

10th Ofcom Consumer Panel meeting, 14 December 2004

Note of the Tenth Meeting of the Ofcom Consumer Panel, held at Ofcom, London, 14 December 2004

Introduction

1. The Chairman welcomed members to the tenth formal meeting of the Ofcom Consumer Panel. Apologies were sent by Azeem Azhar and Roger Darlington. Julie Myers (Adviser to the Panel), David Edwards (Secretary) and Flora Demetriou (Consumer Panel Executive Support) were present throughout the meeting. Ofcom colleague Tony Stoller attended for part of the meeting.

Previous minutes and matters arising

2. Minutes were agreed. The Chairmen advised that Tony Stoller would attend to discuss Ofcom's Advisory Committees (ACs). Their existence was a statutory requirement and it was important that Ofcom should get the best from them. Panel consumer research findings, which would reveal national concerns, might assist the ACs to focus on issues in their nation. Digital switchover would also reveal national issues.

3. Roger Darlington had drafted an e-newsletter. An email distribution list was near completion but the Chairman's view was that the newsletter could be 'lost' during the Christmas period. It was agreed that it would be distributed in early January 2005. Meeting agendas would be posted on the Panel website. The Secretary would confirm whether the Panel required a publications scheme under freedom of information provisions. The Deputy Chairman would meet members individually, following the February meeting, to appraise the Chairman's performance.

Chairman's report

4. The formal launch of the Panel's switchover report at the 24 November 2004 Westminster Media Forum had been successful. Responses from the Department of Culture, Media and Sport and others had been favourable. The audience had included politicians, media and industry representatives. There appeared to be complacency amongst manufacturers and retailers, who seemed oblivious to the requirements of older consumers. The Deputy Chairman had met Stephen Carter and Ed Richards. Both had been complimentary about the report and said that it clarified the arguments for assistance for one TV set only; the logic of support for people aged over 75; and extended the notion of vulnerability to include 'technical vulnerability'. Both suggested that switchover would be ongoing work for the Panel.

5. A member's personal 'mystery shopping' experience was highlighted which revealed that sales staff had poor knowledge of digital TV, seemed to view it as 'ages away' and were happy to sell new flat screen TVs that then required a separate set-top box. A Government announcement on analogue switch-off was

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awaited and much remained to be done in the run up to switchover.

6. The Chairman had met Tim Ball of Saga - an organisation that provides a range of services for people aged 50 and over, ie 40% of the UK population. It segmented that group, eg by geography or whether in employment. It had a database of 8M consumers; 3M subscribed to its magazine. Saga was enthusiastic about supporting switchover, including a willingness to share its research and experience of 'getting through' to people aged 50+. The Chairman and the Panel adviser would confer on an action plan for further work on switchover. This would include dialogue with Mike Whitlam and the Ofcom Advisory Committee on Older and Disabled People.

7. The Chairman had met a delegation from the Ukraine and had spoken about the work of the Panel. A bid had been submitted for increased Panel funding in 2005/6, to allow an increase in support staff to four, additional funds for research and for communications. Ofcom had responded positively, on the basis that funding for the Panel was being set at the right level for the future, not withstanding new responsibilities. The Chairman and Deputy Chairman would meet the Ofcom Board in the afternoon and formally report on Panel activities.

Members' updates

8. There was a report on progress of the Panel's research project. A meeting would be held to discuss how to bring qualitative and quantitative research together in one report and to draw out priorities for the Panel. The Chairman requested a time line on research, with an indication of what was required from members and by when. The Scottish Consumer Council had expressed interest in the Panel's research findings on Scotland. At an earlier Panel meeting a standing 'panel of consumers' had been proposed with the suggestion that it could be made up of consumers who took part in Panel research. The proposal had not yet been taken forward but respondents had been asked if they would be willing to be involved in future research.

9. Research findings were expected to be published in Spring 2005, depending on the communications plan. Members would wish to 'digest' findings before publication. National breakdowns would need to be presented carefully with a solid explanation for any significant variations between nations. It was agreed that the ACs should be formally asked for their views on findings in the research report. Age was likely to be a significant demographic marker; figures for people aged 75 and over indicated only 10% had Internet access. Leaving aside issues of cost, older people were often unaware of the benefits of access; some had negative experience of computing or had never used a keyboard.

10. One meaning of the term 'media literacy' was the ability to use communications technology. The Chairman wished to make media literacy in this sense a strand of Panel work and a joint workshop with Ofcom might be a possibility. The Deputy Chairman said that a new organisation called MeDia was

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seeking a meeting on media literacy with Ofcom and the Panel, it would be about issues related to learning disabilities and take place in the New Year.

11. The Panel's member in Scotland had been invited to join the Scottish Consumer Council's Chairmen's Group, made up of statutory consumer organisations in Scotland. A member had met with PhoneAbility and with the Telecoms Industry Forum on Disability and Ageing. The Panel's member in Northern Ireland had met Anne Conaty, Head of Telecommunications Policy at the Northern Ireland Department of Enterprise, Trade and Industry.

12. It was reported that Ofcom's review of regulation of Premium Rate Services (PRS) had been published [on 9 December 2004]. Improvements in this area were expected to be incremental. The Independent Committee for the Supervision of Standards of Telephone Information Services (ICSTIS) was keen to maintain a dialogue with the Panel. An outstanding question was the application of criminal law in PRS cases. It was agreed that ICSTIS should be formally asked about its understanding of the legal position, particularly the scope of the Computer Misuse Act. The Welsh AC had been briefed on the Panel's switchover report and a meeting held with Patrick Sullivan, at the Welsh Development Agency (WDA), to discuss the telecoms review.

13. There was brief reference to Panel involvement in Ofcom's spectrum review. Two issues were availability of spectrum for non-licensed activities and the potential for corporate control of spectrum arising from spectrum trading, with two or three firms buying up the market. There would be discussion with Ofcom's review team to ascertain the issues being pursued by other stakeholders; the level of Panel involvement could then be determined.

14. Consideration was being given to how best take forward engagement with small businesses. The WDA had a database containing numerous small business contacts and it could be a route into small businesses, to seek their views and determine their communications requirements.

15. The Deputy Chairman reported that the Panel's seminar on low income consumers had successfully brought together a number of academic researchers, their findings and an audience of Ofcom colleagues and consumer representatives. This could be taken forward with a second seminar involving policy analysts and a similar audience during 2005.

Ofcom's advisory committees

16. Tony Stoller briefly reviewed background to the ACs. They were a very late addition to the Communications Bill and as such there was little guidance in the legislation on their role. Ofcom had decided that National Directors would be chairmen of the national ACs for the first year and that the position would then be reviewed. Before Section 20 appeared in the Bill, Ofcom had considered creation of National Councils. When the Communications Act 2003 came into effect and

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the ACs were established an arrangement was agreed whereby the national members would have observer status at AC meetings and not be bound by the collective responsibility of the committees.

17. The ACs were asked to meet quarterly. The national committees had been asked to give advice on issues selected by Ofcom and reflect on national dimensions. The Chairman concluded discussion by saying that the Panel wished to seek the ACs advice on its consumer research, with findings divided by demographics including the nations, age and disability. The Panel also wished to follow up regional issues about switchover with the ACs.

Telecoms review

18. The Deputy Chairman would lead on the Panel's response to the telecoms review. She expressed disappointment that the summary version of the consultation was not yet available. There appeared to be three 'global' issues for consideration: behavioural and other changes in BT to ensure 'equality of access' at the wholesale level; issues around investment in telecoms; and the future of retail price regulation. Members would provide views on wholesale issues and on consumer information elements of the review.

Universal service

19. A paper had been circulated that covered universal service (US) review issues. Disappointment was expressed at the delayed publication of the review. It would be issued on 10 January 2005 when the original intention had been for it to roughly coincide with publication of the telecoms review, the latter raising issues on US in the long term, ie the two consultations were closely linked. There was brief discussion of public call boxes; whether the definition of emergency calls should include access to services like Childline and whether Ofcom had conducted payphone research as part of the US review. [Note: A research annex was published with the US consultation document, a summary version of the consultation appeared on the same day and telecoms review questions on universal service were included in the US document, allowing considered responses on US 'in the round'.]

Consumer complaint handling

20. A paper had been circulated covering telecoms complaint handling issues, a Panel sub-group discussion with Ofcom about its review of the Alternate Dispute Resolution (ADR) schemes, operated by the Office of the Telecommunications Ombudsman (Otelco) and the Communication and Internet Services Adjudication Scheme (CISAS), and work on Quality of Service (QoS) indicators for telecoms. The Chairman commented that the rules of the two ADR schemes were different and believed that it would be necessary for the review to compare rules and decisions and the Panel should have sight of the terms of reference of the ADR review to decide its involvement. It was agreed that it would

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be useful for the Panel to have a one-page monthly report of headline issues passing through the Ofcom Contact Centre.

Date of the next meeting

21. The next meeting would be held on 26 January 2005 at Ofcom in London.