

Minutes of the 51st meeting of the Communications Consumer Panel¹

Tuesday 16 December 2008 at 10.00 hours

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

Present

Consumer Panel

Anna Bradley (Chair)
Ruth Evans (Deputy Chairman)
Fiona Ballantyne
Louisa Bolch
Kim Brook
Colin Browne
Roger Darlington
Maureen Edmondson
Leen Petré
Damian Tambini
Bob Warner

In attendance

Alistair Bridge (Principal Adviser)
David Edwards (Panel Secretary)
Siân Evans (Panel Media Consultant)
Dominic Ridley (Policy Adviser)
Other Ofcom colleagues (items 7 and 9)

1. Declaration of members' interests

1.1 No new interests were declared.

2. Minutes of the meeting on 15 July 2008 and matters arising

2.1 Minutes of the previous meeting were agreed. [Note: the Panel was holding its first formal monthly meeting following both its Summer break and an extended recruitment and induction process for new Panel members.]

2.2 It was requested that members be advised of details of the 22 January 2009 Oxford Media Forum. At the time of the July meeting Public Service Broadcasting (PSB) had been on the Panel's list of priorities, it was subsequently decided to remove it from the list. Kim Brook requested that he be kept informed of developments related to PSB. Points for consideration in response to the Department of Communities and Local Government's (DCLG) Delivering Digital Inclusion: An Action Plan for Consultation would be copied to members. The closing date for responses was 17 January 2009.

¹ The Ofcom Consumer Panel changed its name to Communications Consumer Panel on 17 November 2008.

- AP1 Details of 2009 Oxford Media Forum to be copied to members.
- AP2 Support Team to keep Kim Brook informed of PSB developments.
- AP3 Dominic Ridley to copy points for consideration in response to the DCLG's Delivering Digital Inclusion: An Action Plan for Consultation.

3. Digital Britain and Panel research on the Future of Communications Regulation

3.1 Members had received the 2nd draft of a research report on the Future of Regulation, based on work commissioned by the Panel, undertaken by Opinion Leader Research and part funded by the Department for Business, Enterprise and Regulatory Reform as part of its work on Digital Britain. The Chair explained the background to the research and that she expected to discuss it further in presentations to the Digital Britain steering group and to the Westminster eForum in early and mid January 2009 respectively. Members made brief comments on the draft report and there was discussion about its publication and its fit with the Panel's earlier research work, including its *Switched-on* report on early adopters of communications technology and services. It was agreed that a comparative assessment of recent Panel research conclusions could be useful.

3.2 There was discussion of the policy implications arising from the research, some of which had been raised at a recent workshop and were summarised in an information paper copied to members. Three themes had emerged: safety and security; ensuring no one misses out; and responsibility. A suggestion was floated that the government could set up a service along the lines of NHS and Consumer Direct; its purpose would be to assist consumers with communications issues and concerns. It was noted that during the life of the research project there had been significant financial and economic turbulence and that a new set of communications issues could have arisen, including the importance of access to services like broadband for jobseekers in the search for employment. The Chairman commented that there was role for industry, in addition to Ofcom and the government, in resolving communications issues for consumers. Discussion drew to a close and it was agreed that the Chair and a small group of members would have an email discussion about the research, its implications and the Chair's presentation to the Digital Britain steering group.

AP4 Team to consider comparative assessment of Panel research, including *Switched-on* and Future of Regulation research.

AP5 Chair, Fiona Ballantyne, Louisa Bolch, Damian Tambini and Leen Petré to discuss Future of Regulation research and the presentation at the January 2009 Digital Britain steering group meeting.

4. MoU with Consumer Focus

4.1 Members had received a copy of a Memorandum of Understanding (MoU) with Consumer Focus for approval. This was the Panel's first

opportunity to discuss the MoU and issues of drafting and substance were raised. It was suggested that a similar document could be required between the Panel and the Consumer Council for Northern Ireland. It was agreed that the MoU with Consumer Focus would be revised based on email discussion between the Chair and Maureen Edmondson. and agreed outside the meeting. Members were advised that a review of UK postal services by Richard Hooper would be published that afternoon and was expected to recommend that Ofcom should take over responsibility from Postcomm for the regulation of postal services. This would have implications for the Panel, and for its MoUs with other bodies. The Hooper review would be copied to members.

AP6 MoU with Consumer Focus to be revised and agreed.

AP7 Support Team to copy members the Hooper review.

5. Panel blog

5.1 There was brief discussion based on a paper provided by the Panel's media adviser. The blog would facilitate information sharing about issues, events, articles etc, including details of members' activities between monthly meetings. Members would refrain from posting personal comments or opinions when these related to policy matters. It was agreed that brief light-touch blogging rules would be agreed and copied to members. It was expected that the blog would go live in early January 2009.

AP8 Support Team to circulate light-touch rules and Panel to launch blog.

6. How the Panel should work together

6.1 Members had received a paper explaining what was involved in, and expected from, being a Panel member and describing how members should seek to work with each other and the Panel's support team. The note was based on earlier dialogue, including discussion at the Panel's strategy day in November 2008. In general members were content with the paper but made some comments that would be reflected in minor redrafting.

AP9 Support Team to revise paper on how the Panel should work together.

7. Mobile issues

Mobile Sector Assessment

7.1 Panel members had received papers summarising responses to Ofcom's recent consultation *Mobile citizens, mobile consumers*. Colleagues from Ofcom's Mobile Sector Assessment (MSA) team joined the meeting. They would be discussing emerging thinking and next steps with Ofcom's Policy Executive later in the week and with the Ofcom Board in mid-January. It was expected that a second consultation would be published in Spring 2009. Responses to the recent consultation were broadly as expected. Mobile operators had argued that the market was highly competitive and that

intervention was not warranted. Consumer organisations had highlighted the need to provide a safety net for disadvantaged consumers. Individual consumers' responses were mixed. Some questioned the competitiveness of a market where mobile offerings appeared to be similar and prices were high.

7.2 There was discussion of mobile issues of concern to the Panel related to coverage and competition - some of which the Chair had raised in recent and separate meetings with mobile operators. Coverage was a particular issue in the Nations. It was suggested that local roaming would enhance the consumer experience and that mobile operators should be encouraged to co-operate to deliver this. Consumer complaints data could be correlated with other data to map coverage and develop targeted solutions to notspots. It was important to recognise that lack of mobile coverage often coincided with a lack of broadband and/or a TV signal, with data based on post codes covering large geographical areas. It appeared that competition was effective in aggregate but not for certain groups of consumers. For example, some groups found it difficult to make use of marketing or other customer information. The Panel agreed that it would be important for Ofcom to determine the correct units of assessment in its analysis of mobile competition. Mobile operators claimed that customers were not concerned about the time it took to port a mobile number and the Panel would welcome evidence to substantiate this.

Mobile Termination

7.3 Panel members had received papers for discussion related to mobile termination pricing, its alternatives and the European dimension; together with a paper the Panel had commissioned from a consultant on termination rates and implications for consumers. Rather than argue for a particular costing model, the Panel's approach would be based on a number of principles: any changes should be evolutionary; it did not advocate a pricing regime that discouraged provision of services; disadvantaged consumers should be protected; and termination rates should not become more complex. Colleagues engaged with Ofcom's project on the future of termination pricing joined the discussion and spoke briefly about termination rates in the context of current charge controls; the European Commission's Recommendation; and implications for fixed and mobile networks. The Panel would provide the Ofcom team with a fuller articulation of its criteria in relation to mobile termination rates, along with the finalised consultant's paper.

Concluding thoughts and next steps

7.4 The two sessions with Ofcom colleagues was followed by review of the key mobile issues for the Panel. It was agreed that these were: speedy resolution of national 999 roaming; mobile number portability and the evidence base concerning consumer awareness of, and attitudes to, porting; mobile coverage; consumer metrics related to effective competition; and any issues related to 2G liberalisation. A member requested that a paper by Linda Lennard on competitive markets and low-income consumers, referred to in the Panel consultant's paper on mobile termination, be copied to members. Bob

Warner would follow up mobile issues related to hearing impairment. The Panel would provide the MSA team with a note on mobile issues of importance to the Panel.

AP10 Panel to provide Ofcom with its criteria in relation to mobile termination rates and its finalised consultant's paper.

AP11 Linda Lennard's paper to be copied to Panel members.

AP12 Bob Warner to consider mobile issues related to consumers with a hearing impairment.

AP13 Support Team to draft a note to the MSA Team on Panel mobile issues.

8. Panel work programme

8.1 Panel members had received an information paper on the Panel's present work programme and a discussion paper on a draft and future work programme. The draft work programme was based on earlier discussion at the Panel's November strategy day and on email exchanges with Panel members. Members engaged in a careful reading of the future work programme document, making drafting comments and suggestions, and there was agreement to the Panel's approach to its work: its role; its objective criteria for determining its priorities and the strategic priorities identified in the discussion paper. It was agreed that Alistair Bridge would reflect on members' comments and make drafting changes to the work programme for discussion at the next Panel meeting. During discussion of the work programme it was agreed also that a recent presentation providing some early thinking on the idea of a universal broadband commitment would be circulated to members.

AP14 Alistair Bridge to redraft the Panel's future work programme for discussion at the January 2009 Panel meeting.

AP15 Paper on broadband and universal service to be copied to members.

9. Pay TV

9.1 Panel members had received a paper providing an update on Ofcom's pay TV market investigation. Colleagues from Ofcom's pay TV team were present for discussion. They were in the process of examining responses to a public consultation that had closed on 9 December 2008 and were meeting stakeholders to discuss issues raised in the consultation, in particular those in relation to a proposed wholesale must-offer remedy. Ofcom expected to publish a further document in Spring 2009. There was brief discussion of wholesale issues, bundling of channels and economic efficiencies. The Chair confirmed that the Panel was in broad agreement with Ofcom's approach to pay TV. The pay TV team had last met with the Panel in June 2008 and reported that in the interval the Virgin Media/ Sky basic channels dispute had been resolved.

10. Monthly report

10.1 Alistair Bridge summarised a number of issues on the agenda of the Panel support team over the next few weeks. These included management of the flow of information to Panel members; meetings and agenda planning; revision of the new work programme; and recruitment of a policy adviser.

11. Any other business

11.1 It was agreed that members contact details would be shared.

AP16 Secretary to circulate members' contact details.

.....Chairman

.....Date