

Minutes of the meeting of the Communications Consumer Panel and ACOD

on 18 January 2018 at 10.30

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

Present

Consumer Panel/ACOD

Jo Connell (Chair)

Amanda Britain (by telephone)

Jaya Chakrabarti

Rick Hill

Chris Holland

Craig Tillotson

In attendance

Jenny Borritt

David Edwards

Adam Gayton

Millie Hyde-Smith

Fiona Lennox

Colleagues from Futuresight (item 10)

Other Ofcom colleagues

1. Welcome and introduction

1.1 The Chair welcomed members and attendees to the meeting.

1.2 It was **NOTED** that Lord Burns had taken up the role of Ofcom Chairman on 1 January 2018. It was further **NOTED** that the recent Cabinet reshuffle had resulted in some ministerial changes of relevance to Ofcom, including the appointment of a new Secretary of State for Digital, Culture, Media and Sport and a new Minister for Digital and the Creative Industries.

1.3 There were currently two Member vacancies. It was reported that ministerial approval had been received for one appointment and that interviews had taken place in Cardiff in December for the role of Member for Wales.

2. Declarations of Members' interests

2.1 There were no new declarations.

3. Minutes of the meeting on 14 December 2017 and matters arising

3.1 Subject to minor amendment, the minutes of the meeting of 14 December were **APPROVED** for signature by the Chair.

3.2 Regarding consumer migration to IP networks, Members were provided with further data (actual numbers behind percentage figures) and details of any relevant correlations, eg between people neglecting to charge their mobile phones on a regular basis and reporting poor coverage.

3.3 There would be further dialogue with Ofcom concerning its Consumer Engagement research sample.

3.4 Ofcom had published its Connected Nations 2017 report. A Member commented that there could be value in inclusion, in future iterations of the report, of the profile of consumers experiencing multiple forms of disadvantage, eg a disability and having neither mobile coverage nor broadband. The 2018 report was currently at the scoping stage and this suggestion would be shared with the relevant Ofcom team.

3.5 It was **NOTED** that a colleague from the Competition and Markets Authority would attend the next Panel meeting to discuss its work on parcel surcharging.

4. Consumer update

4.1 Ofcom colleagues joined the meeting. An update paper had been provided to give Members an overview of Ofcom's consumer priority work areas, progress, next steps and milestones.

4.2 There was discussion of issues arising from the paper including nuisance calls, enforcement and other work would continue and Ofcom would consider whether additional or different measures were required; mobile switching, Ofcom had just published a statement and Members would receive a further update by email, including whether Ofcom's mobile and broadband checker app was leading consumers to switch; comparing service quality, a successful workshop had considered how to improve and disseminate future reports and the Panel had taken part; improving consumer engagement, Ofcom planned to publish research in April; broadband USO, DCMS had confirmed that the regulatory route would be pursued and Ofcom was forming a project team that would engage with the Panel; broadband speeds information, a statement was being drafted on a new industry CoP and consumer guidance would be prepared; review of call costs, Ofcom was gathering evidence, including research amongst DQ users and hoped to engage with the Panel at its next meeting; ADR, the schemes had been asked to introduce changes and May would be an opportune time to report progress to the Panel; Next Generation Text Relay enhancement, the Panel requested an update; migration to VoIP, the Ofcom team was working to develop policy and would engage with the Panel at the next meeting; and mobile coverage, Ofcom was assessing whether 4G coverage obligations had been met and the Panel suggested that there could be learnings for release of 700 MHz spectrum.

4.3 There was brief discussion of priority fault repair schemes, as a means of identifying vulnerable consumers and the importance of promoting its availability; and the enhanced provision available in the energy sector (a Priority Services Register) was highlighted. In addition, in the context of migration to VoIP, in its thinking Ofcom was encouraged to consider 'essential services' as being more than 999 services, eg with the inclusion of telecare and personal alarms. Ofcom had raised a Panel concern about a particular MNO's mobile data allowance and expected to be able to update the Panel shortly.

5. Political update

5.1 Ofcom colleagues joined the meeting and updated Members on two topics: broadband USO and the Government's Consumer Green Paper.

5.2 The Government having decided to pursue a regulatory route, a 10 Mbps broadband USO download and 1Mbps upload speed was expected to take Ofcom two years to implement, following the necessary secondary legislation and meeting the Government's commitment of give everyone access to high speed broadband by 2020. Much of the detail remained to be determined, including funding, demand aggregation and whether there would be a single or multiple universal service providers. A Panel Member's suggestion of a live bidding process for particular geographical regions would be shared with Ofcom's project team.

5.3 The Consumer Green Paper was due to be published in the Spring and the Ofcom colleague highlighted areas of consumer interest expected to be covered in the Green Paper.

5.4 Reference was made to recent reports published by the NAO, *Vulnerable consumers in regulated industries*, and MoneySavingExpert.com, *Sharper teeth: The consumer need for ombudsman reform*. A political update would be provided at the March Panel meeting.

6. Early termination charges

6.1 Ofcom colleagues joined the meeting to update the Panel on Ofcom's own-initiative investigation of Virgin Media's early termination charges (ETC). This included an issue of concern to the Panel, when a customer terminates service because of a house move and Virgin services are not available at the new address (and a further level of vulnerability was highlighted: that of private tenants who may have no choice about moving home). It was the Panel's view that in those circumstances there should be no ETC. Members **NOTED** that Ofcom was considering providers' policies on ETCs more generally.

7. Ofcom research update

7.1 An Ofcom colleague joined the meeting and Members had received a paper to update them on recently completed research projects and details of current and forthcoming projects. Ofcom would be holding a Children's Media Literacy event at Riverside House later in the month and a Member suggested that similar events in the Nations would be of interest to stakeholders. A number of issues and queries came up in discussion, including Ofcom's ability to identify consumers choosing not to have a mobile and its ability to make a case for additional regulatory powers when it felt they were necessary - additional feedback would be provided by email.

8. Standalone landline telephone services market review

8.1 Ofcom colleagues joined the meeting and briefed members on work undertaken to address detriment experienced by BT's standalone landline

customers (ie customers solely with a BT landline and no other telecommunications service) that had resulted in BT's voluntary reduction in line rental charges for those customers. There would be further work with BT on messaging to customers, on potential savings and information on switching.

8.2 There was discussion of issues including rebates for customers who had paid their line rental in advance; customer inertia in the land-line only market and a need for competitive offerings; price matching by other providers; and the importance of friends and family in providing advice to older or vulnerable consumers. Following a discussion with the Ofcom team at the December meeting, the Panel was still very concerned that the approach being developed by Ofcom and BT might mean that the price correction would not be available to all BT stand-alone landline customers (for example, 'split purchasers' who buy broadband from another provider or have a second broadband line) and will consider how best to raise this important matter formally with Ofcom.

9. Ofcom's Proposed Annual Plan 2018-19

9.1 Members had received a paper and an Ofcom colleague joined the meeting to update the Panel on Ofcom's Proposed Annual Plan 2018-19, that was currently being consulted upon. Stakeholder engagement events were being held in the Nations and the Panel had been represented at an event held at Riverside House.

9.2 There was discussion of issues including the Plan's welcome focus on vulnerable consumers; value in linking proposed actions with desired outcomes; reduction in nuisance calls, which the Panel felt should remain a priority and designated as an Ofcom goal; value in a specific Ofcom project to improve customer service and complaint handling; and inclusion of references in the Plan to microbusinesses. The Panel would submit a formal response to the consultation.

10. Panel effective complaints handling research project

10.1 Colleagues from Futuresight and an Ofcom colleague joined the meeting to update Members on the latest findings emerging from the Panel's current research project, comprising a series of in-depth qualitative interviews and desk research. Members were taken through the themes identified to date, including some positive stories; consumer experiences of making formal complaints and customer service; experiences of customer service in other sectors; and reasonableness versus expressions of anger in getting complaints resolved. The Panel would be updated further at its next meeting.

11. Any other business

11.1 A Member reported briefly on a DEFRA event on communications in rural areas.

11.2 The Panel had received responses from two MNOs about their practice of continuing to charge customers for handsets following the expiry of their

fixed term deals, ie when they had already paid for their handsets. The Panel would consider how best to pursue this practice, ie to end overcharging. A response from the remaining MNO remained outstanding.

11.3 Members were requested to provide any suggestions for new Panel research projects by email.

11.4 A letter would be emailed to stakeholders, informing them about the work of the Panel and inviting them to respond if they wished to engage with the Panel.

.....ChairDate