

Minutes of the meeting of the Communications Consumer Panel and ACOD

on 22 July 2015 at 10.30

Riverside House, 2A Southwark Bridge Road, London SE1 9HA

Present

Consumer Panel/ACOD

Jo Connell (Chair)

Rhys Evans

Chris Holland

Mairi Macleod

Craig Tillotson

Bob Twitchin

In attendance

Jenny Borritt

David Edwards

Fiona Lennox

External visitor from Rica (item 10)

Other Ofcom colleagues

Apologies

Jaya Chakrabarti

Rick Hill

1. Declarations of interest

1.1 Members **NOTED** that Craig Tillotson was now the Executive Chairman of the Mobile Payments Service Company. This and related mobile payments roles was a declaration in relation to agenda item 9.

2. Minutes of the meeting on 17 June 2015 and matters arising

2.1 Subject to minor amendment, the minutes of the meeting of 17 June were **APPROVED** for signature by the Chair.

2.2 Following discussion about ADR at the previous meeting, the Panel would issue a comment upon publication of Ofcom's *Facilitating Access to ADR* document. In addition, the Panel would raise ADR issues with communications providers. A letter to the BBC Executive was being drafted to follow up issues previously raised concerning the accessibility of online AV content.

3. Post update

3.1 An Ofcom colleague joined the meeting to brief Members on recent issues related to Post. Members **NOTED** that Ofcom had published a *Review of the regulation of Royal Mail* and a link to this discussion document would be circulated. The document set out the proposed scope of the review and asked stakeholders for views and evidence to assist Ofcom's analysis. There was discussion of competition in the parcels market, with

developments including Amazon making increasing use of its own parcel delivery network and the availability of ‘click and collect’ services from retailers. Other issues raised included direct mail and junk mail.

4. Broadband USO

4.1 Colleagues from Ofcom joined the meeting and Members had been provided with a paper on some of the key issues to be considered during the development of a broadband USO. There was discussion of the Panel’s belief that universal access should be to a minimum of 10 Mbit/s, and the benefits that could accrue to remote rural and to some inner city areas.

4.2 Members discussed broadband provision to new build sites and premises, for consumers and for SMEs and the promotion of take-up in addition to roll-out. The Panel stated its support for Ofcom’s work and discussed potentially writing to DCMS to urge progress if none was forthcoming in the near future.

5. CMR and research update

5.1 Members had received a paper providing a summary of the key themes emerging from Ofcom’s Communications Market Report 2015, due for publication in early August. Ofcom colleagues joined the meeting for discussion.

5.2 Discussion points included the presence of fixed broadband connections in 78% of UK households (Members would be emailed a link to Ofcom’s adults’ media use and attitudes report to provide some analysis of households without broadband); increasing use of smartphones to access the internet, by young people in particular, and the efficacy of a measure of fixed broadband households; the Panel’s concern about the decrease in satisfaction with fixed broadband and mobile telephony and its suggestion of the need to monitor satisfaction; a decline in telecoms revenues, with implications for investment; and increases in the price of fixed line rental, which Ofcom was continuing to monitor.

5.3 Members had also been provided with a paper to update them on recently completed, current and forthcoming Ofcom research projects. From Ofcom research undertaken, Members **NOTED** a decline in reported distress in response to landline nuisance calls and suggested that this could be due to participants becoming more accustomed to unwanted calls.

6. Strategic Review Digital Communications (DCR)

6.1 Members had received a paper that outlined the four main themes and the key consumer and citizen issues in Ofcom’s recently published *Strategic Review of Digital Communications* and copies of the discussion document. Following the Panel’s earlier comments, Members welcomed Ofcom’s intention to place the interests of consumers and businesses at the centre of the review.

6.2 Members welcomed the review, its scope and tone. They went on to make a number of detailed comments. These included the suggestion of a greater emphasis on inclusion, on vulnerable consumers and on micro-businesses. Members highlighted issues of market complexity for consumers; the need for clear definition of ‘good’ consumer outcomes and for more ambitious targets for BT Openreach; value in obtaining and

disseminating ADR complaints data; bundling and over-the-top players; drivers for network build; and market structure learnings from other sectors.

6.3 Members welcomed the document’s emphasis on a broadband speed of at least 10 Mbit/s and the steps taken by the DCR team to incorporate a number of recommendations arising from the Panel’s review of Ofcom’s consultation processes. The Panel would submit a response to the discussion document.

7. Strength to Strength

7.1 Members had received a paper and Ofcom colleagues joined the meeting to brief Members on Ofcom’s internal review called Strength to Strength (S2S). The review would take stock and consider how Ofcom could maintain and build its reputation and capabilities over the next decade and consisted of five workstreams.

7.2 Members reacted positively to the review and **NOTED** that alongside S2S, Ofcom was starting a project to review its strategy for delivering for consumers and citizens. Issues raised in discussion included Ofcom’s appetite for risk, its sector expertise, self-confidence as a regulator and the pace of Ofcom decision making.

8. Consumer update

8.1 Having provided a paper, Ofcom colleagues joined the meeting to update Members. Issues discussed included Vodafone’s handling of its PAYG customers; approval of telecoms and postal ADR schemes under the ADR Regulations 2015; implementation of lost/stolen liability caps by mobile operators, already implemented by Three and Virgin Mobile; plans to introduce a European roaming allowance; and a recent financial penalty of £1M imposed on EE in contravention of complaint handling rules. Depending on the pace of implementation of remaining lost/stolen liability caps, the Panel would consider writing to EE, Vodafone and O2.

9. Online issues

9.1 Ofcom colleagues joined the meeting and Members had received a paper covering the issues of personal data and data privacy; informed consent; and “The Internet of Things” (IoT). Issues discussed included levels of privacy; whether consent was necessary in all circumstances and the concept of informed consent in relation to the IoT; consumer understanding of ‘cookies’ and of how personal data could be sold on; whether there could be an IoT equivalent of the Payment Card Industry Data Security Standard; a lack of consumer confidence in the ability to retain online privacy; and what happened to a deceased individual’s digital life. A Panel member unable to attend the meeting had provided some comments by email and these would be forward to Ofcom colleagues.

10. Panel research

10.1 Colleagues from Ofcom and from Rica joined the meeting. Members had received the latest working draft of the Rica inclusive communications research report that had been commissioned by the Panel. Members

provided a number of general and detailed comments and it was **AGREED** that the draft would be revised to take them into account. Members proposed and discussed recommendations arising from the research findings. The intention was to publish the Rica report, a Panel recommendations paper and desk research covering inclusive communications in other sectors. The Panel requested details of the communications providers that were the main cause of specific concerns raised by the Rica research.

11. Persistent misuse

11.1 Ofcom colleagues joined the meeting for discussion and Members had received a paper to update them on Ofcom’s review of its statement of policy on persistent misuse of an electronic network or service, the focus being on silent and abandoned calls. Scaled up results from Ofcom consumer diary research suggested that there were around 5 billion unwanted calls made to UK landlines in a year. Ofcom planned to consult on proposed changes to its policy in August.

11.2 Members made a number of comments on issues including the need for CLI to help identify unwanted calls; situations where nuisance callers left voicemail messages and the called party was charged to access an unwanted message; queried whether the figure of 3% was too high as the permitted number of abandoned calls per sales/marketing campaign or per call centre allowed over a 24 hour period and endorsed an approach of zero tolerance; and unjustified revenues accruing to communications providers as a result of nuisance calls.

12. Triple Play switching

12.1 Ofcom colleagues joined the meeting and Members had received a paper on Ofcom plans to undertake a review of consumers’ experience of switching fixed line, broadband and /or pay TV services between providers using the Openreach, Virgin Media and/or BSkyB networks, ie ‘triple play’ services. Members would be provided with details of proposed and related Ofcom research plans and invited to comment.

12.2 Members made a number of comments including a preference for simplicity, i.e. the same process for all forms of switching communications services; non-coterminous contracts for bundle elements acting as a barrier to switching; and consumer awareness of a contract coming to an end. Ofcom colleagues would welcome the opportunity to have sight of any triple play aspects of the Panel’s inclusive communications research.

13. Any other business

13.1 Craig Tillotson gave Members feedback on recent meetings he had attended, including an event in Shoreditch to discuss broadband in the city and another attended by the Police and the Cabinet Office to discuss the future of 999 services.

13.2 There was brief discussion of how to take forward the Panel’s concern about rural communications issues.

.....ChairDate

