

Minutes of the 80th meeting of the Communications Consumer Panel

on 14 September 2011 at 9.30 hours

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

Present

Consumer Panel

Bob Warner (Chair)
Fiona Ballantyne
Kim Brook (ex-officio member)
Colin Browne
Chris Holland

In attendance

David Edwards
Fiona Lennox
Ofcom colleagues (items 3 - 9)

Apologies

Roger Darlington
Maureen Edmondson

1. Declarations of interest

1.1 Chris Holland was attending his first Panel meeting and the agenda included an item on the analysis of ADR adjudications. It was **NOTED** that he had been a founding member of the telecommunications ombudsman service (Otelo), a member of the service's Council and, until March 2011, a non-executive director of the Ombudsman Service Ltd. He had been Chairman of the Otelo Members Board between 2006-11.

2. Minutes of the meeting on 6 July 2011, matters arising and progress on actions

- 2.1 Members **APPROVED** the draft minutes for signature by the Chair, subject to a minor amendment.
- 2.2 Members had received an updated actions list.
- 2.3 Fiona Lennox would follow-up a Panel request for data on the % of the population that did not have switching options with Ofcom's research team.
- 2.4 An Ofcom information paper on protecting audiences in an online world would be provided to the Panel as part of the October meeting papers.
- 2.5 Members **NOTED** the information in the latest Panel Implementation Plan, providing a summary and strategic overview of Panel activities.

3. Consumer Group update

- 3.1 Members had received copies of an update paper from Ofcom's Consumer Affairs team. Discussion included:
- Ofcom's statement on auto-renewable contracts was welcomed as it confirmed prohibition of mechanisms that would require consumers to opt out of contract renewals;
 - financial penalties in excess of £1M imposed recently by Ofcom on communications providers appeared to be at an appropriate level.

3.2 The Panel Chairman reported that informal discussion with Ofcom had indicated that Ofcom was likely to respond to the BIS *Empowering and Protecting Consumers* consultation. The Chairman would be meeting BIS the following week.

3.3 An Ofcom colleague joined the meeting and discussion touched on issues that included:

- the Communications Review - which was expected to result in a Green Paper later in the year and to focus on broadcasting;
- concern about the upward trend of fixed-line call charges since the end of retail price control;
- imminent regulation of Post by Ofcom;
- an Ofcom project to examine micropayment issues - the Panel wished to engage with the project;
- and Ofcom's switching project, an October consultation covering fixed-line and broadband services, with separate work on cable to be followed by mobile services.

4. Complaints data

4.1 Members had received copies of charts illustrating complaints about fixed line, fixed broadband and mobile received by Ofcom. Initial reactions were:

- Members wished to understand why 3UK had generated a higher level of complaints for most months in the period October 2010 to June 2011 than the other mobile providers;
- it would be useful to compare Ofcom's data with similar information from the two ADR schemes and with complaint levels in other sectors.

4.2 Ofcom colleagues joined the meeting and discussion included the following points:

- in the following week Ofcom would be publishing Telecoms Complaints Q2 (April to June) 2011, the second edition of its quarterly complaints report;
- the second edition lowered the market share for inclusion in the report and this would mean that two additional providers would come within the scope of the publication;
- the increase in complaints against 3UK appeared to have been driven by complaints relating to disputed charges and customer service issues;
- it could be useful to insert an average line in the various charts and to include data to allow comparison of provider performance over an extended period;
- the Ofcom team would continue to consider a number of issues related to complaints data, including complaints categories and the Ofcom WebFirst initiative.

5. Analysis of ADR Adjudications

5.1 Members had received a paper and a copy of the Ofcom commissioned consultancy study *Analysis of ADR Adjudications*. Ofcom had been reassured by the report's findings on the fairness of the ADR outcomes and was now planning to work with the consultants and the ADR schemes to develop a set of guiding principles and a more formal compensation scale. There was a brief discussion of the differences between the two schemes, including the time taken to resolve cases. New ADR-related rules had been introduced by Ofcom

in January and their efficacy would be subject to review. The Panel would be pleased to assist Ofcom in its work on the guiding principles.

6. Mobile coverage

6.1 The Panel was pleased that Ofcom was taking mobile issues seriously but recognised that funding for additional base stations was a significant challenge. Ofcom was undertaking work to understand the costs of improving coverage, and the wider benefits that could ensue, and was engaging with mobile operators and the UK Government on coverage issues.

6.2 Ofcom colleagues joined the meeting for discussion. It was **NOTED** that in early October the Ofcom team would be presenting a paper to the Ofcom Board on the 800MHz/2.6GHz award, and on its analysis of related coverage and mobile not-spot issues.

7. Annual Plan

7.1 Ofcom had begun to consider its Annual Plan 2012/13 and the Ofcom team had initiated meetings with Group Heads and Ofcom boards and committees. At this stage the team was seeking a general brainstorm, using last year's key priorities based on Ofcom's strategic purposes, the outcomes of those priorities and the specific work areas that had been identified for helping communications markets work for consumers.

7.2 Members identified a number of 'top of mind' issues for the team to consider in the Annual Plan process including:

- competition and pricing in the retail fixed line call market;
- rural broadband infrastructure and competition;
- switching and the need to improve consumer confidence and awareness, as well as switching processes; issues of customer ease in relation to the cost, time and hassle of switching;
- use of online data;
- use of phones for micropayments;
- and traffic management issues.

7.3 Annual Plan 2012/13 priorities would be discussed by Ofcom's Board in October. The Panel **AGREED** to re-engage with the draft Annual Plan at the November Panel meeting.

8. BIS consultation

8.1 Members commented on a draft of the Panel's response to the BIS consultation *Empowering and protecting consumers*. It was **AGREED** that the response would be updated, copied to members for comment by the following week and submitted by 27 September.

9. Local TV

9.1 An Ofcom colleague joined the meeting to give an update on Local TV and next steps. The Government had published its framework document in July and geographic interleaved spectrum would be the delivery model with a single entity to operate the multiplex. In August the Government published a list of 65 towns and cities across the UK at which Local TV would be technically possible and expressions of interest had been invited. DCMS was

drafting legislation to put a new licensing regime in place and Ofcom would consult on the latter once legislation had been laid. The first licences were expected to be in place in Q3 2012. The Panel wished to be kept informed of developments.

10. Digital participation

10.1 In its 2011/12 Workplan the Panel had identified digital participation as one of the substantial proactive areas that it wished to focus on. Members had received a paper and supporting documentation on a potential research project. It was proposed that existing data sources be mined for relevant findings, to be followed by a qualitative fieldwork including interviews with internet users, key stakeholders and practitioners. The project would answer the questions: What works to get and keep people online? How can people get the most out of being online? The Panel **AGREED** to take forward the proposal. Fiona Ballantyne would work with Fiona Lennox to do so. The next steps would be to develop a brief following a further brainstorm session with Ofcom research colleagues and dialogue with external stakeholders. On completion, it would be useful to map the findings from the project against the Panel's consumer framework for digital participation.

11. Communications update

11.1 The Panel noted an update on recent coverage of the Panel's work in the media - much of it focussing on the Panel's campaign calling for increased mobile coverage and, in particular, interviews given to the BBC and an item on The World Tonight.

12. Any Other Business

12.1 Members **NOTED** that the Panel's response to Ofcom's *An approach to DAB coverage planning* consultation would be submitted that day.