

Oftel's race equality scheme

Statement issued by the Director General of
Telecommunications

6 March 2003

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Foreword from the Director General of Telecommunications

Oftel's aim is to obtain the best deal for telecommunications consumers in quality, choice and value for money.

The Race Relations (Amendment) Act 2000 placed a general duty on most public authorities to have 'due regard to the need to' eliminate unlawful discrimination, and promote equal opportunities and good race relations. Oftel is one of many public authorities across the country that now has a specific duty to produce a race equality scheme. The race equality scheme is a vital part of putting this duty into practice.

This document sets out Oftel's aims and the practical ways in which it plans to meet its new duties. Oftel's race equality scheme ('the Scheme') is a working document, and will be reviewed and revised regularly. Oftel will report every year on the progress it has made. Like other public authorities, Oftel is learning also about how the new duties will affect it. Oftel is keen to work with other organisations to meet its aim and build on its achievements.

Finally, as Director General of Telecommunications, I would like to express my personal commitment to the aims, objectives and values set out in the Scheme. I am determined that Oftel will meet its targets, both for its employees and, more widely, for the people affected by its policies every year. I know that the dedication and determination of Oftel staff will help me to deliver this agenda, and I intend to provide the leadership and support they need to ensure success.

David Edmonds
Director General of Telecommunications

Summary

S.1 The Race Relations Act 1976 ('the Act'), as amended by the Race Relations (Amendment) Act 2000, gives most public authorities a general duty to promote race equality. Oftel is a designated public authority for the purposes of the Act.

S.2 The duty's aim is to make race equality a central part of the way public authorities work, by putting it at the centre of policy making, service delivery, and employment practice. Under the general duty, public authorities must have 'due regard to the need to':

- a) eliminate unlawful racial discrimination;
- b) promote equal opportunities; and
- c) promote good relations between people from different racial groups.

S.3 The general duty is supported by a series of specific duties. The specific duties are not ends in themselves but provide the steps, methods or arrangements public authorities should follow to help it meet the general duty. One of the specific duties is to publish a race equality scheme.

S.4 In October 2002, Oftel published a consultation document *Oftel's race equality scheme*. This statement summarises the conclusions which Oftel has drawn from the responses made to that consultation and the action which Oftel will now take.

S.5 The Scheme includes a Foreword from the Director General of Telecommunications ('the Director') in which he confirms his personal commitment to the aims, objectives and values set out in the Scheme.

S.6 Chapter 1 sets out briefly the background to the changes to the Act and the duty's aim.

S.7 Chapter 2 sets out Oftel's aim and objectives and provides a brief explanation regarding its three directorates. It refers also to the five new EC Communications Directives, the draft Communications Bill and the new future for communications.

S.8 Chapter 3 outlines how the Scheme will ensure that Oftel meets the requirements of the Act and Chapter 4 deals with the specific duties for employers.

S.9 Oftel sets out a list of functions and policies at Annex A which are considered relevant to the duties under the Act. Two broad areas have been identified, namely consumer issues and internal management. Conversely, Annex B includes a list of functions and policies which are not considered relevant to the duties under the Act.

S.10 A list of those groups, which may be consulted on matters relevant to the duties under the Act, is produced at Annex C. Oftel will use the knowledge and information gathered as it implements the Scheme to review the list.

S.11 Annex D reviews the responses to the consultation in October 2002 and considers the arguments raised in respect of the main issues. It sets out also Oftel's main conclusions on the responses.

Chapter 1

Introduction

1.1 The murder of Stephen Lawrence in 1993, and the following inquiry set up by the Home Secretary in 1997, led to key changes in people's understanding of good race relations in Britain.

1.2 In his response to the Stephen Lawrence Inquiry report, the Home Secretary promised to strengthen race legislation. The Act, as amended by the Race Relations (Amendment) Act 2000, is a direct result of that commitment.

1.3 The Act gives most public authorities a general duty to promote race equality. Set out in section 71(1) of the Act, the duty applies to all public authorities listed in Schedule 1A. Ofstel is a designated public authority for the purposes of the Act.

1.4 The duty's aim is to make race equality a central part of the way public authorities work, by putting it at the centre of policy making, service delivery, and employment practice. Under the general duty, public authorities must have 'due regard to the need to':

- a) eliminate unlawful racial discrimination;
- b) promote equal opportunities; and
- c) promote good relations between people from different racial groups.

1.5 The general duty is supported by a series of specific duties. The specific duties are not ends in themselves but provide the steps, methods or arrangements public authorities should follow to help it meet the general duty. One of the specific duties is to publish a race equality scheme.

1.6 The Scheme follows formal consultation on Ofstel's proposals for its race equality scheme published on 15 October 2002: *Ofstel's race equality scheme* (available at: http://www.ofstel.gov.uk/publications/about_ofstel/2002/res1002.htm). It summarises Ofstel's approach to race equality and its corporate aims. It sets out also how Ofstel's plans to carry out each part of the specific duty – in other words, its arrangements for:

- a) assessing and consulting on the likely impact of its functions and policies on the promotion of race equality;
- b) monitoring its functions and policies for any adverse impact on the promotion of race equality;
- c) publishing the results of such assessments, consultation and monitoring;
- d) ensuring public access to information and services which it provides; and
- e) training staff in connection with the duties imposed by the Act.

1.7 Enquiries about the Scheme should be addressed to:

Neil Paterson
Project Manager
Race Equality Scheme
OfTel
50 Ludgate Hill
London EC4M 7JJ

Tel: 020 7634 8732
Fax: 020 7634 8847
Email: neil.paterson@oftel.gov.uk

Chapter 2

The Office of Telecommunications

2.1 The post of the Director was created under the Telecommunications Act 1984 to regulate the newly privatised BT, to oversee the emerging telecommunications market in the UK and to create the conditions for competition.

2.2 The Office of Telecommunications (OfTel) is a non-ministerial government department which was created to support the Director in the performance of his duties and functions as the regulator for the telecommunications industry.

2.3 The statutory duties of the Director are set out in section 3 of the Telecommunications Act 1984. The Director has a number of duties, which include the following:

- a) promoting the interests of consumers;
- b) maintaining and promoting effective competition;
- c) making sure that telecommunications services are provided in the UK to meet all reasonable demands, including:
 - i) emergency services;
 - ii) public call boxes;
 - iii) directory information; and
 - iv) services in rural areas.

2.4 OfTel's aim to obtain the best deal for consumers in quality, choice and value for money is achieved primarily through promoting effectively competitive electronic communications markets. OfTel intervenes to protect consumers where competition is insufficiently established or where there are special features of networks which require intervention.

2.5 OfTel believes this aim can be achieved through the pursuit of four high level objectives:

- a) effective competition - benefiting consumers;
- b) well informed consumers;
- c) adequately protected consumers; and
- d) prevention of anti-competitive practice.

2.6 OfTel currently employs some 240 staff in its three directorates each of which are accountable via their senior staff to the Director. The three directorates are:

- a) Regulatory Policy Directorate which is responsible for the development and review of telecommunications regulation in the UK. It works closely with the European Commission, Department of Trade and Industry, other utility,
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competition and communications regulators in the UK and abroad, consumer bodies and the telecommunications industry;

- b) Compliance Directorate which is responsible for ensuring that individuals and organisations, which operate under a Telecommunications Act licence, comply with their licence obligations. Oftel also has concurrent powers with the Office of Fair Trading under the Competition Act 1998 to ensure that companies do not engage in anti-competitive activity; and
- c) Business Support Directorate which manages the personnel, finance, accommodation and IT functions within Oftel.

2.7 To find out more about Oftel and its work you can visit the Oftel web site at www.oftel.gov.uk, phone Oftel's Research and Information Unit on 020 7634 8761 or send an e-mail to infocent@oftel.gov.uk.

A new future for communications

2.8 Four new EC Communications Directives ('the Directives') which entered into force on 24 April 2002 seek to further converge and harmonise communication regulation throughout the European Community. The Directives require the UK to change the way electronic communications networks and services are currently regulated from 25 July 2003. The Directives are:

- a) Directive 2002/19/EC of the European Parliament and of the Council of 7 March 2002 on access to, and interconnection of, electronic communications networks and associated facilities (Access Directive);
- b) Directive 2002/20/EC of the European Parliament and of the Council of 7 March 2002 on the authorisation of electronic communications networks and services (Authorisation Directive);
- c) Directive 2002/21/EC of the European Parliament and of the Council of 7 March 2002 on a common regulatory framework for electronic communications networks and services (Framework Directive); and
- d) Directive 2002/22/EC of the European Parliament and of the Council of 7 March 2002 on universal service and users' rights relating to electronic communications networks and services (Universal Service Directive).

2.9 There is a further new EC Communications Directive which entered into force on 12 July 2002. This is Directive 2002/58/EC of the European Parliament and of the Council of 12 July 2002 on the processing of personal data and the protection of privacy in the electronic communications sector (Directive on privacy and electronic communications). It must be implemented by 31 October 2003.

2.10 A new section has been added to Oftel's web site to provide information on the Directives and Oftel's implementation plan. The relevant pages can be found at http://www.oftel.gov.uk/ind_info/eu_directives/index.htm

2.11 The new regime required by the Directives is intended to be implemented in the UK by the draft Communications Bill ('the Bill'), which was published jointly by

the Departments for Trade and Industry and Culture, Media and Sport for consultation on 7 May 2002. A copy of the Bill and an update on its progress can be found at www.communicationsbill.gov.uk. Copies are also available from The Stationery Office Limited by phoning 0870 600 5522.

2.12 The Bill will give effect also to the Government's proposals for the reform of the regulatory framework for the communications sector. The main provisions in the Bill include the transfer of functions to the Office of Communications (Ofcom) from the bodies and office holders which currently regulate the communications sector. As a result of the proposals Oftel will cease to exist in its current form and will be merged into Ofcom.

2.13 You can also find out more about the Directives and the Bill by phoning Oftel's Research and Information Unit on 020 7634 8761 or by sending an e-mail to infocent@oftel.gov.uk.

Chapter 3

Meeting the general duty

3.1 The Director has overall responsibility for the Scheme. Oftel has formed a project team with responsibility for implementing and for co-ordinating the day-to-day running of the Scheme. The appointed contact at Oftel for groups and individuals affected by the Scheme is:

Neil Paterson
Project Manager
Race Equality Scheme
Oftel
50 Ludgate Hill
London EC4M 7JJ

Tel: 020 7634 8732
Fax: 020 7634 8847
Email: neil.paterson@oftel.gov.uk

3.2 Oftel will review annually its progress in implementing the Scheme and in complying with the duties under the Act. The review's findings will be incorporated into Oftel's annual report and placed on Oftel's web site. Oftel is committed also to conducting a review of the Scheme within five years of its publication. These commitments are dependent on the timing of the transfer of Oftel functions to Ofcom.

Identifying relevant functions and policies

3.3 'Functions' means the activities which Oftel performs under its duties and powers. It covers internal and external functions, including service delivery.

3.4 'Policies' means the full range of formal and informal decisions Oftel makes in carrying out its functions, and all the ways in which it uses its powers – or decides not to. Any assessment of a policy should therefore include an examination of long-standing 'custom and practice' and management decisions, as well as any formal written policy.

3.5 'Relevant' means 'having implications for' (or affecting) the general duty. A function or a policy will be relevant if it has, or could have, implications of any kind for promoting race equality.

3.6 Oftel's management plan 2002/3 updates Oftel's strategy to meet its objectives and sets out its projects, programmes and budget for 2002/3. A copy of Oftel's management plan is available from Oftel's Research and Information Unit by phoning 020 7634 8761 or by sending an e-mail to infocent@oftel.gov.uk. It can be

found also on the Oftel web site

at http://www.oftel.gov.uk/publications/about_oftel/2002/mapl0402.htm

Stage 1 screening process

3.7 Oftel referred to its management plan 2002/3 and undertook a screening process. The screening process involved a systematic review of existing and proposed functions and policies. The following criteria were considered:

- a) Is there any evidence of higher or lower participation or uptake by different racial groups?
- b) Is there any evidence that different racial groups have different needs, experiences, issues and priorities in relation to the particular function or policy?
- c) Is there an opportunity to eliminate unlawful racial discrimination, better promote equality of opportunity or promote good relations between people from different racial groups by altering the function or policy or working with others in government or in the larger community? and
- d) Have consultations with relevant groups, organisations or individuals indicated that particular functions or policies create problems which are specific to them?

3.8 Oftel identified significant areas of its work which could be relevant to:

- a) eliminate unlawful racial discrimination;
- b) promote equal opportunities; and
- c) promote good relations between people from different racial groups.

Stage 2 screening process

3.9 Oftel consulted separately on 15 October 2002 *Oftel's race equality scheme* (available at http://www.oftel.gov.uk/publications/about_oftel/2002/res1002.htm) with a view to establishing:

- a) Whether consultees considered that any of the functions and/or policies, identified by Oftel as relevant to the duties under the Act, weren't relevant to the Scheme;
 - b) Whether consultees considered that any of Oftel's other functions and/or policies were relevant to the duties under the Act and therefore relevant to the Scheme;
 - c) Which of the functions and/or policies, if any, identified by Oftel as relevant to the duties under the Act, raised particular racial implications for consultees;
 - d) Which of the functions and/or policies, if any, raised significant racial implications which consultees considered merited a full impact assessment; and
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e) If there was merit in adding further questions to the criteria in paragraph 3.7 which might assist Oftel in forming a view on whether a function or policy is likely to have significant racial implications.

3.10 A summary of the responses to the stage 2 screening process is set out at Annex D.

Conclusions of the screening process

3.11 Oftel has set out a list of functions and policies at Annex A for which a positive answer to one or more of the criteria in paragraph 3.7 was identified and considered therefore as relevant to the duties under the Act. Two broad areas have been identified, namely consumer issues and internal management.

3.12 Oftel's functions which relate purely to the promotion of network competition and other inter-operator matters do not, in Oftel's view, raise significant equality issues themselves. They do however have the potential to raise equality issues downstream by the impact which these activities may have on consumers. It is Oftel's view however that these issues will be addressed in examining the policy areas referred to in Annex A which are aimed at securing the best deal for consumers in terms of quality, choice and value for money. This necessarily includes the promotion of equality between users wherever they may reside within the UK.

3.13 Oftel has set out also a list of functions and policies at Annex B for which a positive answer to one or more of the criteria in paragraph 3.7 was not identified and considered therefore as not being relevant to the duties under the Act.

3.14 Oftel will review annually the relevance of its functions and policies.

Arrangements for assessing and consulting on the likely impact of proposed policies

3.15 Assessing the likely impact of a proposed policy should help to identify whether that policy might have a different impact on some racial groups, and whether it will contribute to good race relations.

3.16 Oftel will refer to its management plan to identify policies which could be relevant to:

- a) eliminate unlawful racial discrimination;
- b) promote equal opportunities; and
- c) promote good relations between people from different racial groups.

3.17 Oftel will consider also the criteria listed in paragraph 3.7.

3.18 Like most public authorities, Oftel will not have to assess the impact of every policy. Oftel will determine the level of assessment and consultation in each case.

To decide whether it needs to carry out a full impact assessment, Oftel will make an initial assessment or screening based on information it has. If this screening shows that racial groups will not be affected differently by the policy, or that the policy has a very low relevance to race equality, then Oftel will not move to the next level of assessment. However, Oftel will reassess this if it finds evidence that contradicts this during other monitoring or consulting exercises.

3.19 When carrying out a full impact assessment, Oftel will:

- a) set clear policy aims and objectives;
- b) collect existing ethnic data and commission research if necessary;
- c) use the data to decide whether the policy is likely to affect different racial groups, directly or indirectly, in different ways;
- d) consider changes to the policy to prevent any adverse impact or unlawful discrimination, while still delivering the aims of the policy;
- e) consult interested parties;
- f) take account of all assessments and consultations before making a final decision on the policy;
- g) monitor and review the policy and its impact; and
- h) publish the results of the impact assessment, consultation, and monitoring.

3.20 Oftel is committed to consulting with all groups which have a legitimate interest in its work (or part of it) and the impact of its functions and policies on eliminating unlawful racial discrimination, promoting equality of opportunity and good relations between people from different racial groups.

3.21 To make any consultation process realistic, Oftel will need to target whom it wants to consult. Oftel will consult therefore those groups which are likely to be most affected by proposed policies. A list of those groups which have been consulted with on this occasion and which may be consulted on matters relevant to the statutory duty is produced at Annex C. Oftel will use the knowledge and information gathered as it implements the Scheme to review the list.

3.22 Written consultation documents will comply with the Cabinet Office code of practice.

Arrangements for monitoring policies for adverse impact

3.23 Monitoring will help Oftel to check whether its policies, operations, and organisational culture are discriminating against some racial groups. Without ethnic monitoring data there is no reliable way of knowing whether discrimination might be taking place or whether policies to prevent or tackle it are working. Monitoring can also help find out why and how discrimination takes place.

3.24 Oftel will collect ethnic monitoring data for the functions and policies listed at Annex A. To do this, Oftel will:

- a) set up monitoring systems for all relevant functions and policies;
- b) analyse data from monitoring;
- c) decide what action is needed to deal with issues identified by the monitoring data;
- d) change functions or policies as appropriate; and
- e) publish the results of monitoring.

3.25 Oftel will decide the best method for monitoring each function, policy or set of policies according to the circumstances in each case. Oftel may often use conventional ethnic record keeping and monitoring but it may use also the following (non-exhaustive):

- a) surveys (qualitative and quantitative), such as written satisfaction surveys or personal interviews; and
- b) public consultation meetings or focus groups.

3.26 Where there is evidence that a particular policy has an adverse impact on the duties under the Act, Oftel will fully review that policy and introduce alternatives or measures to stop the problem. For instance, Oftel published in January 2003 an invitation to tender to carry out research to examine low income consumers' telecommunications needs and uses and, in particular, whether these differ by ethnic group. The research will assist Oftel in deciding where best to focus its resources in terms of raising consumer awareness and assisting consumers to get the best deal from their telephony services.

Arrangements for publishing the results of assessment, consultation, and monitoring

3.27 Publishing these results will increase Oftel's openness and allow it to show that it is committed to promoting racial equality. In time, this should increase public confidence in Oftel – across all racial groups.

3.28 Oftel publishes a wide range of information including (non-exhaustive):

- a) Annual Report;
- b) Management Plan;
- c) policy statements;
- d) guidelines;
- e) research documents; and
- f) leaflets.

3.29 These are widely distributed among its stakeholders and will be the main vehicles for distributing the results of assessment, consultation and monitoring.

3.30 The results will be made widely available, with the fullest use of electronic means (though not to the exclusion of others), and effectively drawn to the

attention of all interested groups and individuals. Oftel may in some cases however keep its sources confidential, in keeping with the Data Protection Act 1998.

Arrangements for making sure the public have access to information and services

3.31 Oftel will make sure that information and services are accessible. In practice, Oftel may have to identify and focus on people who do not appear to know about its services, or who face barriers in accessing them (such as language barriers). It will consider:

- a) the requirements of the Disability Discrimination Act 1995;
- b) its duties under the Freedom of Information Act 2000;
- c) what information needs to be communicated to which groups and how best to achieve this;
- d) what information Oftel currently provides and how it is provided;
- e) the likely demand for information in alternative formats; and
- f) resource implications for Oftel.

3.32 Oftel's Research and Information Unit is the public contact point for all publications, responses to consultation documents and general information queries. It can be contacted by phoning 020 7634 8761 or by sending an e-mail to infocent@oftel.gov.uk.

Arrangements for training staff

3.33 The Director will advise all staff and will circulate a briefing note advising of the key requirements of the Scheme. An unabridged copy of the Scheme will be available to all Oftel staff and details will be incorporated into project management and other procedure guides as appropriate.

3.34 Oftel will make sure that all staff responsible for meeting the general and specific duties under the Act are aware of these and have the skills needed to carry them out. This includes also meeting the training needs of the staff responsible for managing and delivering the Scheme.

3.35 Oftel achieved Investors in People accreditation in October 1999 and was successfully reassessed in November 2000. This helps Oftel to monitor whether the training it offers is properly targeted, and accessible to all its staff. It also formally demonstrates Oftel's commitment to its employees' personal development.

Publication of the scheme

3.36 The Scheme can be viewed in the *Publications* section of Oftel's web site www.oftel.gov.uk, under classification *About Oftel*. Paper copies and more

accessible formats such as large print, Braille, disc and audiocassette and minority languages can be made available on request. It is available free of charge from:

Research and Information Unit
OfTel
50 Ludgate Hill
London EC4M 7JJ

Tel: 020 7634 8761
Email: infocent@oftel.gov.uk

Complaints and comments about the scheme

3.37 Comments on the Scheme are welcome. All comments received will be recorded and responded to. Please see below for details of how to contact OfTel. If you have a complaint or comment about the Scheme, please write to:

Neil Paterson
Project Manager
Race Equality Scheme
OfTel
50 Ludgate Hill
London EC4M 7JJ

Tel: 020 7634 8732
Fax: 020 7634 8847
Email: neil.paterson@oftel.gov.uk

3.38 An investigation of the complaint will be carried out and OfTel will send a written response to the complainant within one month of receipt of the complaint.

3.39 If you believe OfTel's response to your complaint is not satisfactory you may take up the matter with the Commission for Racial Equality (CRE):

CRE
Head Office
St Dunstan's House
201-211 Borough High Street
London SE1 1GZ

Tel: 020 7939 0000
Fax: 020 7939 0001
Email: info@cre.gov.uk

3.40 Please note that the CRE has offices in the Countries and regions and you may be directed to another office. Further information can be found on the CRE web site: www.cre.gov.uk

Chapter 4

Meeting the specific duties for employers

Employment duties – monitoring employment

4.1 The general duty is supported by a series of specific duties. The specific duties are not ends in themselves but provide the steps, methods or arrangements public authorities should follow to help meet the general duty. Oftel is committed to meeting the general and specific duties.

4.2 Oftel must meet the specific duties for employers. This duty requires Oftel to monitor, by racial group, the number of:

- a) staff currently working for Oftel;
- b) applicants for employment, training, and promotion;
- c) staff who receive training;
- d) staff who benefit or suffer from performance appraisals;
- e) staff who are involved in grievance procedures;
- f) staff who are the subject of disciplinary action; and
- g) staff who end their service with Oftel.

4.3 Oftel must also publish the results of this monitoring annually.

4.4 The following table shows what activities Oftel currently monitor:

Activity	Monitoring
Staff currently working for us	Yes
Applicants for employment	Yes
Applicants for training	Yes
Applicants for promotion	Yes
Staff who receive training	Yes
Staff who benefit or suffer from performance appraisals	Yes
Staff who are involved in grievance procedures	Yes
Staff who are the subject of disciplinary action	Yes
Staff who end their service with us	Yes

What will Oftel do?

4.5 Oftel will collect employment monitoring data by racial group for all of the above activities and publish the results of the monitoring each year. Oftel will also analyse the monitoring data to find any patterns of inequality and take whatever steps are needed to remove barriers and promote equality of opportunity. This

may include taking positive action. This allows Ofstel to provide facilities to meet the special needs of people from particular racial groups in relation to their training, education and welfare and to target its job training and recruitment at people from racial groups which are under-represented in a particular area of work.

Diversity awareness group

4.6 There are many aspects to diversity, for instance age, disability, gender, race, religion and work/life balance. Ofstel has established a Diversity Awareness Group (“the Group”) to review progress on diversity issues and discuss what else Ofstel might be doing at improving its understanding and awareness of diversity issues. Where measures are identified to improve understanding of diversity issues, the Group will aim to ensure that, where practical, such measures are implemented. The Group is made up of members of Ofstel staff who volunteered from a wide range of backgrounds but who share an interest in the subject matter.

Equal opportunities statement of policy

4.7 Ofstel has an equal opportunities statement of policy which sets out Ofstel’s commitment to providing equality of opportunity for all its staff, at all times. It promotes a working environment free from discrimination, harassment, bullying and victimisation where everyone is treated fairly and without prejudice. Ofstel values the benefits that a workforce with diverse and varied backgrounds brings to the workplace. It is committed to providing support and encouragement to all Ofstel staff to develop and use their talents and abilities to the full.

4.8 The responsibility for implementing the equal opportunities statement is shared by all Ofstel staff. The Head of Human Resources has been designated as Ofstel’s Equal Opportunities Officer who is responsible for the full range of equal opportunity issues.

4.9 Ofstel prepares and publishes an Equal Opportunities Annual Report which covers a range of diversity and equality issues.

4.10 Enquiries about the equal opportunities statement should be addressed to:

Gill Loader
Equal Opportunities Officer
Ofstel
50 Ludgate Hill
London EC4M 7JJ

Tel: 020 7634 8789
Fax: 020 7634 8967
Email: gill.loader@ofstel.gov.uk

Employers' Forum on Disability

4.11 Oftel is a member of the Employers' Forum on Disability ("the Forum"). The Forum deals with the issue of disability in the workplace, sharing best practice to make it easier to employ disabled people and serve disabled customers.

Annex A

Functions and policies identified by Of tel as relevant to the duties under the Race Relations Act 1976*

* By reference to Of tel's management plan 2002/3

Consumer issues

We set out below Of tel's policies which we consider relevant to:

- a) encourage a greater awareness of choice of services and supplies on the part of consumers from different racial groups;
- b) encourage industry to meet the needs of consumers from different racial groups;
- c) ensure that services are provided at affordable prices and in a way that eliminates racial discrimination; and
- d) encourage industry, wherever feasible to work with consumers from different racial groups, to regulate itself in those areas where a common approach is necessary to meet consumer needs.

Project	Link
Raising consumer awareness (B1)	This project is aimed at ensuring better informed consumers, who are in turn better able to obtain the benefits of competition and have a greater awareness of their consumer rights.
Comparable performance indicators (B2)	CPIs are telecommunications companies audited quality of service statistics which are produced for the benefit of consumers.
Tariff transparency (B3)	Consumers should be able to compare prices of telecommunications services and readily identify the costs of their telephone services.
Consumer codes of practice (C2)	Codes of practice can play an important part in protecting consumers' rights and in offering a higher level of consumer protection and service than the basics set down in consumer law. This project will ensure the development of effective codes of practice.
Universal service obligation (C4)	Consumers should have access to those telecommunications services which are used by the majority and which are essential to full social and economic inclusion; made available to everybody

	on reasonable request in an appropriate fashion and at an affordable price.
Implementation of independent Telecommunications Ombudsman (C10)	The successful implementation of a scheme will provide for the resolution of disputes between consumers and telecommunications companies.
Input to other consumer protection legislation (C11)	To ensure Oftel meets its statutory obligations in relation to non-telecommunications specific legislation concerning consumer protection. Specifically to publish Oftel's equality scheme for Northern Ireland and its race equality scheme. To ensure that Oftel meets its statutory obligations under the Welsh language scheme.
International controls (D4)	The project's objective is to enable consumers to benefit from market forces in the international market, for instance the cost of international direct dialling.

Internal management

We set out below Oftel's internal management projects which we consider relevant to ensuring that Oftel meets the duties under the Race Relations Act 1976.

Project	Link
Consumer representations (C5)	Oftel's Consumer Representation Section (CRS) handles consumer complaints and enquiries. Information is provided to consumer representatives and to individual consumers which allows consumers to make better informed decisions about their choice of service. Telecommunications companies have a greater incentive to address the cause of complaints. CRS will deal with complaints arising under the Act.
Research into consumer views (E3)	Oftel's Customer and Markets Unit (CMU) undertakes and publishes research to support evidence based policy development, implementation, compliance and monitoring arrangements. CMU will be involved in Oftel's monitoring arrangements under its RES.
Human resources (F1)	Human resources ensure that Oftel implements effective strategies, policies

	and procedures for the recruitment, retention, recognition and reward of Oftel staff. Human resources will be involved in meeting the specific duties for employers under the Act.
Learning and development programme (F2)	Oftel's Training and Development Unit (TDU) ensures that Oftel can meet its business objectives by providing high quality training accessible to every member of Oftel staff. TDU will be involved in the arrangements for training Oftel staff under its RES.

Annex B

Functions and policies identified by Oftel as not being relevant to the duties under the Race Relations Act 1976*

* By reference to Oftel's management plan 2002/3

Project	Objective
EU Market review programme (A1)	To ensure that the competition reviews required when new EU Directives come into force are carried out in a timely and efficient manner. Provide ongoing assistance to project managers to ensure that Oftel strategy is applied consistently across reviews and that individual reviews are carried out in an efficient manner.
Competition in mobile markets (A2)	To ensure effective progress towards the development of competition in mobile markets.
Access to radio spectrum (A3)	To ensure that spectrum allocation policy and spectrum pricing promotes the economically efficient use of the radio spectrum. To ensure also that spectrum is used to promote competition in the telecommunications market.
Competition in broadcasting markets (A4)	To develop a policy framework for the promotion of competition in broadcasting markets and to promote understanding of Oftel's regulatory role.
Internet and e-commerce (A5)	To ensure that the UK regulatory framework is appropriate to encourage the development of the Internet, thereby helping the UK become a world leader in e-commerce.
Strategy, development and implementation of broadband networks (A6)	To further develop and implement a strategy for competition in broadband access and services across the UK. To ensure that the rollout of local loop unbundling is in line with the relevant legislation. To monitor the rollout of BT's ADSL products and to ensure that these are in line with regulatory requirements. To ensure that competition exists in the provision of partial private circuits for

	leased lines.
Wholesale market for unmetered Internet access – Flat Rate Internet Access Call Origination (FRIACO) (A7)	To ensure that BT complies with Oftel's Directions in relation to FRIACO at BT's local and regional exchanges, and to ensure that future arrangements for Internet traffic are robust and avoid congestion problems, including by facilitating progress on Internet Protocol (IP) interconnection for calls to Internet services.
Numbering programme (A8)	To ensure the provision of adequate numbers and numbering ranges. To promote customer choice in numbers and efficiency through pre-allocation and the introduction of individual number allocations. To promote the efficient management of numbers by operators through number charging.
Directory enquiries implementation (A9)	To assist the industry in the implementation of new arrangements for Directory Enquiries.
Carrier pre-selection (CPS) (A10)	To ensure the continued successful implementation of permanent CPS.
Number portability (A11)	To promote effective and sustainable competition in the fixed and mobile markets by ensuring that customers can retain their number(s) (if they wish to do so) when switching between providers of fixed or mobile services.
Network interoperability programme (A12)	To ensure that interoperability is effectively managed at network and customer interfaces, on the basis of co-regulation with the industry through the Network Interoperability Consultative Committee (NICC). To support the harmonisation of UK interface and interconnection standards. To support the work of various focus groups including the Operators Policy Forum.
Retail price control (C1)	To protect consumers where competition is not yet effective or in prospect through the implementation, where appropriate, of revised price controls for retail services.
Mobile termination charges (C3)	To protect consumers through the implementation of regulatory controls on the charges for terminating calls on

	mobile networks.
Metering and billing approval scheme (C6)	To enhance consumer confidence in the accuracy of telephone bills and to give wider consumer protection by an effective Oftel Metering and Billing Systems Approval Scheme.
Essential requirements (C7)	To strengthen the Director's ability to meet his obligations in respect of continuation of supply by completing the publication of: <ul style="list-style-type: none"> • guidelines on network security and integrity; and • criteria for restriction of access to the network on the basis of network security and integrity.
Network resilience, business continuity and emergency communication programme (C8)	To develop the processes to co-ordinate, as appropriate, the essential activities of the telecommunications industry during emergencies. Oftel's role is as a facilitator and communications channel between the industry and central government, rather than a directly operational one. Lines of communication will be established with both operators and other government departments. Reporting processes and business continuity plans will be developed in co-operation with the industry.
Supporting the Advisory Committees on Telecommunications (C9)	To assist the Director in his duty to promote the consumer interest, by ensuring that the Advisory Committees on Telecommunications are able to provide him with informed advice in accordance with their statutory duty.
Data protection in telecoms (C12)	To ensure compliance with the requirements of relevant data protection legislation and to input in to the EC review of the Communications Data Protection Directive.
Developments in competition policy programme (D1)	To achieve more effective prevention of anti-competitive practices by ensuring that Oftel contributes effectively to the development and implementation of competition policy in the UK and EC.
Financial information systems programme (D2)	To ensure that Oftel has access to relevant, accurate and timely financial and other information from operators

	designated as having significant market power, market influence or equivalent, to deal effectively with competition and regulatory issues.
Compliance casework programme (D3)	To prevent anti-competitive practice by managing casework and resolve, all cases in the minimum possible time, using the Competition Act wherever appropriate.
Interconnection (D5)	To ensure that effective network competition is supported by the effective operation of the UK interconnection regime.
Retail pricing issues (D6)	To analyse competition effects of BT's pricing proposals.
Competition Act strategy project (D7)	To achieve effective competition and more effective prevention of anti-competitive practices by implementing Oftel's Competition Act strategy ie where Oftel is likely to use the Competition Act as opposed to relying on licence conditions.
Compliance Monitoring Unit programme (D8)	To ensure that compliance issues (such as casework in compliance phase, obligations under licences etc) are effectively co-ordinated and to identify suitable issues for future self and co-regulation.
Compliance casework quality assurance programme (D9)	To develop and operate a robust framework which enables compliance and competition casework to be conducted in an open, transparent and consistent manner.
Communications Bill (E1)	To enable the development of a competitive market for converging services with appropriate consumer protection by working with Government and other stakeholders to update and reform the Telecommunications Act 1984 and the Broadcasting Acts.
General conditions of entitlement (E2)	To draft a set of general conditions of entitlement to replace existing licences for non-significant market power operators, as part of implementing the Directives. Such conditions will apply to those who provide electronic communications networks and/or

	<p>electronic communications services. The conditions will apply under the general authorisation that will be introduced by the Bill or Statutory Instruments implementing the Directives. The general rules will implement the requirements of the Directives as well as the Bill (if appropriate).</p>
Industry data collection programme (E4)	<p>To ensure that Oftel has sufficient information from the telecommunications industry to allow evidence-based policy development by managing the collection and publication of accurate information from telecommunications operators and service providers on an agreed range of services.</p>
Developing international relations (E5)	<p>To improve customer outcomes in the UK by identifying and applying best regulatory practice from elsewhere in the world. To maintain Oftel's international reputation by promoting and explaining the work of Oftel internationally including transferring Oftel's experience of evolving regulation where appropriate.</p>
Stakeholder relationships (E6)	<p>To ensure that Oftel makes full use of the knowledge and experience which stakeholders can bring to Oftel's decision making, and to ensure that stakeholder and Oftel resources are used efficiently and effectively.</p>
Implementation of the new EU Directives (E7)	<p>To ensure that Oftel implements the Directives in a timely and efficient manner.</p>
Ending the licensing regime (E8)	<p>Identify the criteria for notification of networks and services, against which Oftel will be able to identify those operating such networks and/or providing those services and against which fees can be levied. Make the necessary arrangements for existing individual licences to be revoked and for any transitional arrangements relating to the rights and obligations of licensees.</p>
Oftel strategy implementation (E9)	<p>To review key strategic challenges for Ofcom and future Oftel strategy in order to promote opportunities for convergence and to minimise the market distortions</p>

	arising from regulation.
Preparing for Ofcom (E10)	To support the development of Ofcom and ensure a smooth transition for Oftel's responsibilities into the new organisation.
Better information on companies and markets (E11)	To ensure that Oftel policy is informed by up to date market information by monitoring developments in telecommunications companies and related markets, analysing their impact on Oftel's work, disseminating these findings across Oftel.
Communications Code and funds for liabilities (E12)	To develop Oftel's thinking on how Ofcom will grant rights for those involved in electronic communications who wish to make use of the proposed new Communications Code and to update Oftel's policy regarding funds for liabilities. It is intended also to ensure as far as possible that any communications legislation creates a viable and practicable statutory scheme to facilitate the creation of communications infrastructure.
Regulation and corporate structure (E13)	To ensure a rapid and proportionate response by Oftel to any proposals for corporate restructuring that could impact upon UK consumers, including proposals to purchase BT's network or part of its network.
Budget management programme (F3)	To provide an effective finance and accounting service to the department.
Business Assurance Programme (F4)	To promote quality assurance in Oftel's key business processes. To capture, retain, map and distribute Oftel's knowledge effectively. To manage and protect Oftel's information and knowledge assets ensuring continuity and supporting evidence based policy making.
Electronic Records Management System (ERMS) (F5)	To develop, design and implement an electronic records management system which will support: <ul style="list-style-type: none"> • Oftel's obligations under the Public Records Act; • Oftel's knowledge management needs the provision of information to the public and to industry;

	<ul style="list-style-type: none">• future Ofcom plans; and• Oftel's obligations under the Freedom of Information Act.
IS and IT (F6)	To provide efficient and effective Information Systems which support Oftel's business needs and meet the wider objectives of the Modernising Government (Information Age Government) programme.
Communicating Oftel's work to external audiences (F7)	To ensure that Oftel's work is communicated quickly and clearly to external audiences including the public, industry and media.
Research and Information Unit (F8)	To ensure that Oftel's Intranet catalogue is available to all within Oftel. To develop an information review to locate holders of journals, documents, papers etc and encourage inclusion in the catalogue. To ensure that policies and procedures are in place for handling enquiries under the Freedom of Information (FOI) Act, including review of the publication scheme and FOI complaints handling. To deliver the licences part of the public register electronically to stakeholders.

Annex C

List of consultees

Advisory Committee on Telecommunications for Disabled and Elderly
Broadcasting Standards Commission
Cabinet Office
Commission for Racial Equality
Communications for Business
Communications for England
Community Relations Council
Consumer Communications for England
Consumers' Association
Equality Commission for Northern Ireland
Equal Opportunities Commission
General Consumer Council for Northern Ireland
Independent Television Commission
National Association of Citizens Advice Bureaux
National Audit Office
National Consumer Council
National Disability Council
Northern Ireland Advisory Committee on Telecommunications
Northern Ireland Council for Ethnic Minorities
Northern Ireland Human Rights Commission
Office of the Deputy Prime Minister
Ofgem
Of tel trade union representatives
Of tel Investors in People Forum Group
Of tel staff
Of wat
ORR
Radio Authority
Radiocommunications Authority
Refugee Council
Scottish Advisory Committee on Telecommunications
Scottish Consumer Council
Scottish Parliament
Telecommunications Users' Association
Trading Standards Offices (via LACOTS)
Welsh Advisory Committee on Telecommunications
Welsh Assembly
Welsh Consumer Council
Welsh Equal Opportunity Council
Welsh Health Trusts
Welsh Language Board
Welsh Local Government Association
Welsh Refugee Council

Annex D

Summary of responses to the consultation in October 2002

This Annex reviews the responses to the consultation and considers the arguments raised in respect of the main issues. Based on the responses to the consultation Oftel's main conclusions are also set out below.

The responses (non-confidential) can be accessed on Oftel's web site at: <http://www.oftel.gov.uk/publications/responses/2002/ore151002/index.htm>. Paper copies or more accessible formats can be made available on request. Please contact:

Research and Information Unit
Oftel
50 Ludgate Hill
London EC4M 7JJ

Tel: 020 7634 8761
Email: infocent@oftel.gov.uk

Northern Ireland Advisory Committee on Telecommunications (NIACT)

Comments	Oftel's response
NIACT welcomes any moves to improve the amount of consumer information available in other languages. It would welcome also guidelines for telecommunications companies on making multilingual staff available within their customer service facilities.	Where there is clear evidence that the availability of information and services in English is insufficiently accessible, then Oftel will consider making that information and those services available in other languages. Oftel will continue to encourage telecommunications companies to respond to the needs of their customers, for instance bilingual billing, handling telephone enquiries and correspondence.
NIACT referred to significant issues arising in terms of mobile roaming and cross border charging, as many families and businesses in Northern Ireland operate across an international border.	Oftel has been aware of these problems for some time and has been actively pursuing issues regarding international roaming with the industry, NIACT, the Radiocommunications Agency (RA) and the Irish regulator (Comreg). For instance, Oftel published consumer advice in April 2002 on how to reduce international roaming bills. In addition, there is a Memorandum of Understanding between the RA and Comreg, which regulates radio planning

	<p>in border areas. The current measures to inform customers about the problem and how to avoid it are considered sufficient and no further action is therefore necessary. Oftel continues to take an interest in this issue and would be interested to see any new substantiated evidence which would impact on the current policy.</p>
<p>With the implementation of the Telecommunications Ombudsman Service, NIACT suggested that many Northern Ireland people feel discriminated against when dealing with a purely English body, simply because of their 'Irishness'. It suggested also that the remoteness of the province from the rest of the UK contributed to a lack of competition in the region, and a perceived lack of advantages to which the mainland population has access. NIACT therefore encouraged sensitivity to these perceived disadvantages.</p>	<p>These perceived disadvantages have been noted. The Service meets the Criteria for the Recognition of Ombudsman Offices (Schedule 1 to the Rules of the British and Irish Ombudsman Association). The four key criteria, which the Scheme meets, are:</p> <ul style="list-style-type: none"> • Independence; • Effectiveness; • Fairness; and • Public accountability. <p>It is the duty of the Ombudsman to ensure that there are no barriers to the Scheme that could adversely affect consumers' ability to use it. All consumers, (including elderly and disabled people, socially and economically disadvantaged groups, users of other languages and members of different communities, ethnic or otherwise), should, as far as possible, have equal access to the Scheme.</p>
<p>NIACT requested that its Secretariat staff receive similar training to those in Oftel's Human Resources department to ensure that its own recruitment, training and promotion procedures are in line with those used nationally.</p>	<p>NIACT Secretariat staff receive the same training as Oftel staff. Requests for training by the Advisory Committees on Telecommunications will be dealt with by Oftel in the usual way.</p>
<p>NIACT encouraged the inclusion of the regional Consumer Councils in the list of consultees. It is aware that the General Consumer Council for Northern Ireland (GCCNI) is involved in racial equality issues, and may be able to make some very effective contributions.</p>	<p>The list of consultees at Annex C has been amended to include regional Consumer Councils.</p>

Public Utilities Access Forum (PUAF)

Comments	Ofstel's response
<p>PUAF referred to the importance of the market for international prepaid calling cards and their concerns, from a consumer viewpoint, regarding unclear call charges, advance payments being lost through cards expiring and inferior quality of service.</p>	<p>Ofstel published in January 2003 an invitation to tender to carry out research to examine low income consumers' telecommunications needs and uses and, in particular, whether these differ by ethnic group. The research will assist Ofstel in deciding where best to focus its resources in terms of raising consumer awareness and assisting consumers to get the best deal from their telephony services.</p>

Welsh Advisory Committee on Telecommunications (WACT)

Comments	Ofstel's response
<p>The CRE gives two alternatives for questionnaires to monitor membership of racial groups; one has 'Welsh' as an option within 'British', while the other only has 'British' without explicit subdivision. There was controversy in Wales when the 2001 census failed to mention 'Welsh'. WACT recommends strongly that Ofstel choose the alternative questionnaire, with 'Welsh' as an explicit option.</p>	<p>Monitoring will help Ofstel to check whether its policies, operations and organisational culture are discriminating against some racial groups. Ofstel will decide the best method for monitoring each function, policy or set of policies according to the circumstances in each case. It has noted the recommendation and will choose the questionnaire, with 'Welsh' as an option, where appropriate in the circumstances.</p>

Welsh Language Board (WLB)

Comments	Ofstel's response
<p>The WLB endorses Ofstel's view that information and services need to be accessible to the public. It believes that it is the right of every individual to receive services in their chosen language.</p>	<p>Where there is clear evidence that the availability of information and services in English is insufficiently accessible, then Ofstel will consider making that information and those services available in other languages.</p>

Other

Comments	Ofstel's response
<p>The Scheme must make it clear how Ofstel as an organisation will ensure that its internal policies, in relation to staff relations and management, will also</p>	<p>Whilst Chapter 4 deals with the specific monitoring duties for Ofstel as an employer, it is noted that the specific duties support the general duty. The</p>

comply with the new general duty.	Scheme could include a stronger commitment, in respect of Oftel's employment policies and practices, to comply with the general duty. Chapter 4 has been amended accordingly.
When assessing and consulting on proposed policies, eg regarding Oftel's employment practices, the Scheme should make it clear that consultees will include Oftel staff.	Oftel accepts this comment. The list of consultees at Annex C has been amended to include Oftel staff.
The project team should ensure that the views of those Oftel staff likely to be affected by the new duties are taken into account. It should also be representative of ethnic minorities.	Oftel staff were consulted on the detail of the Scheme. Oftel notes for action the comment regarding the ethnicity of the project team.
Oftel has indicated that it will analyse employment monitoring data to find any patterns of inequality and take whatever steps are needed to remove barriers and promote equality of opportunity. This approach appears to be reactive, as it requires inequality to not only be apparent, but also to be reflected in the specific areas which are being monitored, before action can be taken.	Oftel is committed to providing equality of opportunity for all of its staff, at all times. It values the benefits that a workforce with diverse and varied backgrounds brings to the workplace. Oftel's Equal Opportunities Statement of Policy sets out reasons for monitoring employment data. The results of such monitoring are produced in an Equal Opportunities Annual Report.
A more proactive approach could be taken through the formulation of a focus group or body where equality issues could be raised and considered.	Oftel has established a Diversity Awareness Group to review progress on diversity issues and discuss what else we might be doing at improving our understanding and awareness of diversity issues.

Annex E

Glossary

ADSL	Asymmetric Digital Subscriber Line utilises a technology that transforms a normal telephone line into a high-speed digital line that enables access to telephony services and the Internet at the same time. ADSL provides always-on access to Internet or TV and Video on-demand services at speeds that are 10 to 40 times faster than a standard 56k modem. An ADSL line has a higher downstream speed (into the end user) than upstream speed (away from the end user).
Broadband	A service or connection allowing a considerable amount of information to be conveyed for instance television pictures.
Carrier pre-selection	The facility offered to customers which allows them to opt for certain defined classes of call to be carried by a telecommunications operator selected in advance (and having a contract with the customer) without having to dial a routing prefix or follow any other different procedure to invoke such routing.
Internet Protocol	Protocol used for the routing and carriage of messages (data) across the Internet in the form of discreet blocks (packages) of information.
Leased lines	Private lines or circuits providing a fixed unswitched communication link between two points.
Local loop unbundling	Local loop unbundling (LLU) was mandated by the EU in December 2000. It requires those telecommunications operators designated as having significant market power (in the UK this is BT and Kingston Communications) to make their local networks (ie the telephone lines that run from a customer's premises to the local telephone exchange) available to other telecommunications companies.

Partial private circuits

Private line or circuit from a customer's premises to a point of interconnection between BT and another telecommunications operator's network.

Radio spectrum

The range of wavelengths used for instance for broadcasting radio, terrestrial television and satellite television.
