

Welsh Consumer Council

Consultation questions

Questions related to Section 3 – Universal Service and the Strategic Review of Telecoms

3. Should mobile technologies be used to help address the existing USO?

Answer

Given the problems relating to the costs of installing fixed lines at remote rural sites, it would seem sensible that mobile technologies could be used to address the USO obligation in these areas. However, as many areas of Wales have limited mobile coverage this would create a new set of obligations.

We believe that a progressive move forward would be for mobile technologies to be used to address the existing USO and that Ofcom Wales should be tasked with ensuring that providers are able to offer coverage of mobile signal based on geography and not population.

Questions related to Section 4 – Special Tariff Schemes and Disconnections

4 Ofcom is seeking views on all aspects of BT's proposals for a new special tariff scheme:

- the tariff structure and levels
- the use of direct debit and monthly payment plan discounts
- the target market of households within the governments' definition of poverty and in receipt of means tested benefits
- the relevant means tested benefits

- the proposed exclusion of IA/CPS and mobile users
- the use of self-declaration and of a credit checking agency to minimise BT's exposure to risk of abuse; and
- the marketing approach.

Answer

We are very concerned at BT's proposals to offer discount to users who pay by direct debit or any other means via a bank account. Their own figures show that 85% of low income households have bank accounts. Our experience shows us that the remaining 15% are those most in need of the discounts as they are likely to be the lowest income group.

We would encourage BT to consider other discount schemes that do not preclude those without bank accounts. The current BT payment card would be a good example of this approach.

At the moment the tariffs do seem overly complicated and so we agree that there should be a simplification of charges. Our work shows that those in social groups D/E are also those most likely to have literacy problems. Therefore, it seems sensible that the tariffs that are designed to help this group are clear and easily understood.

However, we are concerned about the comparison between the charges under the 'In Contact' scheme and the proposed new tariff. Connection moves from £9.99 to £74.99 and line rental per quarter from £9.25 to £14.50. These seem to be significant increases, especially with the current high rate of disconnections.

We agree that the low tariff schemes need a concentrated marketing strategy. Whilst we can see the benefits of involving government agencies and consumer

groups in an awareness-raising scheme, it seems to us that BT itself is the organisation most likely to have direct contact with its customers.

Ofcom's 'mystery shopper' research showed that two thirds of callers to BT's customer service, when claiming affordability problems, were not informed of the USO or pre-pay schemes. We suggest that BT should invest in replicating this research and providing additional staff training where necessary, as an initial marketing plan.

5. Ofcom is seeking views on the three options proposed:

(i) No change to the BT schemes;

(ii) BT's proposed new scheme to replace LUS and IC and

(iii) BT's proposed new scheme to replace LUS and IC but modifications to the Scheme would be required.

Answer

We would support option (iii) but with the proviso that the concerns set out above were addressed within the modifications.

Disconnections

6. Ofcom invites comments on Ofcom's view that BT should promote its portfolio of debt management and affordability services more effectively to customers experiencing payment difficulties?

Answer

See answer to question 4.

Questions related to Section 5 – Public Call Boxes ('PCB')

7. Comments are invited on the preferred approach regarding arrangements for the removal of PCBs (ie to retain but modify the existing arrangements), in particular on:

the principle of delegating power to local public bodies to object to PCB removal;

whether there are other bodies that could undertake this delegated power;

an amendment to the definition of "Site";

the appropriate public bodies to have the power to object;

the consultation period for the public body to object;

factors that might be considered in guidance for objecting;

the use and level of a revenue threshold

Answer

The introduction of guidelines for responses would be helpful to the groups to be consulted. We feel that this would certainly make them aware of their responsibility and authority whilst creating a framework for them to work within.

Whilst we feel that the specific guidelines are something that requires further consultation we do feel that there should be a commitment to respond from whichever authority is consulted. A lack of response should not be taken as an acceptable response by either party. Any response can, at least, initiate dialogue.

We would hope that in future the coverage of mobile network in an area could also be a factor to be considered in removal guidelines.

We support the increase of the consultation period from 42 to 90 days. We believe that this will improve the process by allowing more time for responses as well as taking into account the cycle of meetings of the groups to be consulted.

With regards to the definition of a 'site', we feel that this should take into account more than simply the distance between boxes. There should also be some account taken of the accessibility of the box, both in geographical and physical terms.

We would be concerned if removal would be granted on the grounds of revenue threshold. This would ignore the value of the service provided by the PCB, its ability to act as an emergency call point and its role in providing safety, communication and a sense of inclusion to a community.

8. Comments are invited on the approach to defining a Universal Service PCB, in particular on:

whether the use of an algorithm would be a practical, effective, transparent

mechanism for defining a USO PCB; and if so the factors that might be included in the algorithm;

whether there are other alternative methods of defining a USO PCB that could be considered.

Answer

We would not recommend the introduction of an algorithm as a decision making tool in this process. It would seem to be incredibly difficult to create a checklist of requirements that would take into account the wider social uses and impact of the PCB and their individual circumstances.

9. Should the existing requirement on BT and Kingston to offer cash payment facilities in the last PCB at a Site be retained or amended? Please give reasons.

10. Comments are invited on the introduction of emergency and freephone call boxes. In what circumstances could they replace the PCB? Should the local public body have to consent if they are to replace the last PCB on a site?

Answer (9&10)

As mentioned in previous answers, we believe that the lack of mobile phone signal availability in Wales is a matter for concern. Therefore the role of the PCB as an emergency service contact becomes all the more essential.

We believe that the local public body should be consulted before any changes were made to the last PCB on a site to ensure that any essential use is maintained.

As an essential service it is important that the final PCB on a site is as accessible as possible. At the moment this means that there has to be a cash option, which we believe should stay until BT suggests an acceptable alternative.

Questions related to Section 6 – Services for customers with disabilities

11. Do you agree that a feasibility study of a video relay service should be carried out? Comments are invited on the scope of such a study.

12 Ofcom invites views on a Stakeholder Advisory Panel including the membership and terms of reference of such a Panel.

13 Do you agree that the relay service could publish an annual plan and report?

14 Ofcom invites views on its conclusion that mobile/email access should not be pursued at this stage.

15 Do you agree that Option 2 (ie maintain existing obligations) offers the best opportunity for improving the accessibility of public call boxes?

16 Do you agree that the obligation should be redefined to apply to all subscribers who are not able to read printed bills and contracts?

G1 Supplementary question: (Annex G). Do you agree that communications providers should be required to consult Ofcom to ensure that the requirements and interests of disabled End-users are fully taken into account in the development and provision of services?

Answers 11-16 & G1

We would agree with the creation of a stakeholder panel and that a feasibility study of a video relay service be carried out.

It also seems sensible to us that, in the interests of greater transparency, the relay service should publish an annual report. Both this and the results of the text relay service feasibility report would be matters for the Stakeholder panel to scrutinise.

We would favour an increase in the current PCB accessibility obligations as, from the evidence offered in the consultation document, it seems that the issue of accessibility has not been improved by the introduction of new PCB designs.

We agree that the obligation of providing billing and agreement material in an appropriate format should be extended to all subscribers.

We would support the requirement on communications providers to consult with Ofcom to ensure the needs of users are taken into account.

Questions related to Section 7 – Provision of a connection upon reasonable request

17. Ofcom invites views on the proposal that there should be a threshold and that Ofcom should consent to BT to charging non-uniform prices above that threshold.

18. If Ofcom were to consent to a threshold, what should the threshold be and what factors should be taken into account in deciding whether or not BT has

complied with its Universal Service obligation?

Answer 17 & 18

We believe that the introduction of mobile phone usage to fulfil the USO obligation could provide useful in these circumstances.

Given the evidence presented which shows that the number of cases that fell into this category were minimal (less than 10) we would support the abolition of the threshold but with the right for BT to appeal if it thought that the request was unreasonable.

Questions related to Section 8 - Functional internet access

19. Do you agree that the guidelines do not require substantive change but only minor amendments to improve information flows and make them clearer?

Answer

We would recommend that investment be focused on improving access to high quality, high speed internet connections.