

Minutes of the twenty-fourth meeting of the Ofcom Consumer Panel

Tuesday 21 March 2006 at 10.00 hours

Ofcom, Riverside House, 2A Southwark Bridge Road, London SE1 9HA

Present:

Consumer Panel

Colette Bowe (Chairman)
Ruth Evans (Deputy Chairman)
Azeem Azhar
Fiona Ballantyne
Roger Darlington
Simon Gibson
Graham Mather
Kevin McLaughlin
Jeremy Mitchell
Kate O'Rourke
Bob Twitchin
Allan Williams

In attendance

David Edwards (Consumer Panel Secretary)
Julia Guasch (Consumer Panel Support Executive)
Georgia Klein (Consumer Panel Manager)
Dominic Ridley (Policy Executive to the Panel)
other Ofcom colleagues

1. Welcome and introductions

1.1 The Chairman welcomed members to the meeting and thanked them for the time they had given the previous evening to allow informal discussion of the Panel's workplan. The workplan would be an item on the meeting agenda.

2. Declaration of members' interests

2.1 Graham Mather reported that he was co-authoring a European Media Forum report on the lessons of Freeview as part of a project receiving support from the BBC.

3. Minutes of the meeting on 28 February 2006 and matters arising

3.1 The minutes of the previous meeting were agreed subject to minor amendment.

3.2 A meeting had been set up with Professor Janet Askham, a member of Ofcom's Advisory Committee on Older and Disabled People, to discuss cognitive research and older people. Bob Twitchin and Fiona Ballantyne would be meeting the Telecoms Industry Forum on Disability and Ageing in July 2006 to discuss the Panel's consumer research. Ofcom's Audit of the Nations and Regions would be on the agenda of the June 2006 Panel meeting. Dominic Ridley reported that there was not a specific Ofcom colleague whose job it was to understand the issues affecting children aged 16 and under. The Chairman said that the latter could be raised with Philip Graf, Ofcom Deputy Chairman, on the occasion that he meets the Panel to discuss content issues and any crossover with the Panel's remit.

AP1 Secretary to amend minutes.

AP2 Secretary to invite Philip Graf to meet the Panel to discuss content issues and any crossover with the Panel's remit.

4. Chairman's report

4.1 The Chairman had met with various people since the last meeting and discussed issues ranging from vulnerable consumers and digital switchover to the government's plans for consumer representation and redress and communications health issues. It was agreed that the Panel would comment in a news release on the digital switchover (DSO) report from the Culture, Media and Sport Select Committee, that was due for publication on 28 March 2006, and that Ofcom's public health role would be raised with David Currie, Ofcom Chairman, at the April 2006 Panel meeting.

4.2 The Chairman had met Suzy Brain England, Chairman of Ofcom's Advisory Committee for England (ACE), and it had been agreed that the Panel and ACE would collaborate on scrutiny of the single non-emergency number.

4.3 The Chairman reported that the Panel's 2006/07 budget had been agreed with Ofcom.

AP3 Georgia Klein to co-ordinate Panel comment on the DSO report from the Culture, Media and Sport Committee.

AP4 Panel to discuss whether Ofcom has a public health role with David Currie at the April Panel meeting.

5. Panel research

5.1 Members had been copied PowerPoint slides and Fiona Ballantyne went through them. The slides explained the structure of the Panel's 2005/06 tracker research report. It would be published in May 2006. The slides summarised key findings and depth analysis, reported on next steps and explained the objective and methodology of the Panel's qualitative research on older people. Discussion points were:

- awareness of terms like 'broadband', 'digital TV' and '3G' had increased since 2004;
- age continued to be a factor in 'keeping informed', more 'over 65s' said that they kept themselves informed compared to figures for 2004;
- the Panel could look at awareness of DAB digital radio amongst digital TV subscribers (digital radio can be received via Freeview);
- on the day of a future Panel meeting members would have a discussion of whether there were policy issues that the Panel should pursue in the context of radio;
- there was an upward trend in the ownership of broadband, particularly in rural areas;
- the increase in ownership of digital TV was driven by Freeview and more affordable set-top boxes;
- Azeem Azhar would demonstrate mobile internet services on the day of the April 2006 Panel meeting;
- absolute spend on communications was similar amongst different groups but represented different proportions of people's incomes;
- there were higher than average levels of 'involuntary exclusion' amongst low income households;
- it could be more useful to describe involuntary exclusion as 'people who say they can't afford it';
- voluntary exclusion continued to exceed involuntary exclusion, 2005 figures for voluntary exclusion from the internet were similar to 2004 figures; this could be discussed further at the meeting with Janet Askham;
- figures were static for internet take-up; home access could be expensive, ie purchase of a PC, and people who had never used a computer or the internet were not aware of what they were missing;
- a number of people on low incomes had a mobile but no fixed telephone service, this had implications for home access to the internet; younger people tended not to have a fixed line;
- there was low awareness of specialist equipment amongst people with a disability and this could be discussed in the afternoon meeting of the Consumer Forum on Communications (CFC); a number of disability organisations sent representatives to CFC meetings;
- there was an increasing perception of 'good value' from most communications services;
- during the past year broadband quality had increased and cost had come down.

5.2 The Chairman brought discussion to a close and it was agreed that a near final version of the 05/06 tracker research report would be copied to Panel members and that the Chairman's foreword to the report and the key media messages should be an agenda item at the April 2006 Panel meeting.

AP5 Support team to invite an Ofcom colleague to talk to the Panel about the radio market.

AP6 Azeem Azhar to demonstrate mobile internet services on the day of a Panel meeting in the near future, Secretary to liaise re timing.

AP7 Chairman to raise low awareness and use of specialist equipment amongst disabled people at the meeting of CFC, immediately following the Panel meeting.

AP8 Georgia Klein to copy Panel members the near final version of the 05/06 tracker research report.

AP9 Secretary to include the Chairman's foreword to the 05/06 tracker research report and key media messages as an agenda item at the April Panel meeting.

6. Members' updates

6.1 As a part of her lead on the Panel's work on DSO the Deputy Chairman – with Simon Gibson, Georgia Klein and Dominic Ridley – had met Ofcom's Digital Dividend Review (DDR) team. The team had agreed to deliver a non-technical presentation on the DDR to the Panel.

6.2 Simon Gibson had attended introductory meetings with Ofcom teams working on a spectrum policy review and next generation network (NGN) issues. The previous day he had met David Currie, Philip Graf, Sue Balsom – the Ofcom Content Board member for Wales – and Ofcom colleagues and discussed IP TV (internet protocol television, ie TV delivered via the internet), including network topologies and the implications for licensing and content regulation. Simon Gibson had demonstrated a mix of NGN IMS (IMS being IP Multimedia Subsystem technology) and television. The Panel agreed that a similar demonstration for Panel members should be included in the programme for the Panel's visit to Wales in May 2006.

6.2 In a personal capacity Allan Williams had met colleagues from the National Audit Office (NAO) engaged in a study of public sector mergers. He commented that the NAO may wish to discuss the topic with Panel members. He had met an Ofcom colleague working on outstanding DSO consumer issues – Ofcom appeared to be keen to involve the Panel further.

6.3 Bob Twitchin had attended a meeting with TAG (an organisation that promotes access to electronic communications for deaf people) and Ofcom colleagues to discuss enforcement of general conditions of entitlement that applied to telecoms operators. Discussion focussed on condition 15 on special measures for end-users with disabilities and in particular issues around access to a relay service via a mobile. He had attended a meeting on usability of equipment with Digital UK and had stressed the importance of getting the right design features in at the early stage of equipment development. He had attended an Ofcom event on its Regulation of VoIP services consultation.

6.4 Kevin McLaughlin had attended a meeting of Ofcom's Advisory Committee for Northern Ireland. He had spoken briefly about the Panel's consumer interest toolkit. Members discussed briefly the focus of Ofcom's advisory committees for the Nations and the Chairman and the Panel's four members for the Nations would meet to discuss the committees further. For example, there could be Nations issues arising from the Panel's new tracker research.

6.5 Fiona Ballantyne had attended a Scottish Consumer Council seminar on the DTI's Consumer Voice consultation. Graham Mather had chaired a conference on the future of European regulation of communications. Topics included sector specific regulation versus application of general competition law; NGNs and investment; and competition appeals systems. It was agreed that he would pursue Dutch, Swedish and Hungarian regulator contacts with a view to each attending Panel meetings later in the year. The Chairman said that she would meet with the Panel support team to map Panel meeting agendas for the coming months and as far ahead as possible.

AP10 Secretary to arrange a presentation on the Digital Dividend Review for an afternoon Panel session in the near future.

AP11 Simon Gibson to demonstrate the mix of NGN IMS and television during the Panel's visit to Wales in May 2006.

AP12 Chairman to meet with the Panel's four members for the Nations to discuss Ofcom's Advisory committees for the Nations, Julia Guasch to arrange.

AP13 Graham Mather to pursue Dutch/Swedish/Hungarian regulator contacts with a view to their meeting the Panel during the year.

AP14 Chairman and support team to meet to map Panel meeting agendas for the coming months.

7. Panel workplan

7.1 In discussion the previous evening members had been in broad agreement with the strategic themes in the workplan and a summary themes matrix had been revised to reflect that discussion. Work under strategic themes would be in addition to the Panel's ongoing work on Nations and international issues and its research programme. Members would engage with themes by taking the lead on a particular issue or as a team member. On some issues they might be kept informed of developments without active engagement. It was agreed that members would complete their workstream templates by 4 April 2006. Kate O'Rourke commented that Section 16(3) of the Communications Act 2003 listed the matters upon which the Panel should be able to give advice. Section 17 of the Act referred to membership of the Panel, including appointments to represent the Nations and to advise on issues affecting consumers of various kinds, eg those in urban and rural areas, older people etc. The Secretary would copy members relevant sections of the Act to inform thinking about work planning.

AP15 Panel members to complete their workstream templates by 4 April 2006 (extension on older people's workstream to take Panel older people's research findings into account).

AP16 Secretary to copy members relevant sections from the Communications Act 2003 on the Consumer Panel to inform thinking about work planning.

8. DTI Consultation on consumer representation and redress

8.1 Members had received the Chairman's redrafted Panel response to the Department of Trade and Industry (DTI) consultation. They commented as follows:

- the response could say more about how the Panel would fit with Model 3, contained in the consultation, and its relationship to Consumer Voice;
- a section of the draft had raised the issue of the limited scope of proposals – certain sectors, like transport, were excluded; it was suggested that the section be removed but that a reference to the high rate of innovation in communications be retained in the response;
- explanatory paragraphs that described the Panel interrupted the line of argument and could be put in an annex.

8.2 The Chairman drew discussion to a close by saying that the Panel was in broad agreement with the draft. Members would provide Georgia Klein with any other drafting comments by email. It was agreed that the response would be re-drafted and submitted to DTI before the next Panel meeting.

AP17 Members to send comments to Georgia Klein on the revised draft of the Panel's response to the DTI consumer representation consultation by 31 March 2006.

9. Consumer enforcement

9.1 Members had received a discussion paper on Ofcom's approach to consumer protection, both policy and enforcement, to ensure that consumers were protected from harm caused by communications providers. Ofcom colleagues amplified on the paper and Panel members commented as follows:

- Ofcom did not appear to have a policy of going public to warn consumers about particular scams;
- local trading standards departments were part of an established network for consumer protection but it was not clear to what extent they were involved in resolving communications issues;
- automatic penalty or compensation schemes would mean that Ofcom would not need to pursue certain enforcement actions;
- the Telephone Preference Service (TPS) did not appear to fully combat unwanted telesales calls; resolution of the latter should be a high priority;

- it was not clear whether obstacles to enforcement were due to the remedies, resources or processes that were available and what were the sanctions available to Ofcom.

9.2 Ofcom colleagues made a number of comments in response:

- trading standards departments were often contacted as part of Ofcom's investigation process - on some occasions simply to share relevant information, while in others to work more closely in co-operation on an issue. The degree of joint-working depended not only on the nature of the issue, but also the available resources of the particular trading standards department;
- Ofcom's Contact Centre and Citizen's Advice were important in highlighting consumer protection issues;
- it appeared that a number of communications providers may not be doing enough to inform their customers about alternative dispute resolution schemes and the process to take complaints forward – this would be an area of focus for Ofcom in 2006-07;
- general conditions of entitlement allowed Ofcom to demand remedies from operators and the regulator was looking at how it could make further use of its powers;
- in relation to the TPS, the Information Commissioner was a primary enforcement authority along with Ofcom – Ofcom was already working with the Information Commissioner to see what action could be taken: again, an area of priority for 2006-07;
- getting processes right would allow Ofcom to determine if there was a shortfall in terms of powers or resources available;
- Ofcom was able to issue operators with notifications requiring them to cease a particular activity and to remedy the consequences; some scams were operated by organised networks of individuals who deliberately seek to avoid regulatory controls - Ofcom was working with other agencies to co-ordinate activity in order to better protect consumers;
- immediate objectives for Ofcom were to work better with the powers at its disposal and to bring about a culture of compliance in the communications industry.

9.3 The Chairman drew discussion to a close by proposing that the Ofcom team return to talk to the Panel six months hence. Kate O'Rourke requested more regular contact with the team for herself and interested Panel members.

AP18 Ofcom colleagues engaged in consumer enforcement work to meet with the Panel in six month's time to have further discussion.

AP19 Ofcom colleagues engaged in consumer enforcement work to meet with Kate O'Rourke and other interested Panel members on a regular basis, Georgia Klein to pursue.

10. Other matters to note/agree

10.1 Members had been provided with a report on meetings, consultations and approaches to the Panel; its contents were noted.

11. Any other Business

11.1 The next Panel e-newsletter was scheduled for issue at the end of March 2006. The Secretary was asked to confirm that members of Ofcom's advisory committees were on the distribution list for the e-newsletter.

AP20 Secretary to confirm that members of Ofcom's advisory committees are on the distribution list for the Panel's e-newsletter.

.....Chairman

.....Date