MARCH 2014

Panel bulletin

This month…

Panel welcomes Department of Culture, Media and Sport's Action Plan on nuisance calls

The Panel has welcomed publication of the Department of Culture, Media and Sport's (DCMS) Action Plan on nuisance calls and the establishment of a task force which will bring together regulators, consumer and industry experts to review how consumers give consent to being contacted by marketing firms.

In our evidence to the CMS Select Committee last summer, we noted that "The issue of consent is key - both in respect of the granting of consent to be contacted or otherwise, and the proving of such if there is a dispute." The task force, chaired by Which?, will look at how consumers give and withdraw marketing consent and whether there should be expiry dates on consent. It will also investigate issues around lead generation including how personal data is used, shared and traded. The task force will aim to strike a balance between stopping unsolicited calls and supporting legitimate marketing companies that abide by the rules.

Major UK mobile operators and ICO launch consumer spam reporting service to protect mobile customers

The Groupe Speciale Mobile Association (GSMA) has announced that EE, O2, Three, Vodafone together with the UK Information Commissioner's Office (ICO), are working to tackle nuisance text messages by using the GSMA's Spam Reporting Service.

Through the GSMA's Spam Reporting Service, UK mobile phone users are able to report nuisance text messages through a free-of-charge short code: '7726' or 'SPAM'. These are aggregated, and analysed, providing operators with important details about the origin and size of the attack. The service allows operators to share intelligence in real time to ensure that an attack detected on one network can be quickly isolated and prevented on others. Armed with this insight, mobile operators can block and cut off the senders of spam. As a next step, EE, O2, Three, Vodafone and the ICO are investigating ways to extend the Spam Reporting Service to address nuisance calls.

Further information can be found on the [GSMA website](#)

A Leading Digital Nation by 2020: Calculating the cost of delivering online skills for all

What is the investment needed to get everyone in the UK using the internet regularly with Basic Online Skills? The Tinder Foundation have launched a new report addressing this issue – [A Leading Digital Nation by 2020](#) (PDF) by Catherine McDonald, for Tinder Foundation and Go ON UK.

The report sets out for the first time the investment needed to ensure everyone in the UK has Basic Online Skills – a cost of £875m, over the next six years, that the Tinder Foundation believes should be split across the private, public and voluntary and community sectors.

There are still 11 million people without Basic Online Skills in the UK, who can't send and receive email, use a search engine, browse the internet or complete online forms. The report uses information on the profile of this 11 million and current interventions to get them online. It factors in the barriers, challenges and costs to up-skill the hardest to reach groups - including 2 million people of working age and 4 million retired citizens.

Without increased investment, the report found that around 6.2 million people will remain without basic online skills in 2020.

Update on the Ofcom and ICO Joint Action Plan for tackling nuisance calls and messages

In July 2013, Ofcom and the Information Commissioner's Office (ICO) published a [joint action plan](#) for tackling nuisance calls and messages.

Ofcom has published an [update](#) on its work with the ICO to tackle this issue and reduce consumer harm. The update sets out the progress made in the priority areas identified in the July 2013 plan.

Since last July, key areas of work have included:

Tracking down the companies behind nuisance calls: Ofcom asked the Network Interoperability Consultative Committee (NICC) to develop a new industry standard for call tracing between networks, as well as revising current rules on how 'calling line identifications' (essentially telephone numbers) are passed between networks and presented to customers. The [recently published](#) call tracing standard is expected to simplify and increase the likely success of the call tracing process. The standard is being tested by Ofcom and industry during February 2014 and will be revised as necessary following the conclusion of trial.

Enforcement action: Ofcom served a notification to Redress Financial Management Ltd for suspected abandoned calls in August 2013, which is on-going. Ofcom also pursued informal enforcement action against 25 organisations throughout last year resulting in complaints

against 16 of the companies ceasing, falling significantly for six others, while three cases are on-going.

Working with Government, consumer groups and other UK and international regulators: This has involved contributing and submitting evidence to the CMS Committee and APPG inquiries; attending and hosting regular stakeholder meetings on issues such as consumer information, the impact of lead generation activities on nuisance calls and technical solutions. They have also joined forces with regulators from Canada, Australia and the United States specifically to tackle the problem of phone number 'spoofing'.

Updating and improving consumer information on nuisance calls and messages: Ofcom recently worked with consumer groups, including the Panel, to revise Ofcom's nuisance calls consumer guides. The updated guides were published alongside a new guide on how to deal with nuisance calls and messages. Since July, Ofcom also published a summary of the main privacy services offered by key telephone providers and a new guide focusing on phone number scams, where the number of an incoming call is 'spoofed' to hide the caller's identity.

The updated plan also sets out the priority areas for 2014:

➢ On-going, targeted enforcement action;

➢ Improving the tracing of nuisance calls and assessing technical measures to help address nuisance calls;

➢ Continuing to work with Government, other regulators, industry and consumer groups to ensure effective coordinated action; and

➢ Improving consumer information on how to reduce and report complaints about nuisance calls and messages.

Specific projects in the coming months include: publishing easy-read and video guides on how consumers can protect themselves against nuisance calls; further diary-based research to assess the incidence of nuisance calls; and joint research with the ICO to assess the impact of the Telephone Preference Service on the level of live telesales calls.

 A further update will be published by the end of 2014.

Making Digital Real: Case Studies of How to Help the Final Fifth Get Online

The Carnegie UK Trust has published a new report Making Digital Real: Case Studies of How to Help the Final Fifth Get Online

The Trust notes that having access to the internet is now an essential service. Indeed it is described by some as the 'fourth utility'. But a fifth of UK households remain offline – and it is often those who could gain the most from internet access who are the least likely to be connected.

Making Digital Real sets out 7 Digital Participation Tests that local authorities, housing providers and other public, voluntary and community organisations can use to help plan their activities to support more people to gain access to the internet. The report also provides Case Studies of successful digital participation initiatives in Liverpool, Leeds, Glasgow, Sunderland, Wiltshire and Fife, illustrating a wide range of different approaches that can be used to tackle digital exclusion. Please click here to download the seven Digital Participation Tests and the six Case Studies.

European Broadband Scorecard

Ofcom's European Broadband Scorecard has found that the availability of superfast broadband has increased in the UK from around 60% at the end of 2011 to 73%. This has taken the country from third to first for coverage among the 'EU5' (France, Germany, Italy, Spain and the UK). Take-up of superfast broadband, which is capable of providing speeds equal to or greater than 30Mbit/s, had reached nine in every 100 people in the UK at the start of last year, the highest in the EU5 ahead of Spain (6 in 100) in second place.

While welcoming these findings, the Panel is conscious of the fact that, according to Ofcom's 2013 Infrastructure report, 8% of all broadband connections in the UK operate at less than 2Mbit/s. Ofcom's analysis suggests that two thirds of these slow connections are in areas where superfast broadband networks are available, but approximately 3% of UK households are receiving speeds less than 2Mbit/s and do not have the option of switching to superfast broadband.

European Commission publishes SamKnows study on EU internet speeds

The European Commission has published a study that suggests broadband users in the UK get less than half (45%) the advertised download speed. Among the best performers are Slovakia, Poland and Sweden.

The study (@SamKnows) tries to capture the actual speed experienced by a consumer compared to the advertised one (which may be as low as 1-2 Mbps or as high as 100 Mbps). Data from the study shows that the EU average is worse than the US – users in Europe get only 75.6% of the advertised speed, compared to 96% in the US. However, actual download speeds attained in Europe are considerably higher than those in the US.

The study is based on measurements taken by 9,467 devices placed in the homes of consumer volunteers selected as part of a representative sample of broadband users across Europe. It does not cover wireless (mobile) broadband. The study is part of a broad package of studies released by the Commission that analyse indicators like headline speed, broadband cost and intake, as well as the relative weight of fixed and mobile broadband.

A second set of data (Broadband Internet Access Costs (BIAC)) shows that prices for the most common broadband connections can be up to four times higher in some member states, even after purchasing power is taken into account. The UK ranks among the ten

member states with best value offers for the 12-30Mbps range (the category of fixed broadband that most Europeans subscribe to).

13 million households in broadband slow lane

Which? has published new research which suggests that nearly half of broadband customers have suffered slow broadband speeds, six in ten have to put up with such speeds frequently and many people are not getting the speeds they were promised.

In common with the Panel's Going Round in Circles? research, Which? also found that households are suffering from poor customer service. A quarter of people who reported a loss of service and had it resolved waited two days for this, and around one in ten had no internet for a week or more. Three in 10 people who contacted their provider with a problem didn't get a resolution. And, for those that did, a quarter weren't satisfied with how long it took.

Which? is campaigning for broadband providers to give written speed estimates at the start of a contract, and to let people exit that contract without penalty if they fail to meet those speeds. They have also highlighted the need to fix any loss of connection as speedily as possible and to refund customers if problems persist. Find out more at broadband speed service

A checklist for those considering a new phone or broadband contract

Ofcom has published an updated checklist for consumers considering a new phone or broadband contract.

The guide sets out the information that consumers should receive from their provider at the point of sale and offers advice on how to complain.

With Ofcom's new guidance about rules designed to protect consumers from unexpected price rises, which came into effect on 23 January 2014, information showing different types of contracts and pricing terms offered by a number of major providers is now included in the guide.

New BSG report reveals SMEs are not capitalising on potential of broadband and technology

A new report published by the Broadband Stakeholder Group (BSG) identifies that Small and Medium sized Enterprises (SMEs) are not yet unlocking the commercial potential of online activity and new technologies.

The report entitled *Capitalising on Connectivity: Realising the benefits of broadband for UK Small and Medium Sized Enterprises* identifies that despite estimates that increasing the digital capabilities of the UK's SMEs can unlock economic returns of £18.8 billion

evidence tells us that SMEs are not capitalising as best they might on this lever for economic growth.

This report considers current data on SME engagement with connectivity, policy initiatives to support SME use of broadband and technology, alongside new BSG research.

It makes five recommendations regarding how to better understand SME use of technology and incentivise further take-up and exploitation of connectivity:

➢ Government should expand the evidence base on SME broadband use.

➢ Policy makers should have access to better information on how to persuade SMEs of the benefits of being active online.

➢ Industry and government need to better understand the requirements of SMEs for broadband in terms of bandwidth and other characteristics.

➢ The Department for Culture, Media and Sport should strengthen central resource within Broadband Delivery UK to assist local authorities with demand stimulation activity.

➢ Government should look to drive SME usage and uptake through its engagement with SMEs via government services and transactions.

You can download the full report (pdf) from the BSG's website

Access to electronic communications services for disabled customers

Ofcom has announced that it is making minor changes to the wording of General Condition 15 to clarify its intention.

General Condition 15 places requirements on communications providers that are designed to benefit disabled users of communications services.

Ofcom recently reviewed this Condition in light of the revised Universal Service Directive and social and technological developments.

Ofcom is amending General Condition 15 to clarify that:

➢ disabled consumers must be able to receive as well as make calls through the text relay service; and

➢ charges for relay calls must be made on an equivalent basis to those for non-relay calls.

Although these changes reflect current practice by communications providers, Ofcom is clarifying the requirements in advance of the introduction of 'next generation' text relay services, which must be made available by 18 April 2014.

Ofcom's statement on 'Access to electronic communications services for disabled customers' can be found here.

Ofcom approves BT's text relay services

Ofcom has approved BT's enhanced text relay service, representing a significant step in improving telephone calls for consumers with hearing and/or speech impairments.

Text relay enables people to communicate with others via a relay assistant who acts as an intermediary to convert speech to text, and vice versa, for the two people in conversation. The new service from BT will enable users to have faster, more fluent conversations, and use a variety of devices to access the service – including easier use of text relay on the move via smartphones and tablets.

In October 2012, Ofcom ruled that a next generation text relay service must be made available to all UK landline and mobile customers by 18 April 2014. Ofcom's decision means that BT can offer its next generation text relay service to its own customers as well as provide wholesale access to other communications providers so they can serve their customers.

Ofcom has assessed BT's planned next generation text relay service against detailed criteria and performance targets, which include minimum requirements covering staff training; service performance; technical resilience; and complaints handling.

Ofcom will monitor the new service to ensure it continues to comply with the required standards.

Ofcom has also commissioned benchmarking research to compare the current and new relay service. In addition, Ofcom will closely monitor developments in speech recognition technology, which may support further improvements to text relay services in the future can be found here.

Tech4Good Awards opens nominations for its fourth year

The UK Tech4Good Awards celebrate the hard work of people who use the power of digital technology to make the world a better place. Nominations are now open to businesses of all sizes, charities and individuals and close on 6th May. Created by e-accessibility charity, AbilityNet, and sponsored by BT, the Tech4Good Awards recognise the many innovative ways that charities, businesses, schools, government and the public are using technology to improve people¹s lives.

Entry is free and applications are welcomed in seven categories via the Awards website at www.tech4goodawards.com. This year's categories include the Digital Health Award and BT Ingenious Award, as well as established Awards such as the Accessibility Award and Community Impact Award. Tech4Good is about sharing inspiring stories to show the difference that digital technology can make for individuals, communities and society. Share stories and follow others on Twitter @tech4goodawards.

Latest telecoms and pay TV complaints

Ofcom has published its latest quarterly report on the [volumes of complaints](#) made to Ofcom against the major providers of telecoms and pay TV services between October and December 2013.

Overall, the total volume of telecoms and pay TV complaints decreased in Q4 2013. Complaints were lower quarter on quarter across landline telephone, broadband, pay monthly mobile and pay TV services. Complaints in the mobile pay-as-you-go sector were consistent with levels in Q3 2013.

A full copy of the report can be found via the lin[k: latest telecoms and pay TV complaints figures](#)

UK regulators launch new network to bring cross-sector regulation closer together

The chief executives of the UK's economic regulators have joined together to launch the UK Regulators Network (UKRN), tasked with improving coordination across regulated sectors to enhance investment and efficiency for the benefit of consumers.

UKRN brings together the Civil Aviation Authority (CAA), The Financial Conduct Authority (FCA), Office of Communications (Ofcom), The Office of Gas and Electricity Markets (Ofgem), Office of Water Regulation (Ofwat), the Office of Rail Regulation (ORR) and the Northern Ireland Authority for Utility Regulation (UREGNI). Monitor and the Water Industry Commission for Scotland (WICS) are also participating as observers.

The UKRN is a vehicle for co-operation that supports the separate independent regulatory frameworks of the individual regulators. It will allow regulators to work closer together on issues of cross-sectoral significance and to learn lessons across industries which help to improve regulation and the promotion of competition in order to secure better outcomes for consumers.

The three main objectives of the new network are to improve the consistency of economic regulation across sectors, deliver efficiency of regulation, and to improve understanding of how independent economic regulation works in the interests of consumers, markets, investment and economic performance, identifying scope to do better.

The members of UKRN are committed to working together to achieve these objectives. This commitment includes an ambitious programme of joint work on issues of cross-sectoral significance and applying lessons learned across sectors to improve the system of economic regulation.

The first areas of focus for the UKRN will include facilitating efficient multi-sector investment projects, promoting customer engagement and switching in regulated markets, assessing cross-sector resilience and cyber-security and developing a clear understanding of the overall affordability of regulated services for consumers

Consultation: Alternative Dispute Resolution for Consumers

The Department for Business, Innovation & Skills is seeking views on its proposals for applying the requirements of the European Directive on Alternative Dispute Resolution (ADR) (2013/11/EU) and the Regulation on Online Dispute Resolution (ODR) (524/2013) into UK law.

The new requirements aim to give European consumers greater access to redress, outside of court, should something go wrong with their bought goods or services.

It is also seeking views on a broader reorganisation of consumer ADR.

This consultation is relevant to:

➢ UK consumers

➢ all businesses selling to UK consumers

➢ bodies who provide ADR for consumer disputes

Read the consultation here.

Media Lives – latest report

Ofcom has published a summary of its Media Lives research – an in-depth look at the media habits and attitudes of 15 participants. Most of these participants have been with the study for at least 8 years, and so the research can track the development of their habits and opinions over time.

Key findings include:

➢ This year, when asked to name their 'essential' service or device, most participants cited their smartphone, because it is able to fulfil the main functions of all other forms of digital media and communications hardware.

➢ The consumption of video and audio content continues to become more fragmented and personalised. This is driven in part by the accessibility of traditional broadcast channels on computers, smartphones and tablets, and in part by the increased availability and adoption of online-only TV and radio-like services such as Spotify and Netflix.

➢ A consistent theme across all waves of the study has been the influence of life-stage, and other changes in domestic circumstances, on participants' media use and media literacy needs. For example, one of the participants – a newly qualified doctor – is now working for the first time, and this has had a major impact on her availability to consume media, and the priorities she places upon the different options available to her. Another, a young father who has recently split up from his partner, has moved back into his parents' home. This has had a significant impact both on the availability of services to him, and his ability to pay for content and services. As a relatively new father, moreover, his attitudes towards social media have evolved as he has become a concerned parent, rather than a self-focused user.

- Cost of living has also begun to play a more significant role in participants' uptake and use of digital media services. For example, this year several participants reported having reduced their pay-TV packages in order to save money, and others said they had taken advantage of bundled TV and telecommunications services which had enabled them to save money.

- Whereas in earlier waves of the study there has been a clear distinction between digital media' haves' and 'have-nots', largely determined by participants' ability to access the internet, all of the participants are now online at home. Now that there are more diverse and in many cases, more sophisticated digital media hardware options available to participants, the nature of digital exclusion has evolved.

- The advent of smart TVs, smartphones and tablets has blurred the roles of digital media devices, and some participants find this confusing, especially given the current rate of technological change. This is most apparent when it comes to making purchase decisions about new hardware – even for individuals who are relatively confident and proficient users of digital media through 'traditional' devices such as PCs and set-top boxes.

The Apps Environment

Ofcom has published the findings from a study examining the applications ('apps') environment and, specifically, the attitudes, behaviours and experiences of app users.

The qualitative research study, conducted by Kantar Media on behalf of Ofcom, revealed that app users perceive the apps environment as a safer, more contained space than browser-based internet access. Users also think that well-known app brands or official app stores provide a safe, secure and reliable user experience.

The study also explored users' awareness and attitudes towards app-specific issues, such as permissions requested by apps to access certain device features, in-app purchasing and in app advertising.

The full research report can be found here.

Second Screen Research

Ofcom has published research into second screen use and TV interaction.

There has been significant growth in the number of second screen applications available for handheld devices such as tablets and smartphones, which allow viewers interaction with content viewed on TV. To improve understanding of second screen applications, Ofcom commissioned a report from Technologia to explore the functionality and technology of these applications.

The report examines how second screen applications could provide a richer TV viewing experience for viewers in future and whether they could provide new access services for hearing and visually impaired consumers.

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