

Welcome to the April 2008 edition of the quarterly Ofcom Consumer Panel e-newsletter.

### New Chair



In January 2008 [Anna Bradley](#) was appointed as the new Chair of the Consumer Panel. Anna's previous experience includes having been Consumer Affairs Director of the Financial Services Authority (2002-5), and Chief Executive of the National Consumer Council (1999-2002).

Anna currently is a Non-Executive Chairman of the Soil Association's Organic Standards Board, a member of the board of Addaction, Britain's largest drug and alcohol treatment agency and a consultant to Aegon UK, part of one of the world's largest life insurance and pension companies.

On her appointment, Anna Bradley said that "Ofcom's independent Consumer Panel has a vital role to play in promoting the interests of consumers in increasingly complex communications markets. I look forward to leading this work and ensuring its advice is acted on."

### Consumer Panel policy work

#### Workplan

We are in the process of finalising a workplan for the next 12 months. Full details will be published shortly and included in the next e-newsletter. However, we can already share the eight priority areas - covering both Ofcom workstreams and wider communications issues - that the Panel has agreed to focus on in 2008/09:

- Next Generation Infrastructure, and how to best deploy faster broadband to benefit all UK citizens
- Building the consumer interest into the process of regulation
- Engaging with the EU, including work on the EU's Telecoms Framework Directive
- Addressing the exclusion of rural consumers
- Media literacy
- Communications services for those with disabilities
- Digital Switchover
- Ofcom's Public Service Broadcasting Review

### The Consumer Interest Toolkit

On 7 March 2008 we published [Capturing the consumer interest](#), a PricewaterhouseCoopers review for the Panel of the application of the Consumer Interest Toolkit to three diverse Ofcom projects: the removal of BT's retail price controls, the Broadband Migrations Review and the Licence Exemption Framework Review.

Ofcom has been using the toolkit, developed by the Consumer Panel, in its policy-making across the organisation for two years. The report shows that Ofcom has developed a much stronger sense of the consumer interest than it had at its inception five years ago, but that there is more to do to embed the toolkit properly within the organisation.

On the day of its publication, *Capturing the consumer interest* was launched at an event held by the Panel in Westminster. As well as a presentation of PwC's findings, Lord Whitty (Chairman, National Consumer Council) spoke about consumer-focused regulation, Robert Madelin (Director General, DG Health and Consumer Protection, European Commission) explained how a streamlined version of the toolkit will be piloted in the European Commission, and Peter Phillips (Ofcom's Partner for Strategy and Market Developments) talked about [how the Toolkit is incorporated into Ofcom's governance](#).

The event was well-attended, with 100 delegates that included representatives of UK Government departments, nine of Ofcom's sister regulators from across Europe, and all of the UK's economic regulators and the consumer bodies that shadow them. A full event report will be published in April and also included in our next e-newsletter.

## Switched On

We published [Switched On: An exploration of Britain's tech savvy consumers](#), a piece of qualitative research, on 27 March 2008. The research explored the attitudes and behaviour of happily-engaged technically-savvy consumers in order to learn how the world of mainstream communications may develop in the near future.

As well as many positives about the way that new technologies meet people's needs, the report includes a few notes of caution, particularly in relation to [privacy and the use of personal electronic data by others](#). Other consumer concerns include the difficulty of navigating a path through the increasingly complex communications market, and a feeling of powerlessness in the face of the changes that these new technologies bring.

## Mobile Misselling and Cashbacks

On 18 March 2008 [Ofcom proposed new rules](#) to stop misleading sales and marketing practices in the mobile market, with views welcomed until 29 April 2008. In January 2008 we submitted an [Advice Note to Ofcom](#) regarding this project on Mobile Mis-selling and Cashbacks.

Looking at two key aspects of its consultation, Ofcom agreed with the recommendation in our Advice Note that it should tackle mis-selling by introducing a new General Condition to replace the voluntary code of conduct which was not working.

However, with regard to tackling problems with 'bad' cashback deals, Ofcom came to a different conclusion. Ofcom proposes a new General Condition that will combine a

set of rules on cashbacks with an obligation to ensure information is provided at the point of sale. The Panel thought these problems would be better tackled by automating cashback – so that consumers are no longer required to fill in complicated forms to apply for each cashback.

## **Other Consumer Panel activities**

### **Next Generation Access**

The Panel is co-sponsoring, with the Broadband Stakeholders Group (BSG) and the Department for Business, Enterprise and Regulatory Reform (BERR), a piece of research that will provide a framework to analyse the economic and social value of the next generation of broadband, and the costs of late deployment. The results of this research will be presented and discussed at a joint Consumer Panel-BSG event in London in June 2008. At this event we will also present a video diary we are producing to look at contrasts between the lives of those with and without superfast broadband.

### **Forthcoming research**

Over the next few months we will be publishing think-pieces on two interesting areas which, in different ways, increasingly define the consumer's experience of the communications sector. Research into online consumer activism and the communications industry will look at how the internet is altering the status and character of consumer activism and information. A separate position paper will explore how the communications consumer is regulated in the EU, with reference to the proposed revisions to the EU Framework Directive that are currently under discussion in Brussels and across Europe.

### **Consumer Forum on Communications (CFC)**

The CFC met most recently on 19 March 2008, with the agenda covering Ofcom's work on Additional Charges and Mobile Mis-selling, as well as a discussion about how the CFC is hosted and supported.

It was decided that Ofcom's Consumer Policy Team, headed by Claudio Pollack, will provide the secretarial support for the CFC. Claudio will hold discussions with CFC members to understand what members think works, what doesn't, and how best to take the CFC forward in light of these changes. The Ofcom Consumer Panel finds the CFC an extremely valuable forum for engaging with other consumer stakeholders in the communications sector and will continue to attend and contribute to CFC meetings.

The [note of the December 2007 CFC meeting](#) - which discussed the EU Telecoms Framework Review, Next Generation Access, and Ofcom's Consumer Experience - has now been added to the Panel website.

### **Details of Consumer Panel meetings**

The Consumer Panel meets monthly, except in the month of August. The [agendas and minutes of Panel meetings](#) are published on our website, and you can see what is coming up on the next Panel meeting agenda in the [Looking Ahead section of the Panel website](#).

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