



e-newsletter March 2009

Welcome

Welcome to the March 2009 issue of the Communications Consumer Panel e-newsletter. If you'd like to receive our monthly newsletter and you're not on our mailing list, it's easy to join – just go to our website at:

www.communicationsconsumerpanel.org.uk/

Latest news...

Consumers need to know which services the Government's proposed universal broadband commitment will enable them to use

In responding to the Government's Digital Britain Interim Report, the Communications Consumer Panel said that Government should apply a 'consumer test' before settling on the speed of broadband service that should be available to everyone through the proposed universal service commitment for broadband. The Government's commitment should be based on what consumers say are the services that should be available to everyone and the Consumer Panel is doing research on this that it will be presenting to the Digital Britain Steering Group chaired by Lord Carter.

The Consumer Panel recognised that there is a limit to the level of broadband service that the Government will be able to guarantee and so stressed the importance of making clear to consumers what services they will and will not be able to use. Communications Consumer Panel Chair Anna Bradley said that the Consumer Panel recognised that it may be too expensive to deliver a universal service commitment for broadband that meets everyone's expectations. "But", she added, "this is why it is all the more important that people are given a realistic understanding of what services they will be able to access."

The Consumer Panel also recommended that, "The Government should... commit to reviewing the universal service commitment within a specified time frame." Given the difficulty of predicting which new services will take off, there should be a clear process for keeping the level of service under review.

To read our submission to the Digital Britain interim report, go to:

<http://www.communicationsconsumerpanel.org.uk/Digital%20Britain.pdf>

The Government's proposed national media literacy plan should be designed around the needs of consumers and citizens

The Communications Consumer Panel supports the Government's intention – set out in the Digital Britain Interim Report – to develop a new definition and ambition for media literacy. In the Consumer Panel's view, the debate about media literacy should be focused on the needs of consumers and citizens, and we need to identify the outcomes that we want to achieve for specific groups, such as older people and families on lower incomes. To this end, we should avoid an artificial divide between consumer empowerment – thought of traditionally as people having the information to choose and use the communications services that they need – and media literacy – defined currently as people's ability to access, understand and create communications in a variety of contexts.

The Panel's recent research report *No one should miss out: consumers say what they want from the digital future* shows that people do not differentiate between different types of needs. There is a continuum of needs that covers everything from having the equipment that they need to use communications services, to being able to choose and use the right products and services, from protecting themselves and their dependants to getting redress from providers where necessary.

Read more in our response to the Digital Britain Interim Report:

<http://www.communicationsconsumerpanel.org.uk/Digital%20Britain.pdf>

Our research report is also available on our website:

<http://www.communicationsconsumerpanel.org.uk/smartweb/consumer-views-on-the-digital-future/consumer-views-on-the-digital-future>

Consumers' interests should be central to the debate about mobile termination rates

The Communications Consumer Panel has published a paper by Claire Milne of Antelope Consulting that tries to cut through the technicalities and highlight the consumer issues involved with mobile termination rates. These are the rates paid by telecoms providers, both fixed and mobile, in relation to calls that their customers make to mobile phones. The rates are intended to reflect the costs incurred by mobile providers in connecting these calls to their customers.

Consumer Panel member Bob Warner said that, “Mobile termination rates have been the subject of two Competition Commission Inquiries, much self-interested argument between fixed and mobile operators and grandstanding by politicians and the media about ‘rip off prices’. The rates are now under review by both Ofcom and the European Commission.”

Bob Warner also noted that the paper that the Consumer Panel has published, “gives an objective review of the arguments around mobile termination rates, with an emphasis on how the various alternatives would affect consumers.” The Consumer Panel does not wish to get into the detailed methodological debates, but wants to see policy proposals that reflect consumers’ and citizens’ interests.” From our perspective, this means three things:

- We want to see mobile termination rates fall as fast as possible, but this has to be consistent with operators being able to recover reasonable costs to maintain the incentive to invest.
- Any changes should not increase complexity for customers. It is already difficult for customers to decide their best tariff and supplier and (in the absence of much improved systems to help with these decisions) any further complication by changes to the structure of charging would not be in consumers' interest.
- Changes should be evolutionary. The current arrangements are likely to have to change significantly in time if new technologies like Voice over IP become established on mobiles, but changes should be well thought out to minimise the confusion to users.

Read the Consumer Panel’s paper on mobile termination rates at:

<http://www.communicationsconsumerpanel.org.uk/MTR%20implications%20for%20consumers.pdf>

In brief

The Communications Consumer Panel has just published two briefing papers setting out the current state-of-play on two key communications issues affecting consumers and citizens in the UK.

Digital Switchover (DSO)

The Communications Consumer Panel has produced a paper that gives an overview of DSO and the Panel’s involvement. Coming up in November 2009 is switchover in Granada, which will affect three million households in the cities of Liverpool and Manchester. The Panel will retain a watching brief on this and subsequent regions to switch.

<http://www.communicationsconsumerpanel.org.uk/smartweb/digital-switchover/dso-background-paper-march-09>

Next Generation Access (NGA)

This Panel paper complements Ofcom’s consultation

(http://www.ofcom.org.uk/consult/condocs/nga_future_broadband/)

and Panel member Roger Darlington's review of local initiatives on next generation access in the UK

(<http://www.communicationsconsumerpanel.org.uk/smartweb/nga-economic-and-social-value/community-led-broadband-schemes>)

The paper provides background on the Panel's involvement in the debate so far.

<http://www.communicationsconsumerpanel.org.uk/smartweb/next-generation-networks/nga-background-paper-march-2009>

Don't forget our blog

Don't forget to go onto the Communications Consumer Panel blog site for the latest news from the Panel, and keep up-to-date with what Panel members are saying and doing. Go to our home page and click on the blog link at

<http://www.communicationsconsumerpanel.org.uk/>