

Minutes of the meeting of the Communications Consumer Panel and ACOD

on 23 July 2014 at 10.30

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

PresentConsumer Panel/ACOD

Jo Connell (Chair)

Kim Brook

Jaya Chakrabarti

Chris Holland

Mairi Macleod

Craig Tillotson (by telephone)

Bob Twitchin

In attendance

David Edwards

Karen Keany

Fiona Lennox

Other Ofcom colleagues

1. Declarations of Members' interests

1.1 There were no interests declared.

2. Minutes of the meeting on 25 June 2014 and matters arising2.1 The minutes were **APPROVED** for signature by the Chair.2.2 Members **NOTED** that the Chair had attended the recent Tech4Good Awards, created by AbilityNet with the help of BT and others. In the near future the Panel/ACOD planned to meet AbilityNet, an organization that seeks to change the lives of disabled people by helping them to use digital technology at work, at home or in education.2.3 It was **NOTED** that the Panel had been represented at the recent and second Which? taskforce meeting on nuisance calls by Jaya Chakrabarti and that the taskforce was currently calling for evidence from organisations and individuals on how people consented to direct marketing.**3. Ofcom Consumer policy/enforcement update**

3.1 Members had received a paper and Ofcom colleagues joined the meeting to update Members on a range of consumer empowerment and protection issues.

3.2 Members **NOTED** that work was in progress to create content for a business-specific section/portal on the Ofcom website and commented that if possible it would be useful to segment by micro business, SME and large business to reflect businesses' different needs and requirements; that content on new technologies should be accompanied by details of current and accessible technology; and that it would be beneficial to include material on security and the importance of regular backups of data.

3.3 There was discussion of consumer switching, including the next phase of Ofcom's work. Members **NOTED** that Ofcom had just issued a call for input from stakeholders to better understand the processes used to switch providers of bundled voice, broadband and subscription Pay TV services, and mobile voice and data services. It was the Panel's view that many consumers were not sufficiently aware of the implications of early contract termination; and that switching could be frustrated by non-coterminous elements of a bundled service and the long lead times for mobile handset unlocking.

3.4 It was **NOTED** that BT had convened a Next Generation Text Relay Trials Steering Board, with Ofcom in attendance and willing to feedback any queries. Two were raised by the Panel, and there was a brief discussion of unexpectedly high bills, including the penal nature of out of bundle charges.

4. Superfast broadband

4.1 An Ofcom colleague joined the meeting and there was discussion of the availability and take-up of superfast broadband by micro businesses; the work of the Independent Networks Co-operative Association (INCA), Perseverance Works and NYnet to secure superfast broadband; the DCMS connection voucher scheme with its £3k ceiling; joint voucher applications; use of vouchers for cabinet upgrades and possible state aid issues; and whether a case could be made to extend the period for the time-limited voucher scheme or for greater demand stimulation.

5. TPS research

5.1. Ofcom colleagues joined the meeting to brief the Panel on recent joint Ofcom and ICO research undertaken by Ipsos MORI into the effectiveness of the Telephone Preference Service (TPS).

5.2 Members **NOTED** that 2000+ panelists had been selected by telephone and asked to take part in a diary study of which 1000+ panelists returned diaries in November 2013 at the end of wave 1 of the exercise; that, as part of wave 2, half of panelists were signed up to TPS and 700+ diaries were returned in early March 2014; and that the TPS group experienced a 31% reduction in live marketing/sales calls.

5.3 Whilst acknowledging the positive reduction in marketing calls for the TPS group, Members were concerned that this could still leave a substantial number of unwanted calls; that consumers were unable to verify the consent that they may have given in the past; and that new businesses might lack awareness of a ban on calls to people who had signed up to the TPS register.

6. Review of persistent misuse (abandoned and silent calls)

6.1 Members had been provided with a paper and Ofcom colleagues joined the meeting to update the Panel on the review of Ofcom's *Revised statement of policy on the persistent misuse of an electronic communications network or service 2010* and a strand of Ofcom's current work to reduce nuisance calls. Ofcom intended to seek views from stakeholders through bi/multilateral meetings and possibly a call for input.

6.2 There was discussion of issues including CLI, which the Panel believed

should be a free service; mandatory display of originating numbers versus the right to withhold a number; call centres and an absence of regulatory powers; a Panel suggestion that the calling party should be required if asked to explain the circumstances in which consent to call had been given; and a Panel suggestion of zero tolerance of abandoned calls versus a currently permissible no more than 3% call rate of live calls per campaign or per call centre over any 24 hour period.

7. Ofcom's SME research

7.1 Members had been provided with a paper and an Ofcom colleague joined the meeting to brief the Panel on emerging findings from Ofcom's SME survey research based on 1500+ telephone interviews. High level summary findings would be published in August as part of Ofcom's CMR report. A subsequent and fuller SME research report would be published.

7.2 There was discussion of issues including the finding that a third of SMEs did not feel confident in their ability to identify which new products or services would benefit their business. The Chair commented that concerns about relevant advice had also been evident from the Panel's micro business research. Members commented on levels of SME satisfaction; suggesting that this could be related in some cases to low levels of expectation in some rural areas; and considered the difficulty of establishing a target satisfaction level. Members considered the SME findings were consistent with the Panel's own recent micro business research.

8. National Roaming

8.1 Members discussed a number of activities underway to improve or investigate the mobile coverage situation, including network sharing; drive testing; work on repeaters; information remedies; the Government's Mobile Infrastructure Programme; and a DfT/Network Rail initiative.

8.2 Issues raised in discussion included the ability/limits of competition to deliver universal network coverage based on the experience of 2G and 3G, with costs a major factor in rollout; an apparent cyclical repetition and the predictability of market failure; increasing consumer dependence on mobile data; and the ability of foreign visitors to be free to roam here and to get a better service than UK citizens.

9. Handset unlocking

9.1 Ofcom colleagues joined the meeting and Members had been provided with a paper on the initial thinking of a project looking at the practice of handset locking/unlocking. Members NOTED that Ofcom intended to publish a consumer guide on handset locking shortly. Ofcom will be considering further issues arising for consumers as a result of both locking and unlocking policies.

9.2 Members' comments included the view that locking was a restraint of trade and unjustified; that unlocking should be a straightforward matter and not subject to what could be considered to be excessive delay (up to 28 days in the case of one provider); and, since there appeared to be low customer awareness of locking, the need for transparency at the point of sale.

10. CSR

10.1 Members had been provided with papers providing a comprehensive briefing on recent Ofcom Corporate Responsibility activity and Ofcom colleagues joined the meeting for discussion.

10.2 The Panel/ACOD was keen to engage further with Ofcom in this area, offering advice where this was possible, or signposting where advice could be sought elsewhere. Ofcom was in the process of updating its Single Equality Scheme and the Panel/ACOD would engage with that process. It was AGREED that consideration should be given to how best to further that aim.

11. Any other business

11.2 Following agreement from Members, it was noted that the Panel/ACOD Annual Report 2013/14 would be published very shortly.

.....ChairmanDate