

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

**Thursday 14 December 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  
Simon Gibson  
Graham Mather  
Kevin McLaughlin  
Jeremy Mitchell  
Kate O'Rourke  
Allan Williams

### In attendance

David Currie (Chairman, Ofcom) (items 1 and 2)  
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 David Currie, Ofcom Chairman, and Panel members to the meeting. Apologies were received from Roger Darlington and Bob Twitchin. Alan Horne had resigned from the Panel.

## **2. David Currie**

2.1 There was discussion between the Ofcom Chairman and the Panel.

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

3.1 There were no declarations made.

## **4. Minutes of the meeting on 16 November 2006 and matters arising**

4.1 The minutes of the previous meeting were agreed subject to minor amendment. As agreed at the previous meeting, the Panel would revisit its communications strategy. This would happen when its 2007 workplan has been

agreed. To take forward the Panel's work on the DDR there would be monthly meetings immediately preceding Panel meetings. Simon Gibson and Allan Williams would attend, the Chairman when possible. Policy proposals arising from the Panel's connecting older people event had been programmed for discussion at the next Panel meeting. Simon Gibson would be meeting Panasonic colleagues the following week and would raise the idea of a meeting between Panasonic and Bob Twitchin to discuss equipment design. Simon Gibson's City analyst briefing presentation was in excess of 100 slides and was available to Panel members on request. There was brief discussion about Ofcom's mobile call termination consultation. The Panel had not been able to give full consideration to the issues in the consultation and the Chairman had taken the decision not to submit a response on behalf of the Panel. The Chairman and Deputy Chairman would discuss the Panel's process for responding to Ofcom consultations.

AP1 Secretary to amend November 2006 minutes.

AP2 Julia Guasch to schedule monthly sub-group meetings on the DDR, to immediately precede Panel meetings where possible.

AP3 Chairman and Deputy Chairman to re-visit the Panel's process for responding to Ofcom consultations.

## **5. Chairman's report**

5.1 Details of the Chairman's meetings had been provided in the December 2006 monthly report, copied to members with meeting papers. The Chairman spoke briefly about the coming period, particularly as 2007 would be the last full year for the Panel's current membership. In the interval leading up to the January 2007 Panel meeting she would give careful consideration to the Panel's 2007 workplan and each member's role. The Panel's work on digital switchover (DSO) was coming to a head. In January 2007 the Chairman and Deputy Chairman would meet Ed Richards to discuss the Panel's position on DSO. It may then be necessary for the Panel to pull back from DSO, having already provided advice and after making its views known to government, Ofcom and Digital UK (DUK). The Panel could then devote time and resources to other important Panel workstreams, on the digital dividend for example.

AP4 Chairman to review the Panel's priorities and members' roles during 2007 before the January 2007 Panel meeting.

## **6. Members' updates**

6.1 Allan Williams had taken part in discussions with Ofcom colleagues about young people research. Ofcom had taken on board Panel comments on its young people research plans. Kate O'Rourke, Roger Darlington and Jeremy Mitchell had met with Ofcom to discuss consumer protection issues and had sight of a paper produced for the Ofcom Board. Kate O'Rourke reported that Ofcom's website had a new icon taking consumers to an 'Advice for consumers' section.

She reported that the Further Education college where she was a governor had taken an interest in offering courses for aerial installers (ie courses related to DSO). Jeremy Mitchell and Fiona Ballantyne had met with Georgia Klein and Dominic Ridley to discuss older people policy options and this would be an item for discussion at the January 2007 Panel meeting. Kevin McLaughlin had attended a discussion on issues of poverty and social exclusion in Northern Ireland. Graham Mather had attended Ofcom's international conference. He echoed the comment made earlier that there was growing EU interest in the Panel's consumer interest toolkit. Simon Gibson proposed a Panel meeting in Wales in 2007, where BT's 21st Century Network (21CN) was expected to begin to be rolled out. The Panel also had plans to meet in Scotland.

AP5 Secretary to discuss 'out of town' (Scotland and Wales) Panel meetings with Chairman.

## **7. Next Generation Networks: BT's 21CN and next generation access**

7.1 Members had received a briefing paper on the first phase of customer migration to BT's 21CN. 21CN was expected to result in huge cost savings for BT and delivery of many new services. An Ofcom colleague made brief opening remarks and said that an important consumer concern would be a smooth transition to the new Internet Protocol (IP) based network and Ofcom's approach would be co-regulatory. Panel members raised some questions or made comments as follows:

- Simon Gibson said that uncertainty remained about whether existing services would work over the new network; he asked how long BT's legacy Public Switched Telephone Network (PSTN) and the 21CN would co-exist; an Ofcom colleague said that BT would not migrate services to 21CN until it is satisfied that it has resolved any problems;
- the Deputy Chairman questioned whether cost savings would be passed on to consumers; an Ofcom colleague said that retail competition should ensure that consumers benefit from cost savings;
- Simon Gibson raised concerns about social alarms and their compatibility with 21CN, if the onus was on alarm manufacturers to resolve problems there could be difficulties since there had been a great deal of consolidation in the social alarms sector and provision of some alarms would date back a number of years; an Ofcom colleague said that the technical interface for alarm services would not change, he was hopeful that alarms would continue to work - he noted that BT was working with social alarm service providers to test alarm equipment to ensure that it is compatible with 21CN and would not migrate alarm circuits until this process was completed; he also confirmed that the first phase of migration would include an assessment of problems of this kind;
- the Chairman said that it would be important to determine the nature and extent of problems associated with alarms and have clarity on who would resolve problems;

- Fiona Ballantyne said that migration could present problems for small businesses, eg taxi firms, if there was service interruption in customer transfer from the PSTN to 21CN; an Ofcom colleague confirmed that there would be a 'switched on' information campaign for small and medium sized businesses providing advice about the migration programme and that BT would publish voice quality measurements to demonstrate that there is no perceptible deterioration in voice quality after migration.

7.2 It was agreed that Georgia Klein would draft an advice note on 21CN concerns raised in discussion, including questions for Ofcom and issues for Ofcom to raise with BT.

7.3 Members had received an information paper and an Ofcom colleague introduced discussion of next generation access (NGA). The Panel Chairman echoed members views by saying that the competitive environment varied in different parts of the UK but that factor did not appear to be taken into account in Ofcom's approach to NGA. A concern for the Panel would be application of a UK wide policy based on conditions that pertained in dense urban areas and could lead to fragmentation in UK communications capabilities. There was discussion of regulatory forbearance and whether that was the correct approach. The Chairman said that availability of advanced communications services, including NGA, in different regions of the UK was likely to become an increasingly important consumer issue, and proposed that consideration be given to making it a strategic work theme.

AP6 Georgia Klein to draft an advice note on next generation networks, including issues raised by members, questions for Ofcom and questions that Ofcom should raise with BT.

AP7 Panel to consider making next generation network access one of its strategic themes in 2007.

## **8. Digital Switchover – Whitehaven evaluation and research**

8.1 An Ofcom colleague explained Ofcom's work related to the DSO pilot in Whitehaven. It would consist of three parts: consumer research, technical study related to coverage and reception and a post-Whitehaven evaluation of the pilot. The technical aspects would allow better understanding of actual coverage as opposed to predicted coverage and of time varied interference. Evaluation would be undertaken by consultants and was expected to be based on findings from a collaborative workshop that would take place after Whitehaven switchover. The evaluation exercise would allow learning to be applied to the remainder of the DSO programme. It was being scoped with consultants and Ofcom would welcome input from the Panel.

8.2 There was discussion of Whitehaven success criteria, devised by DUK, the Department for Culture, Media and Sport and Ofcom. The criteria included a number of metrics, eg X% of Whitehaven residents recognise the 'digital tick'

logo at the start of the transition period. An Ofcom colleague said that success criteria appeared to be fairly comprehensive but it was not clear how the metrics had been derived. Allan Williams said that where targets were not linked to policy objectives they appeared to be arbitrary. An Ofcom colleague said that DUK had looked at levels of awareness and had asked itself what would be reasonable levels to set. The Deputy Chairman said that success factors should be based on the desired outcomes of the pilot.

8.3 Immediately following the Panel meeting the Panel's DSO subgroup would meet to discuss the evaluation exercise and provide views to Ofcom early in the New Year. The subgroup would consider the design of evaluations, whether the correct questions were being posed and if there were questions that the Whitehaven pilot would be unable to answer. The Panel also had its own DSO research plans.

AP8 Georgia Klein to draft an advice note on Whitehaven evaluations for submission to Ofcom in January 2007.

## 9. Taking stock

9.1 This discussion fell into three parts: priorities in 2007, Panel research and work on spectrum, ie the DDR. The Panel had written to Ofcom's Chief Executive about Ofcom's priorities for consumers and had received a response, both of which had been published on the Panel website at:

<http://www.ofcomconsumerpanel.org.uk/advice/activity/activity.htm> It was important for the Panel to be organised to provide advice on the items on the "To do" list that it had presented in its letter to Ofcom. The Chairman invited members to say what they thought would be the important Panel issues in 2007. This would feed into the Chairman's review of the Panel's priorities and members' roles. Jeremy Mitchell said it would be useful to share the Panel's priorities with the Consumer Forum on Communications. Members' suggestions were:

- DSO, it would be important not to withdraw but to avoid being drawn into the detail of implementation, to engage in the process at a high level and make public the Panel's goals for switchover;
- Next generation networks (NGN) and spectrum issues;
- the digital divide as a citizen issue, particularly arising from poverty, related to older people and the very young; related to this was promotion of digital inclusion via a take-up campaign;
- consumer anxiety and provision of consumer information;
- Ofcom had pursued economic issues but needed to address enforcement to ensure well-functioning markets;
- the digital dividend and NGN;
- the Bill to bring together the National Consumer Council, Energywatch and Postwatch to create Consumer Voice;
- roll out of the Panel's consumer interest toolkit;

- helping Ofcom to build its consumer information capability to gain a greater understanding of what consumers think.

9.2 Members had received a paper summarising the Panel’s research projects covering the remainder of the financial year and the following year. A freelancer would work under contract to assist with management of the research. There was brief discussion of whether the Panel should conduct qualitative research into consumers’ experience of Otelo, the Office of the Telecommunications Ombudsman, and CISAS, the Communications & Internet Services Adjudication Scheme. A member said that Otelo and CISAS should instead be conducting their own research. Fiona Ballantyne summarised the other projects, including one on children and internet inclusion and another on the consumer experience of switchover. Some of the projects would extend research being conducted by Ofcom. It was agreed that checks would be made to ensure that research on mainstream and specialist equipment would not duplicate work already done by Ricability. The Chairman was keen to see the Panel spend its 06/07 research budget and to maintain research spending at a similar level in 07/08.

9.3 Ofcom’s DDR consultation document would be published shortly (on 19 December 2006). The Panel would respond to the document and discuss a draft at the January 2006 Panel meeting. Dominic Ridley was working on an invitation to tender exercise for a post-hoc consumer interest toolkit analysis of the DDR.

AP9 Panel to consider sharing of its 2007 work themes with the Consumer Forum on Communications.

AP10 Dominic Ridley to confirm that Panel research on mainstream and specialist equipment will not duplicate work already done by Ricability.

AP11 Panel to engage with DDR consultation at January 2007 meeting.

AP12 Dominic Ridley to scope a DDR post-hoc toolkit analysis exercise.

**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