

Minutes of the meeting of the Communications Consumer Panel and ACOD

on 21 March 2019 at 10.30

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

**Present**

Consumer Panel/ACOD

Jo Connell (Chair)

Amanda Britain

Rick Hill

David Holden

Chris Holland

Karen Lewis

Richard Spencer

Craig Tillotson

Richard Williams

Apologies

Kay Allen

In attendance

Jenny Borritt

David Edwards

Fiona Lennox

Colleagues from PwC (item 7)

A colleague from the UK Regulators Network (item 8)

Ofcom colleagues

Item
<p><b>1. Welcome and introduction</b></p> <p>The Chair welcomed Members and attendees to the meeting, David Holden, in particular, who was attending his first Panel/ACOD meeting. This would be the last meeting for Jo Connell, following a successful period of nine years as Chair of ACOD and subsequently of both ACOD and the Panel.</p> <p>The Chair spoke briefly about her attendance, the previous day, to report to the Ofcom Board on Panel/ACOD activities.</p>
<p><b>2. Declarations of Members' interests</b></p> <p>Chris Holland reminded the Panel of his role as the Independent Complaints Reviewer for CEDR (Centre for Effective Dispute Resolution) ahead of item 11.</p>
<p><b>3. Minutes of the meeting on 21 February 2019 and matters arising</b></p> <p>Subject to minor amendment, the minutes of the meeting of 21 February</p>

were **APPROVED** for signature by the Chair. Matters noted:

- A summary of data provided by the Institute of Customer Service and segmented into individual services within the communications sector would be copied to Members.
- Members noted that the EU Electronic Communications Code did not include a definition of ‘end-users with disabilities’.
- Members confirmed their interest in receiving feedback from Ofcom bilateral meetings with communications providers (CPs) held to discuss compliance with GC5.2 on vulnerable consumers.
- It was noted that the Panel had delivered presentations on its *Still Going Round in Circles* research at recent meetings of Ofcom’s National Advisory Committees and at a stakeholder event in Edinburgh. Stakeholder events in Belfast and Cardiff were expected to take place in the near future.

#### 4. Consumer update

The Panel was updated on Ofcom’s consumer priority work areas. Topics discussed by Members included:

- Nuisance calls; Ofcom would provide feedback to the Panel from its meetings with CPs to discuss network blocking and customer managed solutions.
- Complaints handling; Ofcom would be preparing learnings from industry best practice and was considering the option of an industry workshop. In the meantime, the Ofcom team would be invited to update the Panel further.
- Standalone voice engagement trials, the Ofcom team would be invited to update the Panel.
- Implementation of automatic compensation; the industry scheme was due to go live on 1 April and Members noted that Ofcom was preparing a media launch.
- Migration to VoIP; the Panel stressed the importance of maintaining network resilience.
- A recent media story concerning a failure by mobile network operators to agree to share infrastructure to fix rural ‘not spots’.

#### 5. Ofcom Consumer Policy Priorities: Consumer Fairness

Members were briefed on Ofcom’s 2019/20 work plans to secure fairer outcomes for consumers, including an intention to publish a fairness framework based on a series of expected consumer outcomes and the circumstances in which Ofcom would be more, or less, likely to intervene. It was noted that the Financial Conduct Authority had developed a similar framework, published in *Price discrimination in financial services* in 2018. A link to the FCA document would be copied to Members. It was noted that Ofcom intended to hold an external event on consumer fairness at the end of May/early June (jointly with Which?) and would discuss this further with the Panel. Topics raised by Members, included:

- The importance of Ofcom being clear about what it was hoping to achieve and what it meant by ‘fairness’ in its proposed outcomes.

- The risk that CPs could become focussed on those outcomes rather than on the processes to achieve them, eg customer service.
- The need for a mechanism to measure how well outcomes had been achieved.
- Value in a ‘treating customers fairly’ approach across different industry sectors, thereby encouraging a joined-up approach to regulation more generally.
- Compliance with consumer protections should be the minimum expected from CPs, the Panel encouraging an aspirational approach with the expectation that CPs exceed these, including the requirements in the EU Electronic Communications Code.
- A need to include Post in Ofcom’s fairness framework.
- Any targeted interventions that might be necessary to protect more vulnerable consumers should adopt a social model approach, focusing on addressing people’s needs rather than categorising people by disability, for example.
- Inclusion of consumer ‘types’ or illustrative case studies to encourage solutions-based thinking.

It was agreed that Ofcom would update the Panel further in May.

## 6. Post update

Members were updated on Ofcom’s investigation of Royal Mail’s compliance with its quality of service (QoS) performance targets. A Provisional Decision had been published on 5 March 2019 and Ofcom had determined that there were reasonable grounds to believe that Royal Mail had contravened its QoS obligations but did not intend to impose a financial penalty. Royal Mail had until 1 April to make representations prior to a final decision by Ofcom.

Members were briefed on Royal Mail’s breach of its 2<sup>nd</sup> Class stamp price cap (described as an error). The price would rise to 61p on 25 March and for several days would be in breach of the cap of 60p (in place until 1 April). Royal Mail had indicated that the revenue it expected to collect from this mistake would be donated to a charity. The Panel noted that Ofcom was considering whether to open an investigation.

Members made a number of comments:

- Querying Ofcom’s decision not to impose a penalty on Royal Mail.
- Suggesting that Ofcom verify the amount of money Royal Mail would collect from the error in early application of the price rise.
- Querying assessment of adverse weather as a mitigating factor in meeting QoS targets and the efficacy of Royal Mail’s contingency planning.
- Possible value in benchmarking against Amazon’s ability to cope with adverse weather conditions.
- Confirming the Panel’s view that Post should be included in Ofcom’s work programme to secure fairer outcomes for consumers.

**7. Panel research into the experiences of low income consumers**

Members were updated by PwC on the progress of the Panel's qualitative research project on the experience of low income consumers. Members noted that 20 of the 40 interviews had taken place and field work was due to be completed by early April. Members were given a flavour of the interviews to date. PwC would return to the Panel in April to update members further.

**8. UKRN update**

Members were briefed on the draft 2019/20 workplan of the UK Regulators Network, of which Ofcom was a member. Members noted that priorities included work to improve outcomes for vulnerable consumers and to address challenges to future investment, the latter with regulators working together to share expertise on cost of capital and to develop a joined-up approach to infrastructure. The importance of a consistent definition of disability was also noted. The UKRN would be hosting its annual conference shortly and details and invitations would be shared with members, as would a link to the Office of Rail and Road consultation on *Improving Assisted Travel*.

**9. Ofcom Annual Plan 2019/20**

Members were updated on Ofcom's Annual Plan, signed-off by the Ofcom Board the previous day, for publication on 25 March. Members had been copied the draft Plan and commented that:

- Emphasis would best be given to network 'resilience', rather than 'enabling strong, secure networks'.
- Fairness for customers needed to encompass service experience, in addition to issues of pricing, in telecoms and in Post.

**10. ADR Case Acceptance Study**

Members had been copied Ofcom's recent *Review of case acceptance by Alternative Dispute Resolution Schemes* publication and the full report produced by Mott MacDonald. The Panel was briefed on the recommendations arising from the review, these being a need to review and refine the classification of complaints; to refine the process around validation of cases; to refresh understanding of the remit of the ADRs amongst CPs; and that CISAS should track and monitor rejected disputes. Ofcom would be meeting CPs to discuss the recommendations.

**11. Panel workplan**

Members discussed responses to the consultation on its draft work plan and how best the Panel should work to strengthen the consumer voice in communications in 2019/20. Members stressed the importance of appropriate and robust Executive support for the Panel's work. Members were requested to forward any further comments by email.

**12. Any other business**

A draft Members' Code of Conduct (CoC) had been circulated, seeking to cover fulfilment of the different but related functions of both the Panel and ACOD. Members made a number of comments and the draft CoC would be revised and finalised.