to the switching process for broadband customers, we believe the mobile switching consultation is timely and in our response we fully supported the proposed reforms.

In particular, the Panel and ACOD support Ofcom's view that a gaining provider led (GPL) process, like that implemented for broadband providers who use the Openreach telecoms network, most closely meets the requirements of consumers for a quick, easy, convenient and error free process.

The Panel further advocates, and has advised in previous responses, that there should be a "safety net" provision within the overall switching process. In other words, there should be the capability to restore easily a consumer's service when an error has occurred. The Panel maintains that there should be no notice period when consumers who switch are out of their initial contract term as there is no cost incurred to mobile providers – revenue gained in this way amounts to unjustified enrichment.

We believe a holistic approach to the reforms is needed, taking into account all aspects of the process where consumers may be subject to harm – for example, ensuring that contracts are fair and consumers are not subjected to unfair fees for early termination. This should include consumers' ability to unlock handsets when they switch provider and clear information should be available on this.

It is also, as we voiced in our response, vital that providers give consideration to extra support that may be needed by some disabled customers switching to them - for example, use of assistive technology and making preferred method of contact (such as text or video relay) easily available. Making switching easier should mean making switching easier for all consumers.

Our [response can be found here](#).

The Panel's response to the Department for Business, Innovation & Skills (BIS)' consultation on options to refine the UK competition regime

The Panel believes that the recent merger applications in telecommunications make this an opportune time to review the UK competition regime, and welcomed the opportunity to respond to this consultation. We broadly support the aim to reduce burdens on businesses, as long as this is not at the expense of consumer interests, choice and protection.

In our response we stated that we would like to see more focus on consumers and consumer representation, in the form of expert input, and we believe there should be provision for dealing with market failure swiftly and effectively so that consumer detriment is minimised/remedied.

Our [response can be found here](#).

Response to Department for Business, Innovation & Skills (BIS)'s call for evidence on improving the consumer landscape and quicker switching

We welcome the opportunity to respond to this call for evidence on improving the consumer landscape and quicker switching, with the aim of helping consumers, including micro businesses, get a better deal.

In the interests of a healthy competitive market, it is important that consumers:

- know what products, services, technologies and providers are available to them;
- can compare the different products and services on price and quality; and
- can switch providers easily, safely and with confidence.

The Panel's [Going Round in Circles research](#) found that provision of clear information and assurances in regard to contract terms, dates and penalty clauses for consumers and robust switching processes are key. This is a theme that recurs across our work - the vital need to increase the transparency of information about communications service provision. We have encouraged businesses to continue to improve the information available online and by other means. We also highlighted that our research has revealed that there is an unmet need for information, advice and guidance specifically tailored for micro businesses. However information overload is a real risk, so information should help not hinder; and should inform, not confuse.

In terms of switching between providers, this is often complex and involves steps that must be coordinated between different providers in ways that do not arise in other consumer markets. Within our response we stated that a Gaining Provider Led (GPL) process most closely meets these requirements and is a considerable improvement on the current arrangements.

We also highlighted several instances where we feel providers are unjustly gaining revenue. Double billing is a major issue – Ofcom estimate that the overall cost to consumers per year could be £46 million. The Panel have maintained that there should be no notice period when consumers who switch are out of their initial contract term as there is no cost incurred to mobile providers, and we are pleased that Ofcom will be discussing further the issue of over-lapping payments with industry.

In our response we also called for an end to communications providers charging consumers for their handset to be unlocked or making them wait significant periods, despite the contracted period being completed. Again, this is unjustified enrichment by the communications provider.

The Panel has an ongoing concern about customer service standards. Evidence of detriment suffered by consumers who have had cause to complain is clearly set out in research by both the Panel and Ofcom (see our full response of details). Communications providers could and should do more to promote Alternative Dispute Resolution (ADR) and make information more easily accessible, and to improve the overall process. We highlighted this in our response and the Panel are actively seeking to improve this issue for consumers.

This is an area where consumer advocates can play a role. The Panel believe, as we stated in our response, that funding should be available to consumer advice groups to enable consumers and businesses to be provided with information and advice that is up-to-date and sector/locality-specific.

In relation to advocacy, we highlighted the value of 'critical friend' input into policies that have an impact on consumers. Specialist panels contribute valuable market experience and independent research into the development of regulatory policy. Statutory consumer-representative bodies must collaborate to ensure that joint areas of interest are promoted and progressed and specialist panels, should be used to develop policies on behalf of consumers.

Our [response can be found here](#).

Libraries Taskforce document Libraries Deliver: Ambition for Public Libraries in England 2016 - 2021

Our Members previously gave oral evidence to the independent Panel on the public library service in England, led by William Sieghart, and we welcomed the opportunity to comment on the draft Ambition document which aims to set out how stakeholders will work together to deliver a sustainable, high quality public library network. We fully supported the aims set out in the document.

Overall, as shown by the evidence and research highlighted in our response, the Panel maintains that there remains a significant digital gap to be bridged. Connectivity and digital engagement (or lack thereof) occupy that gap and libraries can play a vital part in building and maintaining the bridge.

As increasingly both commercial and Government services move online, enabling people to interact confidently on-line is more crucial than ever. We believe that libraries have a vital role to play in providing online access, in addition to supporting and encouraging people who are not fully digitally engaged. They have the potential to deliver a well-supported, safe and sustained learning environment that excludes no-one, and could help to ensure that more vulnerable consumers and citizens are empowered and are not left behind.

Our [response can be found here](#).

Other news

New GDS Technology Code of Practice

The Government Digital Service (GDS) have drafted a new Technology Code of Practice, and are inviting feedback on it. The Technology Code of Practice sets out principles of how to use technology in government, including guidelines on accessibility.

The aim of the new draft document is to provide:

a clear statement of what a good approach to technology looks like
a flexible, context-sensitive framework to assess technology plans against

The [draft Technology Code of Practice can be found here](#). The deadline for feedback is Friday 8 July.

Ofcom calls for input on automatic compensation

Ofcom is inviting comments on how automatic compensation might be implemented. Ofcom intends to introduce automatic compensation for consumers and smaller businesses when things go wrong with their communications services. The aim is to provide consumers with easier redress, potentially for a range of service quality problems, while also incentivising providers to deliver higher standards.

Responses to Ofcom's preliminary views, alongside other evidence and analysis, will help inform a planned consultation on automatic compensation rules towards the end of this year, prior to a final decision, including a timeframe for implementation if appropriate, next year.

The call for inputs closes on 22 July 2016 and [can be found here](#).

PhonepayPlus publish new vulnerability guidance

In May the Panel responded to the Phonepayplus consultation on its Vulnerability Guidance. We are very pleased that the new guidance takes into account many of our suggestions, for example acknowledging that vulnerability is not always a case of a 'yes or no question' but can have a fluid nature. We are also pleased to see that our advice to include specific suggestions on defining vulnerability, and some of our suggestions, such as mental illness, has been adopted. Furthermore Phonepayplus say they will be looking at adding more hypothetical examples.

We also applauded the focus on outcomes and effects on the consumer, an approach which we maintain will benefit the industry and the consumers it serves.

The [Vulnerability Guidance can be read here](#).

Committee calls for Government to speed up publication of its Digital Strategy

The House of Commons Science and Technology Committee has published a report on digital skills, with the Chair of the Committee calling for the Government to speed up publication of its Digital Strategy. The report, *Digital Skills Crisis*, which the Panel contributed to, found that 12.6 million adults in the UK lack basic digital skills and 5.8 million people have never used the internet, and concluded that the digital skills gap is costing the UK economy £63 billion a year in lost GDP.

The Panel in its submission to the Committee had emphasised that the digital divide risks becoming an ever greater digital gulf as the distance increases between those who are on-line and those who remain firmly anchored in the offline world.

The Science and Technology Committee [report can be found here](#) and [our previously submitted consultation response here](#).

Report: Cyber Security: Protection of Personal Data Online

The Culture, Media and Sport Committee has published its first report on its investigation into cyber security. It calls for "a step change in consumer awareness of on-line and telephone scams" and calls for the Government to initiate a public awareness-raising campaign, and for companies to provide and publicise guidance on how they will contact customers and how to make contact to verify that communications from the company are genuine.

The Committee also supports the ICO's plan to create a privacy seal, to be launched later this year, which would be awarded to entities which demonstrate good privacy practice and high data protection compliance standards.

The [report can be found here.](#)

New global guidelines for online content closed captions and subtitles

The World Wide Web Consortium (W3C), the organisation that develops technologies and global standards for the Web, has published new global guidelines to improve the accessibility of subtitles and closed captions for online content. Previously creators and distributors of online video content used a variety of standards and regional versions resulting in an inconsistent viewing experience. It is hoped the guidelines will make it easier and less expensive to deliver subtitles and closed captions worldwide.

The guidelines, '[TTML Profiles for Internet Media Subtitles and Captions 1.0 IMSC1](#)' can be found [here.](#)

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