

JUNE 2014

Panel bulletin

Panel Member, Jaya Chakrabarti, receives MBE in the Queen's Birthday Honours List.

The Panel was delighted by the news that Panel Member, Jaya Chakrabarti has been awarded an MBE for services to the Creative and Digital Industries and to the community of Bristol.

We were also extremely pleased to see that Ruth Myers, who has long campaigned on behalf of the deaf community, was awarded an MBE for services to Improve Telecommunications for Deaf People and Fiona Ballantyne, former Panel Member for Scotland, was honoured in this year's List with an OBE for services to culture in Scotland.

Ofcom Publishes Report on Availability of Communications Services in the UK

A new study published by Ofcom, reveals that some people living in urban areas are still contending with very low broadband speeds.

While lower broadband availability, take-up and speeds are commonly associated with rural areas, this new study reveals a varying picture of coverage and take-up across major cities.

The results show that superfast broadband coverage varies widely between major urban areas, with Derry/Londonderry in Northern Ireland the best performing city for superfast broadband availability at 99%.

The research examined 11 UK cities, and found wide variations in the proportion of premises on a slow broadband connection (2 Mbit/s and below). For example, people in Cardiff and Inverness were twice as likely to be on a slower connection than those in London or Birmingham.

Coverage of faster, 'next-generation' networks also varied between the cities, though in most it is now around 90%. While almost everyone in Northern Ireland's largest cities had access to superfast broadband, in Glasgow one-in-three people did not.

The findings were not consistent across all of the cities in the study. Many factors may influence the take-up and coverage of faster broadband, including the cost of deployment, the quality of historic infrastructure and local planning rules.

This variation between cities, and their characteristics, underlines the complexity of the challenges they may face in encouraging take-up of superfast broadband. The report recommends that policy makers should take these unique factors into account when addressing barriers to take-up and availability of superfast broadband in different cities.

Case studies in six of the cities were commissioned as part of the research to explore how the use and availability of broadband in urban areas varies according to social deprivation. The cities chosen were Belfast, Birmingham, Cardiff, Glasgow, London and Manchester.

The proportion of premises on a relatively slow broadband connection tended to be higher in areas with lower incomes. In Belfast for example, although almost all parts of the city have access to superfast broadband, around 5.9% of connections in the poorest areas were below 2 Mbit/s; but this fell to just 2.2% in areas with the highest incomes.

The study also found superfast broadband was less-widely available in those parts of the cities with low income. For example, in the most income-deprived areas of Manchester, superfast broadband availability was 80.6%, compared with 86% across the entire city.

In Glasgow, the difference was even more marked. In the lowest income area, 57.8% of premises had access to superfast broadband, which was lower than the city average of 67%.

[The reports can be found on Ofcom's website here.](#)

Policy Exchange calls for older people to be taught basic digital skills

Policy Exchange has called for older people in the UK to be taught basic digital skills such as how to send emails, use search engines and go on to social networking sites in a new initiative to prevent loneliness.

The think tank says that the entire British population should be online by 2020. It estimates that spending £875 million on educating the 6.2 million people who do not have basic digital skills - the equivalent of £141 per person - would lead to huge economic and societal benefits for the UK.

With the number of people aged 85 or above set to double over the next 20 years along with families increasingly living hundreds of miles from each other, Policy Exchange argues that the risk of loneliness is a major challenge for policymakers. It has been estimated that one in ten people visit their GP because they are lonely, and research suggests that lonely adults are more likely to undergo emergency hospitalisation and early admission into residential or nursing care. Addressing this isolation could prove to be one of the most cost-effective strategies for countering the rising costs of caring for an ageing population.

Policy Exchange says that the initial investment channelled through organisations such as Go ON UK and the Tinder Foundation would be offset by savings of around £1.7 billion a year as people moved to digital rather than paper-based or telephone transactions.

Further details can be found on the Policy Exchange website [here](#).

Mobile : A powerful tool for Digital Inclusion

Vodafone UK has launched a national partnership with the Tinder Foundation which will see Vodafone provide a range of practical and pragmatic solutions to support the Foundation's objective of allowing millions more people to benefit from being online. Initiatives which are to be launched in communities across the UK later this year will include:

- Provision of Vodafone smartphones, tablets, SIMs and Mobile Wifi hotspots to 20 Tinder centres across the UK
- Distribution of 10,000 copies of Vodafone's new Smartphone Guide via Tinder Foundation to UK online centres.

The Guide is specifically targeted at those who are new to or are investigating smartphones and helps them to better understand a range of issues which can alienate novices. Online versions of the Guide will also be made available at all UK online centres.

A Vodafone sponsored course will be launched to the public via Tinder Foundation's Learn My Way.com website to promote the benefits of using mobile devices and how to use them to access the internet.

The partnership with Tinder Foundation coincides with the publication of an independent report, funded by Vodafone UK, called "[Mobile: A powerful tool for Digital Inclusion](#)" (PDF) which highlights:

- 6.7 million people across the UK (13.8% of the population) have never used the internet
- Another 4 million of those notionally online may lack the basic digital skills to make the most of their internet access
- Almost 60% of those offline say that they are not interested or do not need to be online which suggest that current pc-related inclusion programmes are only converting the willing
- Approximately two-thirds of non-users said that lack of a computer or lack of skills were also reasons.

The report reviewed papers and reports into digital exclusion and makes a number of wide ranging recommendations to mobile operators and retailers, local government and community groups and central government, including:

- Wider availability and greater prominence of mobile handsets and software interfaces designed specifically for the elderly, those with disabilities or simply those seeking a less complex interface

- Guides to equipment and services that are suitable for getting online at home should include mobile devices and packages. Such guides should be linked to an independent web price comparison site (preferably Ofcom-accredited) dealing with suitable tariffs for people on low, reduced or uncertain incomes, including MVNO, downgrade and prepay options.
- Online Centres should provide mobile training as part of their service
- Government could fund a study to compare the efficiency of fixed and mobile solutions in helping different groups of people to make the transition online

Ofcom Consults on Reducing the Wholesale Cost of Mobile Calls

When a consumer calls a mobile phone user on a different network - either from a mobile or a landline - the network operator they are calling charges a 'termination rate' to the provider with whom they are placing the call. This wholesale charge is part of the cost of delivering calls that providers consider when they set retail prices for consumers.

Ofcom is proposing a new charge control, applying to all operators, which would mean termination rates would fall to less than half a penny per minute by April 2017 in real terms.

Ofcom concluded its last review of the market for mobile termination rates in 2011, imposing a control on the rates charged by the four largest network operators. Since then, industry rates have fallen by around 80%, from around 4 pence per minute (ppm) to around 0.8 ppm. A decade ago, termination rates were 14 ppm.

The [consultation](#) on the proposals closes on 13 August 2014. Ofcom expects to publish its final decision by March 2015.

Ofcom Consults on use of 700MHz

Countries across the world are now looking at whether to use the 700 MHz spectrum band for mobile broadband.

Ofcom is now consulting on proposals to change some of the frequencies that digital terrestrial TV services (such as Freeview) and wireless microphones use and make the 700 MHz band available for mobile broadband. Ofcom has also set out its longer term strategy for enabling more spectrum to be freed up to meet the growing demand for mobile data. This builds on proposals announced earlier this year to release spectrum currently used by the Ministry of Defence.

Ofcom's plans for the [potential release of the 700 MHz band](#), [the Future of free to view TV](#) and its [Mobile data strategy statement](#) are available on its website.

Second National Survey for Wales Published

The Welsh Government has published its second [National Survey for Wales](#). 14, 500 people aged 16 and over were asked for their opinions on a wide range of issues affecting them and their local area, including health, education, local authority services and internet access.

In relation to internet use and access, the aim of the report was to identify the 'who', 'what', 'when', 'where', 'why' and 'how' of digital inclusion and exclusion across Wales. In doing so, the intention of the report is to support the Welsh Government to better understand the reasons for digital exclusion and to more effectively design, tailor and target policy interventions to boost digital engagement further.

Key findings around [internet access and use](#)(pdf) included;

- 75% of households had access to the internet. This equates to approximately 82% of people aged 18 or over having access to the internet at home. This has increased since 2012-13, when 73% of households had access to the internet.
- The proportions of privately rented and owner occupied households who had access to the internet at home had risen since 2012-13 (from 76% in each type of household to 81% and 79% respectively). In contrast, there was no significant increase in household internet access for people in social housing.
- 79% of people said they currently used the internet at home, work or elsewhere; this varied by age, with a far greater proportion of people under 45 using the internet than those aged 45 and over.

There was also a significant change between 2012-13 and 2013-14 in the devices that people use to access the internet: 71% used a laptop (a reduction from 75% in 2012-13), 41% used a desktop computer (a reduction from 52% in 2012-13), and a greater proportion used their mobile phones (increasing from 41% to 52%) or some other handheld device such as a tablet or iPad (increasing from 17% to 33%).

18% of people aged 18 and over reported that they had never used the internet.

Ofcom announces new targets for Openreach

Ofcom has announced new rules to bring about faster repairs and installations for telephone and broadband customers.

From July 1, new performance standards will apply to Openreach, the company that installs and maintains connections to BT's network on behalf of competing providers.

Under the changes, the majority of phone and broadband faults will have to be repaired within two working days, while most customers requiring a new line must receive an

appointment within 12 working days. Should Openreach fail to meet the new targets, the company will face sanctions from Ofcom, which could include fines.

As of July 1, Openreach must over the course of a given year:

- complete around 70% of fault repairs within one to two working days of being notified. This requirement will rise to around 80% by 2016;
- provide an appointment for around 55% of new line installations that require an engineer visit within 12 working days of being notified. This requirement will also rise to around 80% by 2016;
- make clear the timeframe in which it is currently completing any remaining repairs or installations, to provide reassurance to consumers about how long the work is likely to take; and
- report publicly on its performance. Openreach must publish quarterly reports on its website from October at the latest. These reports will provide clear, meaningful and transparent information about how long Openreach is taking to repair faults and install new lines, allowing consumers to keep track of the company's performance. Ofcom will monitor Openreach's service levels and intervene further if necessary.

A copy of Ofcom's full statement can be found [here](#).

PhonePayPlus launches App Store Pilot Scheme

PhonepayPlus, the premium rate services (PRS) regulator, has announced a 12 month pilot scheme to facilitate effective regulation of app store purchases that are charged to consumers' phone bills.

Google's Play Store will be the first participant in the pilot, which exempts developers in participating app stores from the requirement to register with PhonepayPlus before operating PRS.

App stores that meet a number of criteria, including providing an escalation path for consumer complaints and operating a registration scheme for their app developers, can apply to join the scheme and provide carrier billing to their customers.

Over the past year, Google and a number of other major app stores have been rolling out phone billing to their users. This means that consumers on participating phone networks have the option of paying for digital content like apps, games, music and videos on their phone bills rather than using credit, debit or pre-paid gift cards.

People who buy digital content on their phone bill will receive additional protections under the PhonepayPlus Code of Practice alongside app stores' existing processes. These protections mean that providers and services:

- Must comply with the law
- Must ensure that consumers are fully and clearly informed of key information, such as the price, before purchase
- Must treat customers fairly and equitably
- Must not cause the unreasonable invasion of customers' privacy
- Must not cause harm or unreasonable offence to consumers or to the general public

- Must ensure that consumers are able to have complaints resolved and any refunds paid quickly and easily

PhonepayPlus is particularly concerned about the problem of children running up high bills when making repeat purchases, such as through in-app payments. PhonepayPlus is working closely with Google, other app stores, consumer bodies and other regulators like the Competition and Markets Authority to address this problem.

PhonepayPlus would welcome feedback from consumers on the pilot scheme and on their or their children's experience of purchasing content on app stores and has set up a dedicated email address, consumerfeedback@phonepayplus.org.uk for responses.

More information on the pilot scheme can be found on PhonepayPlus' website [here](#) (pdf).

Latest phone, broadband and pay TV complaints

Ofcom has published its [thirteenth quarterly report](#) on the volumes of complaints made against the major providers of telecoms and pay TV services between January and March 2014.

The total volume of telecoms and pay TV complaints made to Ofcom increased slightly in Q1 2014. Complaints were marginally higher quarter on quarter across landline, broadband and mobile pay-as-you-go services. Complaints in the mobile pay-monthly and pay TV sectors remained at the same level as in Q4 2013.

A summary of the report can be found [here](#).

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