

Communications Consumer Panel and ACOD response to DCMS' consultation on the Statement of Strategic Priorities for telecommunications, the management of radio spectrum and postal services

The Communications Consumer Panel is the independent statutory consumer advocate in the telecoms sector. Established by the Communications Act 2003, we are a group of independent experts with direct sectoral experience. We ensure the citizen and consumer voice is represented in communications policy development.

The Panel's job is to ensure that the sector works for consumers, citizens and micro businesses - and in particular people who may be in a more vulnerable position in society. We carry out research, provide advice and encourage Ofcom, governments, the EU, industry and others to look at issues through the eyes of consumers, citizens and micro businesses.

The Panel pays particular attention to the needs of older people and people with disabilities, the needs of people in rural areas and people on low incomes, and the needs of micro businesses, which have many of the same problems as individual consumers.

Four members of the Panel also represent the interests of consumers in England, Northern Ireland, Scotland and Wales respectively. They liaise with the key stakeholders in the Nations to understand the perspectives of consumers in all parts of the UK and input these perspectives to the Panel's consideration of issues. Following the alignment of ACOD (the Advisory Committee for Older and Disabled people) with the Panel, the Panel is more alert than ever to the interests of older and disabled consumers and citizens.

Response

World-class digital infrastructure for the UK

The SSP makes repeated reference to the ambition for the UK to be a 'world leader' in the provision of digital infrastructure and specifically 5G. We would be interested to understand more about the definition of a 'world leader' in this context. In order to benchmark success against this ambition it would be useful to set out specific and meaningful targets for world class digital infrastructure. We would welcome involvement in the determination of those targets to benefit consumers, citizens and micro businesses.

The Panel supports a more ambitious target for nationwide gigabit capable connection and encourages DCMS to ensure that Ofcom is empowered to regulate in the context of this fast-moving market.

Outside-In approach

We welcome the Government's 'outside-In' approach to support the connectivity of consumers living in the hardest to reach areas and encourage widening the scope of the approach, to cover premises which, if market forces are the only determinant, might be left without gigabit connectivity until many years later than the majority of the population.

However we feel that the target of 2033 for full national coverage is unambitious, leaving UK consumers with a gap of up to 14 years between the 'haves' and the 'have-nots'. We believe that there is a case for a more urgent drive for improvement over a shorter timescale. Collaboration between the UK Government, devolved Governments, industry and consumer groups is vital to bring this into effect. We recently responded to both consultations by the Barrier Busting Taskforce and we support the work on removing barriers to allow industry to innovate and provide infrastructure without detriment to consumer and citizens.

We support the Government's desire for Ofcom to enforce workable mechanisms for the sharing of ducts and poles and believe that the 'rigorous and close monitoring' of this should also take into consideration the potential risk of increased fault rates in the local loop which would be a detriment to consumers. The outcome we would want to see is both an increase in duct/pole sharing, and a reduction in local loop fault rates. There needs to be a win-win for consumers.

In relation to the Universal Service Obligation (USO) and its implementation, the Panel has previously called for a USO as a legal 'safety net'; we argued that it should be a relatively low-cost, affordable, solution, delivering to those in the most need, but it should also be reviewed regularly, to keep pace with the needs of consumers.

Switchover

We welcome prompt discussion of the process of switchover to IP networks in this context, in order to ensure that the needs of consumers - especially the most vulnerable consumers - are held in the foreground of the process. We would highlight the needs of not only consumers who rely on telecare services, but also those who have poor coverage in both broadband and mobile services. We have also urged Ofcom to ensure a wide-ranging communications plan is in place to inform consumers about the switchover and to protect consumers from misinformation and scammers.

We believe the UK should have ubiquitous, high quality mobile coverage - and that this is a critical issue for consumers now that mobile services are an integral part of people's lives and businesses. We would like to see geographic coverage extended beyond the proposed 2022 target of 95% and want to see uninterrupted mobile coverage on all major rail links and all major roads before then. As well as sending a clear, consumer-focussed message we consider a higher target would give Ofcom a stronger basis to hold providers to account in providing even greater coverage. Individually and collectively consumers are increasingly reliant on data for so many day-to-day activities (not least all manner of financial transactions) that it is crucial that progress keeps pace with users' needs and expectations.

National roaming

We welcome the Government's proposal that Ofcom should fully consider the potential benefits to consumers of introducing national roaming in rural areas. However we believe the case for full national roaming between mobile operators should be considered, as a means of providing consumers with better coverage and resilience and a protection against market failure.

We also welcome the introduction of more flexible approaches to managing spectrum, such as mechanisms to encourage spectrum sharing and the enforcement of 'use it or lose

it' conditions. We agree that these will help to increase the availability of new services to benefit consumers, for example by providing improved coverage or new innovative services.

Furthering the interests of telecoms consumers, including the vulnerable and less engaged, by ensuring they are better informed and protected.

Vulnerability and fairness

We welcome the priorities that DCMS has identified with the aim of furthering the interests of telecoms consumers. In addressing the needs of telecoms consumers overall, we believe a culture change in the telecoms industry is needed, so that when designing their policies, fairness comes first. We would first encourage DCMS to broaden its definition of 'the vulnerable', to address the fact that any consumer can be disempowered and made vulnerable by a particular context or barriers to their participation in the market. Those barriers might range from the need to ask for their communications provider (CP) to provide information in an alternative format because of a physical or learning disability, to a lack of reliable mobile or broadband coverage vital to the running of their micro business, to the need for empathy and flexibility in processes in dealing with debt. We believe a clearer definition of vulnerability that could be used across the sector and flow through to CPs' vulnerability policies would be useful - including a recognition that consumers may move in and out of periods of vulnerability based on their circumstances.

A key area of interest for the Panel is customer service, including complaints handling and access to redress. We would urge DCMS to consider the provision of excellent customer service by CPs as a strategic priority. Technological advances can only offer consumers useful opportunities if they find their access to those services is well facilitated; and if problem solving, complaint resolution and access to redress is of the highest order. If customer service is poor, then the result is consumer harm.

Consumer engagement and loyalty

We welcome the priority that DCMS has identified concerning the loyalty penalty experienced by consumers. Consumers need to be protected at all stages of the customer life-cycle: from making well-informed purchase decisions, having a great service experience, being protected from the risks of any 'loyalty penalty', to switching supplier without hindrance. Last year we responded to Ofcom's consultations on [Helping Consumers to Get Better Deals in Communications Markets - Mobile Handsets and End of Contract and Out of Contract Notifications](#). We have welcomed the work towards the harmonisation of switching processes, having long called for hassle-free Gaining Provider Led switching across the sector. We would like to see this fully implemented as soon as possible.

However, while switching provider or service may lead some consumers to better deals, switching is not a remedy for all. Some consumers may choose not to switch, some may not understand how to, but others may not be able to as they lack another provider in their area. We believe that the issue of consumers who want to switch but are unable to is one that CPs should be encouraged to address as a matter of priority. For example, we would highlight the plight of consumers who live in remote rural areas and who are reliant

on their mobile phone but only have access to one mobile network. It is incorrect to assume that customer loyalty is solely based on inertia.

The Panel also encourages DCMS to prioritise the end of unfair pricing practices more generally. This would include greater clarity and fairness for consumers around the repayment of mobile handsets versus payments for airtime, and proportional broadband billing to ensure that customers only pay for the level of service they receive.

We welcome Ofcom's strengthening of the consumer voice, increasing funding to the Panel, as the independent, statutory consumer voice in telecoms. We are keen to work with other consumer bodies, Ofcom and industry to improve consumer advocacy in the telecoms sector and would also encourage DCMS to recognise within this paper the existing arrangements that are in place to protect consumers.

Information to empower consumers

Consumers need to be given sufficiently clear information by CPs to understand what they are buying and what the product or service is capable of so that they can buy what they need and not spend more than is necessary.

We supported the strengthened powers for Ofcom under the Digital Economy Act 2017 and have engaged with Ofcom during the development of its policies to protect and empower consumers, as well as responding publicly to consultation on the implementation of those policies. We also continue to engage with Ofcom on the continuous improvement of its Comparing Service Quality Reports and in particular data on complaints. The Panel's view is that where possible these should be of a level of granularity and comparability that enables a better understanding of whether consumers who were in more vulnerable circumstances at the time they made a complaint are being disproportionately impacted by the issue with their service. We have also encouraged the broadening of the research's scope to measure problems that are not classed as formal complaints.

To summarise, we would like to see a culture of fairness for all consumers underpinned by an understanding of situations that can make it more difficult for consumers to navigate and use services in the communications sector. This needs to be backed up with a commitment by CPs to invest in making communications services easier to use, fair and affordable, for all consumers. In the design of processes, CPs must consider the needs of people in vulnerable circumstances first.

Ensuring the UK's telecoms networks and services are secure and resilient

We support the stated priority to establish and maintain a secure and resilient telecoms infrastructure for the UK as it supports all action undertaken to achieve improved consumer trust in network providers' protection of their data. Following publication of our [Digital Footprints](#) research in November 2016 we have encouraged CPs to offer a basic but robust level of online security protection for free and to help their customers protect their own data, so that consumers can feel confident online.

We support the importance the Government places on maintaining the security and resilience of UK telecoms networks. Any network outage will directly impact the lives of consumers and businesses, and we would like greater assurances that these risks are being well managed by operators and service providers. The Panel's view is that national roaming between mobile networks could be a valuable mechanism to provide greater

resilience in the case of a mobile network outage, benefiting consumers and UK national infrastructures. The Government has proposed that Ofcom fully consider the benefits of rural roaming in order to provide improved coverage and choice for consumers. Our view is that Ofcom's review should be broader - encompassing the option of full national roaming and the resilience benefits that would be afforded to consumers and the UK as a whole. This would be a way of addressing the market failure highlighted above, where consumers in some parts of the UK are unable to benefit from competition, as they have access to only one mobile provider. We have urged Ofcom to publish information on the number of premises affected by this failure in the market, to highlight the multiple levels of harm to which some consumers are subjected.

Universal postal service and need for industry and Ofcom to work together to secure the long-term sustainability of the sector.

The Panel welcomes the discussion of postal investment and the recognition that Ofcom should take stronger action if it is not satisfied with Royal Mail's ability to meet targets. We have urged Ofcom to hold Royal Mail to account where failures have been identified - postal services customers should not be the 'poor relation' within the communications sector. We have also put to Ofcom the question of redress for postal consumers; we believe that the current system does not sufficiently protect consumers. Neither does it cause Royal Mail to focus on the commercial implications of inadequate service. We would welcome a more specific focus on how postal services in all parts of the UK can be delivered more effectively.

Summary

- We support DCMS' ambition for world class digital infrastructure and for the UK to become a world leader in 5G. We would encourage DCMS to define 'world class' and 'world leader' so that it can measure outcomes more easily;
- We support an 'outside-In' approach to coverage and would urge that a broader view of national roaming is included so that a wider range of consumers can benefit from it;
- We would like to see a culture of fairness embedded into all CPs' policies, underpinned by an understanding of situations that can make it more difficult for consumers to navigate and use services in the communications sector;
- We believe a clearer definition of vulnerability that could be used across the sector and flow through to CPs' vulnerability policies would be useful - including a recognition that consumers may move in and out of periods of vulnerability based on their circumstances;
- We urge DCMS and Ofcom to push for a commitment by CPs to invest in making communications services easier to use, fair and affordable, for all consumers;
- We agree that industry and Ofcom need to work together to secure the long-term sustainability of postal services, but also urge closer attention to the needs of today's postal services users.