

## **Minutes of the twenty-ninth meeting of the Ofcom Consumer Panel**

**Tuesday 19 September 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)  
Fiona Ballantyne  
Roger Darlington  
Simon Gibson  
Graham Mather  
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)  
and Ofcom colleagues (items 4, 5 and 6)

## **1. Welcome and introductions**

1.1 The Chairman welcomed members to the meeting. Apologies had been received from Kevin McLaughlin.

## **2. Declaration of members' interests**

2.1 Simon Gibson had become a director of two telecoms related companies: Raseen LLC, based in the United Arab Emirates, and Raseen Ltd, based in Pakistan.

AP1 Secretary to amend Simon Gibson's register of interests.

## **3. Minutes of the meeting on 18 July 2006 and matters arising**

3.1 The minutes of the previous meeting were agreed subject to minor amendment. Dominic Ridley had circulated the European Commission's proposals for regulating international roaming. Graham Mather reported that the GSM Association (GSMA) had published a response on its website. The

Secretary would forward members the relevant url. [Note:GSMA's executive summary and review of the Commission's Impact Assessment of Roaming Regulation can be found via <http://www.gsmworld.com/index.shtml> ]

AP2 Secretary to revise minutes.

AP3 Secretary to send members the url of the GSMA response to European Commission's proposals for mobile roaming charges.

#### **4. Ofcom application of the Consumer Interest Toolkit**

4.1 Members had received an information paper providing an update on Ofcom's progress on each of the commitments it had made. Ofcom colleagues summarised progress on enhancement of existing commitments and work on new processes to help Ofcom's project teams analyse and reflect consumer and citizen interests in decision making. Process changes were advanced in some areas, less so in others. Usually it was more difficult to effect a culture change but Ofcom felt that it was well ahead in doing so.

4.2 There was discussion of progress on Ofcom's Early Warning System and Issues Log system for tracking action on all citizen and consumer issues. Ofcom colleagues confirmed that these would be internal Ofcom management tools. Ofcom was considering the possibility of developing an online forum for consumer stakeholders to complement more formal consultation processes. This and other aspects of building stakeholder relationships would be discussed at the December 2006 meeting of the Consumer Forum on Communications. The Chairman suggested that early warning on scams could be built into either the online forum or Ofcom's website, allowing consumers to alert Ofcom to their experiences. Roger Darlington argued that when Ofcom was aware of malpractices it should do all it could to bring these to the attention of consumers.

4.3 Guidance on Impact Assessments (IA) was available to Ofcom project managers and existing project tools had been enhanced. Project managers were required to commit to an IA unless there were sound reasons not to do so. Changes had been made to both Ofcom's internal Project Requirements Definition (PRD) and its Board paper templates that required project teams to set out explicitly how their proposals would affect consumers and citizens. Ofcom's IA and Citizen Interest project teams would be invited to attend a future Panel meeting and PRD and Board templates would be copied to Panel members.

4.4 Training was being developed to help Ofcom colleagues identify, define and articulate consumer interests. Rather than make training compulsory it would be important to gain sponsorship from Ofcom's Senior Management Group to encourage wide participation. Ofcom's decisions had to be communicated clearly and Jeremy Mitchell expressed concern that Ofcom did not publish all its documents in plain English. In answer to a question from Simon Gibson, Ofcom colleagues said that 'plain Welsh' documents had not been published. Hard copies of Ofcom publications were provided on request but it was noted that

small consumer organisations found it difficult to download/print large consultation documents. The Panel's view was that Ofcom publications should be accessible and easily understood by consumers, particularly executive summaries.

4.5 The Chairman drew discussion to a close. She said that it was important that the Panel understood Ofcom processes and acknowledged that Ofcom had made major improvements. It was agreed that Ofcom colleagues would report further at a Panel meeting in six months time.

AP4 Ofcom colleagues to attend the December 2006 Consumer Forum on Communications to discuss consumer stakeholder relationships.

AP5 Support team to invite colleagues from Ofcom's Impact Assessment and Citizen Interest project teams to a future Panel meeting.

AP6 Secretary to copy members templates for PRD's and Board papers.

AP7 Secretary to programme an Ofcom toolkit progress report as an agenda item six months hence.

## **5. Update on Ofcom's consumer related work**

5.1 Members had received a discussion paper and slides on Ofcom's planned Consumer Policy statement and recent consumer decision making research. Members commented on the policy statement:

- on the consumer–citizen distinction, Jeremy Mitchell said that consumer interests arose from the supply of goods and services, rather than Ofcom's proposed distinction based on "the establishment of a market";
- on vulnerable groups, Ofcom had proposed to consider groups that were "systematically" more likely to be vulnerable to harm than others, the Chairman said that this seemed to imply that Ofcom would ignore scenarios where harm was not systematic;
- the Deputy Chairman said that reference should be made to consumers whose first language was not English;
- Graham Mather said that the text on the objectives of consumer policy required drafting, in particular the reference to protection from unreasonable annoyance – in response an Ofcom colleague said that this wording took account of situations where a consumer experienced annoyance but not through the fault of the service provider;
- Ofcom's statement would include details of the top consumer concerns; the Chairman said that Ofcom had to make clear what it could do to address them but should avoid raising expectations unreasonably;
- on the consumer protection issues, the Chairman said that any enforcement action by Ofcom had to be taken in a timely fashion and that more needed to be done to raise consumers' awareness of issues of scams and unfair practices, including imaginative use of electronic media;
- Roger Darlington supported that view, he said that it was not easy to find advice on Ofcom's website; Ofcom had already made some changes to its

- site but needed to monitor the number of visits to the site and whether changes had affected that measure; he reminded colleagues that 40% of homes remained without access to the internet;
- Fiona Ballantyne said that another consideration was the encouragement of consumers to seek out information;
  - in relation to Ofcom's approach to consumer information, the Deputy Chairman felt that Ofcom appeared reluctant to empower consumers to play an active and informed role in the marketplace and in the delivery of consumer information. Ofcom proposed to choose the least intrusive options, the Deputy Chairman said that there could be circumstances where an intrusive option was necessary; an Ofcom colleague said that the most effective and least intrusive option enabled Ofcom to make a proportionate response; Graham Mather said that reference could be made to better regulation principles;
  - Jeremy Mitchell asked if a definition of a complaint had been agreed – an Ofcom colleague said that there was a common industry agreed definition for quality of service indicators, he would respond further outside the meeting with more details on complaint definition and to the question about whether there had been consumer consultation on this;
  - there would be a new VoIP (Voice over Internet Protocol) code of practice and Simon Gibson said that there was a problem concerning configuration of VoIP phones, with programmed features lost as a result of power cuts.

5.2 There was brief discussion of consumer decision making research. An Ofcom colleague said that the research would feed into the empowerment section of the Consumer Policy statement and would help Ofcom take decisions about intervention and provide a framework for existing interventions. The research looked in detail at how consumers participated in markets and showed a higher level of participation than earlier research. It also looked at attitudes and future intentions. The Chairman said that an important question was how consumers in the inactive group could become engaged. Roger Darlington suggested that the most important factor to encourage switching would be a trusted source of information.

5.3 The Chairman brought discussion to a close. She said that the statement and the research represented considerable progress and that the Panel recognised a positive disposition on the part of Ofcom to take action where necessary. Members were requested to forward any further comments on the Consumer Policy statement and any comments or questions on the consumer decision making research to Georgia Klein by the end of September 2006. It was agreed that Georgia Klein would draft a Panel advice note for discussion at the October 2006 Panel meeting. The advice note would be submitted to Ofcom by the end of October 2006.

- AP8 An Ofcom colleague to provide the Panel with more details on complaint definition and on the question of whether there had been consumer consultation.
- AP9 Members to send any comments on Ofcom's Consumer Policy statement

and any comments or questions on Ofcom's consumer decision making research to Georgia Klein by the end of September 2006.

AP10 Georgia Klein to provide Ofcom with the Panel's advice note on Ofcom's Consumer Policy statement by the end of October (unless advised by Ofcom that it is required earlier).

## **6. Consumer Panel 2006/07 research plans**

6.1 Members had received a discussion paper. Georgia Klein began the discussion and said that some of the data produced by the Panel's annual 'tracker' research exercise was now being generated by Ofcom. It made sense to avoid duplication, to review the purpose of the tracker and to consider conducting a number of ad-hoc Panel research projects. It would be possible to re-create and publish a tracker report using Ofcom data but there would be constraints because Ofcom data was not a mirror image of the Panel's research. Any gaps could be addressed by ad-hoc projects.

6.2 Panel members made a number of comments:

- Fiona Ballantyne said that a purpose of the tracker had been to establish the Panel's initial priorities and workstreams; these had become established and repetition of the tracker was less meaningful; it was a costly exercise and the Panel's research project on older people and communications technology had attracted far more public interest;
- Simon Gibson agreed that the tracker had served its purpose and said that the Panel's own research should be focused; it would be very important to continue to monitor digital switchover (DSO) findings from Ofcom and DigitalUK;
- the Chairman said that if the Panel ceased to produce its tracker research it would wish to influence the research conducted by Ofcom otherwise there was a danger that the Panel would lose the ability to follow certain trends or issues; it would be important for the Panel to maintain its reputation as a body that conducted its own research; Ofcom colleagues cautioned that there was a limit to extending Ofcom's tracking questions since increased interview times encouraged respondent reluctance to participate, Ofcom would consult on the removal of any survey questions and it would be possible to buy ad-hoc questions on omnibus surveys;
- Bob Twitchin was concerned to track awareness of specialist equipment and the standard functions on mainstream equipment;
- the Deputy Chairman said that it made sense to save money and avoid duplication but the Chairman said that the Panel could end up with a reduced research budget unless it made a sound case for its research plans; the Deputy Chairman highlighted concerns about discrepancies between the Panel's and Digital UK's DSO research findings on older people; she said that it would be important to establish a 'protocol' on what the Panel could/could not do in relation to Ofcom's research;
- Fiona Ballantyne said that a switch to ad-hoc projects would impact upon

- staff time. They would raise research management issues;
- Roger Darlington said that it would be important for the Panel to make a good case for each of its research proposals to secure budget; Jeremy Mitchell was concerned that some flexibility should remain.

6.3 The Panel agreed that Ofcom residential tracking research should be used rather than continue with a separate Panel tracker exercise. Georgia Klein would draft a Panel research strategy paper to cover the Panel's approach to next year's Panel tracker publication, any Ofcom/Panel protocol that may be required and a menu of proposals for ad-hoc Panel research projects – possible projects included DSO and 'black holes', eg areas of the country where there were gaps in mobile coverage or a lack of broadband. It would be necessary to retain some flexibility in research plans. The Panel did not feel constrained to conduct only research that would lead to policy conclusions; there could be occasions when its aim was to test a hypothesis. The Chairman and Fiona Ballantyne would discuss the management of research projects.

AP11 Georgia Klein to draft a Panel research strategy paper to cover the Panel's approach to next year's tracker publication; any Ofcom/Panel protocol that may be required and a menu of proposals for ad-hoc Panel research.

AP12 Chairman and Fiona Ballantyne to meet to discuss management of Panel research projects.

## **7. Chairman's report**

7.1 The Chairman gave an update on recruitment of a Consumer Panel member to replace Azeem Azhar who had resigned in May 2006. Candidates had been shortlisted for interview on 25 September 2006. After a tendering exercise and presentations from respondents, Pricewaterhouse Coopers LLP had been selected to undertake an audit of Ofcom's Digital Dividend Review project. The Chairman had met Philip Graf, Deputy Chairman of the Ofcom Content Board, and both were keen to facilitate good links between the Panel and the Content Board. They had agreed that the two bodies would benefit from a joint workshop on convergence issues. The event would take place in the early part of 2007. The Chairman reported that the Panel's report of its 'Connecting older people' workshop, held on 5 July 2006, was in hand and the policy implications of the event were being fashioned.

## **8. Members' updates**

8.1 The Deputy Chairman had attended a number of meetings related to digital switchover and had a schedule of Autumn meetings with the Department for Culture, Media and Sport, the Department of Trade and Industry, Digital UK and Ofcom. Members of the Panel's DSO sub-group were welcome to attend those meetings and Julia Guasch would circulate meeting dates. The Deputy Chairman had met DigitalUK and raised the disparity between DigitalUK and panel research findings and discussed issues of social isolation. It was a concern

that funds to set up HelpCo were yet to become available. Ministers' had announced that Whitehaven would lead DSO and be the first to have its analogue signal switched off. It would provide a realistic pilot for the rest of the UK. DigitalUK had agreed to make a presentation on Whitehaven as part of the Panel's visit to Carlisle in October 2006. In October the Chairman and Deputy Chairman would meet Tessa Jowell MP to discuss DSO. The Deputy Chairman and Kate O'Rourke would meet Margaret Hodge MP in November to discuss equipment usability issues related to digital inclusion and DSO. Kate O'Rourke had attended a reception hosted by the Independent Committee for the Supervision of Standards of Telephone Information Services (ICSTIS). She would meet Ofcom colleagues engaged in its Consumer Policy review.

8.2 Bob Twitchin had been involved with a call-steering project and the Employer's Forum on Disability had just published guidance on barrier free call routing. The document could be found online at: <http://www.employers-forum.co.uk/www/guests/publications/downloads/barrier-free-call-routing.pdf> Fiona Ballantyne would be attending a Scottish DSO conference in October 2006. She suggested people/organisations from the Borders that the Panel could meet in Carlisle. The Secretary would follow-up the suggestions and gave members an update on arrangements for the visit. Simon Gibson had met with the Welsh Consumer Council (WCC) and they would meet together on a six-monthly basis. Particular WCC concerns were DSO and mobile coverage. Simon Gibson had attended BT's 21CN Global Summit and visited BT's Martlesham Heath labs. The summit was to discuss future applications and services for the 21CN (Twenty-first Century Network). It was agreed that he should invite a representative from a Pakistan based mobile 4G provider to meet the Panel in 2007. He would be contributing views to a report by Michael Eaton, Director of the Welsh Assembly's Broadband Wales Unit.

8.3 Roger Darlington had attended a number of meetings and events, including a Telecommunications Executive Network conference on customer service at which he was a panel member. Jeremy Mitchell had met the Scottish Consumer Council and discussed DSO in the borders. Graham Mather reported briefly on communications issues in Europe, including proposals on mobile roaming charges, consolidation in the telecoms sector in Portugal and a European Commission communication on impact assessments expected in November 2006. He suggested that it could be useful for the Chairman to meet Alexander Italiana of the European Commission during the Chairman's visit to Brussels in November 2006 and would forward contact details. Allan Williams had met an Ofcom colleague to discuss young people and the communications market. Ofcom's research appeared to be at an early stage and he had encouraged a focus on detriment.

AP13 Julia Guasch to send Panel DSO sub-group members a schedule of the Deputy Chairman's Autumn DSO meetings.

AP14 Julia Guasch to arrange for Kate O'Rourke to meet Ofcom's consumer policy review colleagues in October 2006.

AP15 Secretary to invite a number of people/organisations to meet the Panel in Carlisle.

AP16 Simon Gibson to invite a representative from a Pakistan mobile 4G operator to meet the Panel in 2007.

AP17 Graham Mather to email the Chairman contact details for Alexander Italiana of the European Commission.

## **9. Panel letter to new Ofcom Chief Executive**

9.1 Georgia Klein mentioned a number of issues that the Panel might wish to raise with the new Ofcom Chief Executive, including Ofcom's approach to citizens and consumers, the role of Ofcom's Consumer Policy team and the need for an integrated approach to consumer issues within the regulator. The Chairman said that the letter would be a public document and would be in two parts, giving the Panel's assessment of Ofcom's successes and of what Ofcom's agenda should include; it should be concise. The Deputy Chairman said that the letter could refer to the need for positive outcomes for consumers to arise from Ofcom's settlement with BT on the separation of networks and services. Another issue was the take-up of broadband. Allan Williams said that Ofcom's role in DSO was a critical issue. Bob Twitchin expressed concern about Ofcom's attitude to mainstreaming accessibility issues - the Chairman said that the same applied to issues affecting older people. Georgia Klein would produce a draft for discussion at the Panel's October 2006 meeting and would work with Siân Evans on related media work.

AP18 Georgia Klein to draft a letter to Ofcom's new Chief Executive for discussion at the Panel's October meeting.

AP19 Georgia Klein to work with Siân Evans on news releasing the Panel's letter to Ofcom's new Chief Executive.

## **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 There was no other business.

.....Chairman

.....Date