JULY 2018 Panel Bulletin



Update on Communications Consumer Panel and ACOD activities

This bulletin provides an update on the Panel and ACOD's recent activities.

Jo Connell, Chair, Chris Holland, Member for England, Fiona Lennox, Executive Director and Jenny Borritt, Manager, met Citizens Advice in early May to discuss the consumer landscape in the telecoms sector and elsewhere.

Chris also attended the National Consumer Federation Congress, which looked at risks and opportunities for consumers in the context of Brexit and beyond and included discussion of the Department for Business, Enterprise, Industry and Skills' (BEIS) Green Paper (see below), standards, digital issues and Alternative Dispute Resolution (ADR).

On the subject of ADR, Chris and Jenny met MoneySavingExpert's campaigns team, to learn more about their <u>research</u> into ADR in regulated sectors; their views aligning with the Panel's drive for a reduction in the eight-week referral period by communications providers to an ADR scheme.

Jo took part, in June, in a roundtable discussion on the telecoms consumer landscape, hosted by Margot James, Minister for Digital, Culture, Media and Sport.

Amanda Britain, Member for Scotland, attended the Scottish Government's roundtable on nuisance calls, featuring discussion of the findings of Antelope Consulting's recent <u>research</u>. Amanda also attended last month's Cross-Party Group meeting on Digital Participation.

Rick Hill, Member for Northern Ireland, has continued to engage regularly with the General Consumer Council for Northern Ireland and attended a roundtable on migration to VOIP, in Belfast. Rick also represented the Panel at the Consumer Forum for Communications' June meeting in London.

New Panel Member for Wales - Karen Lewis

The Panel is delighted to announce the appointment of a new Member for Wales, Karen Lewis. Karen attended her first Panel meeting in May and has since met with Wales' Older People's Commissioner's Office and the CEO of Age Cymru as well as attending a roundtable event in Cardiff on migration to VOIP. Karen is the Director of Communities and Inclusion for the Wales Co-operative Centre. Her previous roles include Senior Producer of the BBC's award winning Digital Storytelling initiative 'Capture Wales' and Partnerships Manager for Wales, responsible for the BBC's Learning Partnerships and Director of a Research Centre in the Faculty of Creative Industries at the University of South Wales, in the field of digital storytelling. Karen was previously a member of Ofcom's Advisory Committee Wales and for the past 12 years has worked in the field of Digital Inclusion, leading on Welsh Government's Digital Inclusion programmes.

The Panel and ACOD's consultation responses

Response to DCMS' consultation on 'Secure by Design'

We have previously highlighted the Department for Digital, Culture, Media & Sport (DCMS)'s Secure by Design project, which focused on the protection of UK consumers and citizens' privacy in a world of connected devices, not least the Internet of Things (IoT). DCMS' draft report advocates moving the burden away from consumers having to secure their devices and instead aims to ensure strong security is built into consumer IoT products by design. It also calls for greater action by Government and industry, and proposes a range of measures to better protect citizens and the wider economy.

The central proposal of this report, the draft Code of Practice, aimed primarily at manufacturers of consumer IoT products and associated services, has been developed through extensive engagement with industry and subject matter experts, including the Panel. Our response is <u>here</u>. DCMS aims to finalise the policy and the Code of Practice in the Summer.

Response to Ofcom's consultation 'Improving mobile coverage - Proposals for coverage obligations in the award of the 700 MHz spectrum band'

Ofcom's consultation document highlighted two areas of major concern for mobile consumers and micro businesses: poor to no coverage in rural areas (with 30% of the UK's landmass still not covered by all four mobile operators) and the same inside premises. The Panel wrote in support of Ofcom's proposals to encourage competition in rural areas and to improve indoor coverage.

Consumers in these areas are thus caught in a poor service 'trap' - switching may not be an option and there may be no incentive for Mobile Network Operators (MNOs) to improve their service as there are few or no competitors in the vicinity. The Panel continues to believe that, if properly structured, mandated national roaming, and the associated economic flows between MNOs have the particular benefit of moving the problems caused by poor coverage away from individual consumers (who have limited opportunity to solve the problem) to the MNOs who can muster the resources and competence to address the issues. Rural areas suffer from poor coverage because the economics of provision mitigate against operating multiple fixed cost networks in low demand density areas.

National roaming allows all the demand in an area to be met with a lower overall network cost, so not only does national roaming address a key customer detriment, but it does it more economically efficiently than forcing the over provision of multiple networks. An additional benefit of national roaming is the prevention of harm to the environment in which rural consumers choose to live and work.

Summary

- We believe Ofcom's aims are right, its analysis is thorough and its use of a stronger signal threshold than previously is appropriate;
- We broadly support the proposals as set out, but encourage Ofcom to continue working with other agencies across the UK to ensure that coverage initiatives are well-coordinated to ensure the best outcome for consumers;
- We believe that national roaming is still necessary to put the right to essential mobile coverage in the hands of consumers and micro businesses; and the obligation to deliver it onto those who have the power and resources to do so. Our response is <u>here</u>.

Modernising Consumer Markets: Green Paper

The Panel has responded to BEIS' consultation exercise on its Green Paper.

Subjects of focus in the consultation included:

- Getting consumers better deals and better service in utilities markets;
- Helping consumers benefit from their data and remain protected when they buy and sell online;
- How to improve the system of alternative dispute resolution (ADR); and
- How to support local and national enforcers to work together to protect consumers.

Other news

Ofcom's proposed guidance: protecting access to emergency organisations when there is a power cut at the customer's premises

The Panel will also be responding to Ofcom's consultation on its proposed guidance to help protect consumers reliant on their landlines who may be more at risk in a power cut. Ofcom's proposed principles are explained in detail <u>here</u>. Reponses are due today.

Ofcom's Directory Enquiries (118) Review

The Panel has previously raised concerns with Ofcom about the rising cost of calls to directory enquiries/'118' services (DQ services). We've been keen to see this made fairer and would like to see a cap on the cost and clearer information on how much will be charged, to prevent the shock of a large, unexpected bill.

In May 2017, Ofcom opened a review to examine the rising cost of calling DQ services to ensure that prices are fair and transparent for consumers. Ofcom has this month opened a <u>consultation</u> on the use and regulation of these numbers. We will be replying to the consultation and would encourage you to do the same, by 22 August.

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This is the bulletin of the Communications Consumer Panel, the statutory consumer panel for the telecommunications industry.

Established by the Communications Act 2003, the Panel consists of eight experts who carry out research, provide advice and encourage Ofcom, Government, the EU, industry and others to look at communications issues through the eyes of consumers, citizens and micro-businesses. The bulletin is an update on the Panel and ACOD's activities and developments in the communications sector.

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