

## **Minutes of the thirty-first meeting of the Ofcom Consumer Panel**

**Thursday 16 November 2006 at 13.30 hours**

**The Plaisterers' Hall, No 1 London Wall, London EC2Y 5JU**

Present:

### Consumer Panel

Colette Bowe (Chairman) (items 1, 2 and 3)

Ruth Evans (Deputy Chairman)

Fiona Ballantyne

Roger Darlington

Simon Gibson

Alan Horne

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)

## **1. Welcome and introductions**

1.1 The Chairman welcomed members to the meeting. The Chairman was pleased to welcome Alan Horne who had been appointed on 2 November 2006.

1.2 Members had attended Ofcom's Consumer Experience event immediately preceding the Panel meeting and the latter would be of shorter duration than usual. At the Ofcom event the Panel Chairman had been one of the main speakers and had addressed issues in a Panel letter to Ed Richards, Ofcom's new Chief Executive. The letter contained a "To do" list of consumer issues that should be high on Ofcom's agenda. It had been published earlier that day on the Panel website, accompanied by a news release. The Chairman would have to leave early and the Deputy Chairman would chair the remainder of the Panel meeting. Because of these factors it was agreed that an agenda item on BT's 21CN (twenty-first century network) and next generation access would be carried forward to the December 2006 meeting, there would be a brief Chairman's report followed by discussion of an extra agenda item on how the Panel would take forward its own work on the "To do" topics. The meeting would then follow the agenda that had previously been copied to members.

## **2. Chairman's report**

2.1 The Chairman and Deputy Chairman had met Culture Secretary Tessa Jowell MP and had discussed digital switchover (DSO). The Deputy Chairman and Kate O'Rourke had subsequently met Margaret Hodge MP, Minister of State for Industry and the Regions at the Department of Trade and Industry (DTI), to discuss DSO and equipment usability issues. Both meetings had been productive. The Chairman and Deputy Chairman would meet Shaun Woodward MP, Minister for Creative Industries & Tourism, to follow up issues raised at the meeting with the Culture Secretary.

2.2 The Chairman and Deputy Chairman had attended an Ofcom strategy day with the Ofcom Board, Content Board and representatives from Ofcom's advisory committees. Based on discussions at the strategy day, the Chairman said that the concept of consumer anxiety, referred to in the Panel letter to Ed Richards, appeared to be gaining acceptance in Ofcom.

2.3 The Chairman had spoken about the Panel's consumer interest toolkit at a meeting of European Commission officials hosted by the Directorate General for Health and Consumer Affairs (known as SANCO) in Brussels. Graham Mather had provided useful briefing on participants. There was currently a European commissioner for Health and Consumer Protection but there was to be a separate commissioner for consumer affairs and officials were preparing for the new appointment – hence their interest in the toolkit. The toolkit had been well received and the Chairman expected to have further involvement with the Commission. Roger Darlington suggested that European interest in the toolkit should be mentioned in the next Panel e-newsletter and annual report. The Chairman recalled that on earlier occasions Roger Darlington had suggested the idea of a weblog on the Panel's work and areas of interest. She wished to revisit this as part of the Panel's communications strategy in the near future.

2.4 There was brief discussion of the Panel's letter to Ed Richards. It had been published, news released and given a public platform at Ofcom's Consumer Experience event. The Chairman said that the press could be interested in the Panel's reaction to Ofcom's consumer work and the letter provided that. The Deputy Chairman said that there were two other reasons for the tie-in with the Ofcom event, it had been the occasion of the new Chief Executive's first public speech and the Ofcom Consumer Experience publications did not include a great deal about how to take issues forward – this was partly because these were expected to be addressed in Ofcom's forthcoming Consumer Policy statement. It was agreed that the Panel would respond in a combined advice note to the Consumer Experience policy evaluation document and research report and the Consumer Policy statement.

AP1 Panel to revisit its communications strategy at a future Panel meeting.

AP2 Georgia Klein to draft an advice note to Ofcom covering issues in Ofcom's Consumer Experience reports and its forthcoming Consumer Policy statement for

discussion at the Panel's January 2007 meeting.

### **3. Consumer "To do" list**

3.1 The Chairman reminded members of the five headline items on Ofcom's "To do" list. These were the Digital Dividend, DSO, enforcement, consumer anxiety and digital inclusion. Members discussed these items to consider the Panel's contribution in these areas.

3.2 On Ofcom's Digital Dividend Review (DDR), the Chairman said that the Panel had to be organised to address a very large scale Ofcom project and before the next meeting it would be necessary to determine the Panel's involvement. Since the previous meeting Allan Williams and Roger Darlington had attended an Ofcom/Panel workshop on early DDR policy findings. It was their view that Ofcom was quite advanced in its thinking and a publication was expected in December. The Secretary would copy Ofcom's DDR policy presentation to Panel members. The Deputy Chairman questioned whether Ofcom had tested its DDR options amongst consumer organizations. Allan Williams said that Ofcom's favoured approach appeared to be to leave social outcomes to the market. Roger Darlington confirmed that general view but said that Ofcom had identified a small number of areas where the market might not deliver and the Ofcom consultation paper was expected to indicate a different approach in such areas. The Chairman reminded members that her letter to the Chief Executive had urged the promotion of a wide and accessible public debate about the Digital Dividend. It was agreed that the Chairman, Simon Gibson and Allan Williams would discuss the DDR in the interval before the December Panel meeting and report further on that occasion.

3.3 The Deputy Chairman reported briefly on the Panel's DSO work, including the recent meetings with ministers. The Panel DSO sub-group would meet Digital UK the following week to discuss the latter's DSO research, including Whitehaven. The sub-group would follow that with a discussion about Panel DSO research plans with Ofcom research colleagues. Ofcom's Whitehaven audit exercise would also be on the sub-group agenda and members would report on its Whitehaven audit thinking at the December 2006 Panel meeting.

3.4 Kate O'Rourke reported that she had met with Ofcom's Enforcement and Consumer Policy teams towards the end of October 2006. Ofcom was engaged in dialogue with other agencies and was looking at where there were gaps in its enforcement powers. The Ofcom Enforcement team would be submitting a paper to the Ofcom Board and the Panel's enforcement sub-group would have an opportunity to discuss the paper. Jeremy Mitchell said that due process was necessary but he was concerned about the slow speed of enforcement action. He asked whether Ofcom was considering the issue of redress for consumer complaints that fell outside the alternative dispute resolutions (ADR) schemes. The Chairman commented that the £50,000 limit on fines that could be imposed was an inadequate deterrent. The Panel would need to concentrate its energies

to make progress on a small number of specific enforcement issues, eg the speed of redress; Ofcom's willingness and ability to use legislation in addition to its powers under the Communications Act 2003; and the scale of penalties.

3.5 The Chairman commented that consumer anxiety was an issue that had emerged from the Panel's research. This topic could be pursued by further research studies to help to identify different types of anxiety and these could be scoped with assistance from Ofcom's research team. A DSO research discussion had been mentioned earlier and there could be scope to extend that to consider other research topics. It was agreed that the Panel would take stock of its research plans at the December 2006 Panel meeting.

3.6 Digital inclusion was an aspect of the Panel's workstream on older people. Jeremy Mitchell said that he expected that policy options arising from the Panel's July 2006 'Connecting older people' event would come to the Panel shortly. Dominic Ridley would review the policy options and submit proposals to the Panel. Ruth Evans reported further on the meeting with Margaret Hodge MP, at which there had been enthusiasm for the Panel's suggestions about an internet take-up campaign and a related consumer information portal. The minister had asked DTI officials to come up with a written proposal within the coming weeks. It was agreed that Dominic Ridley should liaise with officials on the detail. Roger Darlington queried whether Ofcom was abreast of ideas about the take-up campaign and the portal; he suggested that Ofcom be informed to engage its support. The Deputy Chairman said that there appeared to be a confusing range of government initiatives on digital inclusion. This included DTI's coordinating role across departments and a unit in the Department for Communities and Local Government dealing with social exclusion (formerly as part of the Office of the Deputy Prime Minister). DTI officials had agreed to provide the Panel with a note on digital engagement across government departments. There was brief discussion of Panel research on digital inclusion. Roger Darlington suggested that it could be useful to talk to Citizens Online and commented that there were literacy issues related to lack of internet take-up, it being largely a written medium. The Panel agreed to wait for the findings of its literature review due at the end of January 2007 or by early February, when a research specification would be drawn up. The research was expected to provide useful information on the scale and nature of the problems relating to households with children, older people and those on low incomes.

3.7 Concluding discussion on this agenda item it was agreed that the Panel would review Ofcom's progress on the consumer "To do" list in Autumn 2007.

AP3 Chairman, Simon Gibson and Allan Williams to have an electronic discussion about the Panel's approach to the DDR and report at the December 2006 Panel meeting.

AP4 Secretary to copy to Panel members Ofcom's presentation on early DDR policy findings.

AP5 The Panel's DSO subgroup to report at the December 2006 Panel

meeting on its discussion of Ofcom's Whitehaven audit – as part of an agenda item on evaluation of Whitehaven.

AP6 Dominic Ridley to obtain feedback from Ofcom on forms of redress for consumer complaints that fall outside ADR schemes.

AP7 Panel to take stock of its 06/07 research plans at the December 2006 Panel meeting.

AP8 Dominic Ridley to review policy suggestions in the Connecting Older People workshop report and submit policy proposals to the Panel.

AP9 Dominic Ridley to continue to liaise with DTI on the Panel's proposals for an internet take-up campaign and a portal.

AP10 Panel to review Ofcom's progress on the "To do" list in Autumn 2007.

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

4.1 There were no declarations made.

#### **5. Minutes of the meeting on 17 October 2006 and matters arising**

5.1 The minutes of the previous meeting were agreed subject to minor amendment. A date remained to be agreed for Allan Williams to meet with Professor Sonia Livingston to discuss young people. Simon Gibson agreed to contact Panasonic about a possible meeting to discuss equipment design.

AP11 Secretary to amend October 2006 minutes.

AP12 Simon Gibson to contact Panasonic.

#### **6. Members' updates**

6.1 Bob Twitchin had attended a meeting and a stakeholder reception hosted by Ofcom's Advisory Committee on Older and Disabled People. He had also attended a DSO Usability Action Plan Review meeting at the DTI – progress was being made but some industry representatives had argued that there was insufficient demand for inclusion of features in mainstream equipment to benefit disabled users. Some had argued that such features would result in increased power consumption. Bob Twitchin had been invited to a Breakfast Roundtable on the challenges of making ICT accessible, as part of Ofcom's international conference on communications and convergence. He advised members that Digital UK had launched a Digital SwitchKit, a new retail initiative designed to prepare people for DSO. He would forward details to the Deputy Chairman. As previously reported, Kate O'Rourke had met Margaret Hodge MP. In addition to what was said earlier, discussion had included training of aerial installers, the specification for a set top box as part of the government's targeted DSO help scheme and issues related to multiple dwelling units (MDUs). Referring to MDUs, Simon Gibson mentioned power lines as a delivery mechanism for digital television in Eastern Europe. As mentioned earlier, Kate O'Rourke had met with Ofcom's consumer policy and enforcement teams. She had discussed legal powers, speed of case resolution, complaint early warning systems and recent

ADR research.

6.2 Graham Mather had given a talk at a London Business School seminar on self- and co-regulation. He would copy his presentation to Panel members. He would be attending Ofcom's international conference on communications and convergence, which would include launch of 'Communications - the next decade', an Ofcom publication and collection of essays to which he had contributed. Graham Mather reported that the European Policy Forum, of which he is President, would be publishing a report on Freeview in early December 2006. Fiona Ballantyne had chaired a Scotland and Digital Switchover conference, which had included a presentation covering MDUs. She had attended a presentation by the BBC Governor for Scotland on the role of the BBC's new Trustees. Kevin McLaughlin had been invited to observe an Ofcom focus group in Belfast and commented that there had been low awareness of Ofcom amongst participants. He had attended an RNID event in Northern Ireland, on the one hand broadcasters had said that they did not receive complaints about subtitles, on the other deaf participants said that they were unsure who to complain to.

6.3 Simon Gibson had attended a meeting of Ofcom's Advisory Committee for Wales. He agreed to copy to Panel members a presentation he had given at a recent City analyst briefing. Roger Darlington and the Chairman had attended Ofcom's Annual Lecture, given by David Currie. Roger Darlington had met the founders of the weblog OfcomWatch. Allan Horne's interests included universal service in telecommunications, the DDR and wider spectrum issues, mobile communications and the roll out and impact of 21CN on small businesses.

AP13 Bob Twitchin to forward details of the Digital Switchkit to the Deputy Chairman.

AP14 Graham Mather to copy to Panel members the presentation on self- and co-regulation that he gave at the London Business School.

AP15 Simon Gibson to copy to Panel members the presentation he gave at a recent City analyst briefing.

## **7. Panel workstreams**

7.1 There was very brief discussion under this item since other important workstream issues had been dealt with in the "To do" list discussion. The consumer interest toolkit workstream was in the dissemination and application phase. Georgia Klein was near to finalising an invitation to tender exercise for an audit of Ofcom's mobile number portability project. The Consumer Voice workstream would now be about establishing liaison with the parliamentary team in Ofcom and tracking progress of the Consumers, Estate Agents and Redress Bill as it went through Parliament. On universal service the next step would be a discussion with BT about its new fixed social telephony product. A meeting with BT would take place the following week. Bob Twitchin reported that Ofcom had published a report into the feasibility of additional telephone relay services with a focus on video relay but it appeared to be lacking in conclusions and

recommendations. It was agreed that members would revise their workstream templates, bringing them up-to-date. The Deputy Chairman would discuss with the Chairman when the updated workstreams would next be discussed as a half year review.

7.2 Jeremy Mitchell asked for clarification of the procedure used to decide whether or not the Panel should respond to Ofcom consultation documents. He suggested that for all consultations, other than those concerned with content, the support team could prepare for the Panel a brief summary note explaining what the consultation was about, identifying any possible implications for consumers, and recommending whether or not the Panel should put in a response. It was agreed that the Deputy Chairman would discuss this idea with the Chairman.

AP16 Panel members to bring their workstream template documents up to date as soon as possible.

AP17 Deputy Chairman to discuss with the Chairman when the updated workstreams would next be discussed.

AP18 Deputy Chairman to discuss with the Chairman the Panel's process for responding to Ofcom consultations.

## **8. Other matters to note/agree**

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

## **9. Any other Business**

9.1 Members had been provided with an information paper in response to questions about mobile call termination (MCT) previously raised by Roger Darlington. He was not convinced that Ofcom had weighed up the issues sufficiently and felt that the Panel should maintain an interest in MCT. It was agreed that Alan Horne would draft a response to Ofcom's consultation and forward it to Dominic Ridley. Members received consumer complaint data and Kate O'Rourke requested that it include details of the companies generating most complaints.

AP19 Alan Horne to provide Dominic Ridley with comments on mobile call termination issues.

AP20 Dominic Ridley to ensure that Panel members receive Ofcom consumer complaints data that includes details of companies with most complaints.

.....Chairman

.....Date