

13th Ofcom Consumer Panel meeting, 22 March 2005

Note of the Thirteenth Meeting of the Ofcom Consumer Panel, held at the Macdonald Holyrood Hotel, Edinburgh, 22 March 2005

Introduction

1. The Chairman welcomed members to the thirteenth formal meeting of the Ofcom Consumer Panel, the first to be held in Scotland. Apologies were sent by Graham Mather. Flora Demetriou (Consumer Panel Executive Support), David Edwards (Secretary), Julie Myers (Adviser to the Panel) and Dominic Ridley (Policy Executive to the Panel) were present throughout the meeting. Ofcom colleague Vicki Nash attended for part of the meeting. After the formal meeting members would meet Scottish communications stakeholders, Scotland's Ofcom Content Board member and members of the Ofcom Advisory Committee for Scotland.

Previous minutes and matters arising

2. Minutes were agreed with a minor amendment. The Deputy Chairman commented that at least eight weeks notice would be required for invitations to a second Panel seminar on low income issues planned for June 2005. The Panel's response to Ofcom's universal service review had been redrafted. By the next meeting a date for a spectrum seminar and a plan for the day will have been agreed.

Chairman's report

3. The Chairman reported on the strategic telecoms review workshop held between Panel members, Stephen Carter, Ofcom CEO, and Ed Richards, Ofcom Senior Partner, on 18 March 2005. The discussion had been candid, constructive and amicable. Ofcom had not objected to the substantive points in the Panel's response to Ofcom's Phase 2 consultation. Discussion had concentrated on universal service, consumer information and Ofcom's 'bottom line' for consumers. Members were disappointed that Ofcom's consumer detriment research plans were not more advanced; the research would not be complete in time for the review's Phase 3 publication. The Chairman had proposed a similar high level meeting with Ofcom in the Autumn and the focus could be on citizen issues. All necessary steps would be taken to ensure that Ofcom had advance notice of Panel responses to consultations. A member raised the Panel's relationship with Ofcom. It would be useful to have formal feedback on this from Ofcom and such a request could encourage Ofcom to think corporately about the Panel. The Chairman agreed to discuss this with the Secretary.

Members' updates

4. The Panel's member for England attended the March 2005 meeting of the Advisory Committee for England and presented on the Panel's 'deep dive' consumer research report on England; he spoke at Ofcom's media literacy event

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'A Panacea for all ills? What can media literacy achieve'; and attended an ntl roundtable discussion on e-government. A member had attended an Ofcom roundtable event on new voice services with suppliers and disability groups. Views from a number of consumer and disability organisations on the documentation of Phase 2 of the telecoms review had been shared with Ofcom. A meeting between Ofcom and disability groups to discuss accessibility of the Ofcom website would be held in May 2005. Copies of recent COST219ter publications on disability and access to telecoms services could be obtained for Panel members on request. A Panel member was to have met Mary Symes, a member of the Independent Committee for the Supervision of Standards of Telephone Information Services (ICSTIS), but that meeting had been postponed and would take place in April. Two Panel members attended Ofcom's Remote and Rural Communications Symposium in Paisley, one as a speaker. The Panel's member for Wales attended the March meeting of Ofcom's Welsh Advisory Committee and spoke about the Panel's report on digital switchover and the 'deep dive' on Wales.

5. The Chairman proposed to write to Ofcom, when appropriate, about issues unconnected with the Panel's normal run of work, but which were important for consumers, with the request that Ofcom respond. One such issue could be accessibility of the Ofcom website, another could be Ofcom's delay in conducting consumer detriment research. Letters could also comment favourably on Ofcom initiatives, eg the recent Ofcom/ICSTIS research report on Directory Enquiry (DQ) services and inclusion of information on the performance of DQ service providers.

Communications issues in Scotland

6. Vicki Nash, Ofcom Director Nations – Scotland, spoke about Scottish communications issues, including political and economic background information to provide context, eg a scattered population, income, Gaelic language issues etc. The latter was a particular issue for public service broadcasting, ie a Gaelic digital channel. Despite Ofcom efforts there had been limited engagement by MSPs with the regulator in Scotland. There was brief discussion of language issues in different parts of the UK, including languages spoken by different ethnic minorities and British Sign Language. Take-up of digital TV in Scotland was slightly below the UK average. Broadband availability across BT lines was presently at 91.5% of households projected by BT to rise to 97.8% by Summer 2005. It was noted that the Scottish Executive had recently announced a financial intervention package whose aim was for broadband to reach all Scottish 'communities' by the end of 2005. What was not clear was the definition of a community. In April 2005 Ofcom would be hosting digital switchover events for MSPs and for Scottish consumer groups. A recent roundtable event had been held on media literacy. Limited choice in fixed telecoms services and mobile coverage were issues in some areas. Both Ofcom and the advisory committees (ACs) for the nations had been considering the role of the ACs. The Scottish committee and the other ACs would soon have an independent chairman.

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7. The Chairman commented that the next stage of the Panel's work on switchover would include meetings with SwitchCo and the voluntary sector to design a 'tool kit' of measures to facilitate the switchover process for vulnerable consumers. Vicki Nash had agreed to ensure the involvement of Ofcom's Scottish office.

Consumer Panel research

8. A summary paper; a paper by Ofcom's research team putting the Panel's findings into context with the findings of Ofcom's telecoms review research; and a set of 'deep dive' presentations on the four Nations, age, disability, low income, and rural versus urban differences had been copied to members for discussion at the meeting.

9. There was not a deep dive on small businesses but they would be covered in the Panel's published research report, summarizing the MORI and Saville Rossiter-Base findings. Ofcom would be stepping up its work with small businesses and Simon Crine, Ofcom Director Nations – England, would be leading initiatives. Julie Myers would discuss Ofcom's plans with Simon Crine and feed back to determine whether there should be Panel involvement.

10. Comments were made on the summary paper:

- consumer's concerns about mobile phones should be included in the conclusions;
- the section headed 'Vulnerable Consumers' needed to be precise about why certain groups found themselves on the wrong side of the digital divide;
- a source needed to be given to the reference to 1 in 12 households without bank accounts;
- there were references to 'vulnerable consumers', this was imprecise and it would be necessary to refer to particular groups as the Panel had done in its switchover report; 'exclusion' was another term that was used too freely in the document, some consumers were self-excluding;
- there was a reference to an 'educational role' for Ofcom in relation to basic information on communications technologies and services; there was debate about this and it was argued that there was potential for the market to be distorted; the Chairman commented that there was greater scope for intermediation and an enhanced role for Ofcom to encourage information provision, the communications market would deliver for consumers when information was available and could be acted upon by them; it was agreed that the text should be amended to refer to 'an appropriate role for Ofcom to encourage provision of information through intermediaries' or similar;

11. The Chairman commented that having taken advice the research would be published after the General Election, probably in May 2005. Julie Myers and

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Dominic Ridley would put together a communications plan, including workshops with industry and consumer groups.

12. Other issues were raised in relation to research and future work for the Panel:

- older people and their awareness of services;
- consumer innovation, ie how consumers might behave with next generation services; a member would lead on a 'social media' workstream, eg looking at consumers as media producers;
- there was not a 'deep dive' on ethnic minorities, that would require another piece of research and it could be costly to design specialised samples; the latter was work that could be undertaken by Ofcom or by the Panel with a partner;
- there were issues affecting speakers of ethnic minorities and not necessarily around languages;
- possible areas of future research were: targeted information and its format; older people; low income, disability issues; rural issues; consumer detriment.

Other matters to note/agree

13. A draft annual report that had been copied to members for discussion. Comments were made as follows:

- the Chairman would make changes to the foreword; with inclusion of a comment on engagement with stakeholders and a reference to the need for Ofcom to scope consumer issues into its work, ie the Panel was not a substitute for that;
- for the section on 'Principles and outputs', the example under 'Detriment' should be mis-selling;
- the text/layout on that page would need to be modified to make it sufficiently clear which were the principles and which were the outputs;
- one of the principles was 'Vulnerable groups'; 'vulnerable' was not sufficiently precise and that wording of the principle should be reworked;
- the list of priorities should include media literacy, as 'defined' by the Panel, and citizenship;
- a 14pt font size should be used for the report and appropriate colour contrasts. The report would be provided in alternative formats on request.

14. Members were copied a report on recent meetings, consultations and approaches to the Panel; its contents had been noted.

Any Other Business

15. A response had been submitted a response to Ofcom's consultation on

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planning options for Digital Switchover. The response maintained the Panel's position as detailed in its switchover report on supporting vulnerable consumers. The next issue of the Panel's e-newsletter would be in mid April 2005.

16. The Chairman reported that Ofcom's Remuneration Committee had agreed that the rate of increase recommended by the Senior Salaries Review Body should be offered to all of Ofcom's Board and Committee part-time members. The rate of increase was 2.8% and would apply to all Panel members' fees from 1 April 2005.

Date of the next meeting

17. The next meeting would be held on 19 April 2005 at Ofcom in London.