In January 2014, Ofcom outlined a major programme of work to ensure that consumers receive value for money and a good quality of service from their communications providers.

This work has been informed by findings from Ofcom’s annual Customer Experience Report 2013 and a report analysing price and quality trends during the ten-year period Ofcom has been regulating UK communications services.

This report revealed that, over the past decade, consumers have benefited from significant reductions in prices across most communications services while service quality has improved, and that the UK compares favourably against international comparators.

At the same time, consumers say that landline phone, broadband, mobile, and pay TV compare well with other services on value for money.

Ofcom’s consumer agenda for 2014 is focused on further improving the value and quality of communications services and helping consumers to make informed purchasing decisions.

This work includes:
• helping consumers to switch communications providers more easily;
• ensuring swifter landline and broadband installations and fault repairs;
• assessing whether key communications services are affordable;
• protecting consumers from harm through enforcement action; and
• publishing information and advice to help consumers make informed choices about services, products and providers.
Protection for consumers against unexpected mid-contract price rises

In January, Ofcom issued new Guidance about the rules to protect consumers and small businesses from unexpected price rises.

This follows an Ofcom review into the fairness of contract price terms which found many consumers were caught unawares by price rises in what they believed to be fixed price contracts.

Ofcom’s Guidance sets out that, for contracts entered into after 23 January 2014, if a provider wishes to increase the monthly subscription price (or prices) agreed by the customer at point of sale, customers should be given at least one month’s notice of the increase and be allowed to exit the contract without penalty.

It also states that any changes to contract terms, pricing or otherwise, must be communicated clearly and transparently. Ofcom is monitoring providers’ application of the Guidance and complaints closely to assess the effectiveness of this new protection.

Ofcom will also conduct research, such as mystery shopping, to assess the transparency of contractual information given to customers by providers at the point of sale.

Ofcom has published updated advice and information on the factors consumers might want to consider before signing up to a new landline, broadband or mobile phone contract.

In light of Ofcom’s guidance, information showing different types of contracts and pricing terms offered by a number of major providers is now included. The guide also sets out the information that consumers should receive from their provider at the point of sale and offers advice on how to complain.

New rules for faster telecoms repairs and installation

Telephone and broadband customers stand to benefit from faster line repairs and installations, under new rules proposed by Ofcom in December 2013.

The measures would require Openreach, the company which installs and maintains connections to BT’s network on behalf of competing telecoms providers, to meet new minimum performance standards.

Should it fail to meet the new targets over a 12-month period, Openreach would face sanctions from Ofcom – which could include fines.

The requirements would mean the large majority of consumers and businesses encountering a fault with their telephone or broadband service must see it repaired within two working days; while the large majority of those requiring a new line must receive an appointment within 12 working days.

The proposals were part of a consultation, relating to Ofcom’s Fixed Access Market Reviews, which closed on 13 February 2014. Ofcom will announce its final decisions in summer 2014.
Telephone charges to be made simpler

**The cost of calling businesses and services will become clearer for consumers under major changes to telephone charging, Ofcom announced in December 2013.**

The measures are designed to tackle consumer confusion about how much it costs to call companies, public bodies and other organisations on numbers starting 08, 09 and 118. These ‘non-geographic’ service numbers have a range of uses, from finding out information to banking, directory enquiry and entertainment services.

Currently, unless they are using a BT line, callers to these numbers are not generally informed how much they will be charged. Under the new rules, telephone users calling service numbers will in future see the cost broken down into an ‘access charge’ to their phone company, plus a ‘service charge’ to the company or organisation they are calling.

Phone companies will be responsible for setting their access charge, making it clear to customers on their bills and informing new customers of the charge when they sign up to a contract.

Separately, service providers – the party being contacted – will specify their service charge wherever they advertise or communicate it.

Consumers will therefore be able to understand the exact cost of making the call by adding the access and service charges together. They will also be able to compare the prices of different phone and service providers more easily.

**Freephone will mean free**

Alongside the clearer phone charges for service numbers, Ofcom also confirmed that consumer calls to Freephone (0800, 0808 and 116) numbers, which are generally free from landlines, will become free from mobile phones too.

**Implementing the changes**

These are significant changes that will affect all consumers of telecoms services, and every business that uses these numbers. Putting the new system in place will require careful and detailed planning by telephone companies and service providers.

Ofcom has decided that the changes should all be implemented on 26 June 2015, and is already engaging with industry to oversee preparations for the changes.

As part of this, Ofcom is working with major landline and mobile providers to develop a national communications campaign which will explain the changes to UK telephone users from next year. Work is also underway to develop a consistent approach across industry to communicating call charges from the day the changes come in.

A statement on the decision is available online.

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**Dame Patricia Hodgson named as next Ofcom chairman**

On 18 December 2013, the Government announced Dame Patricia Hodgson as the next Chairman of Ofcom.

This followed the Culture, Media and Sport Committee’s pre-appointment hearing with Dame Patricia on 17 December and confirmation from Secretary of State, Maria Miller, on the appointment.

Dame Patricia replaced Ofcom Chairman Colette Bowe when she stepped down at the end of March 2014 after serving her full term.

Dame Patricia joined the Ofcom Board in July 2011 and became Deputy Chairman in January 2012. For full biographical details click here.
In recent months, Ofcom has published a number of new guides offering advice on key consumer protection issues and information to help consumers make informed decisions when choosing a service or provider.

Nuisance Calls
In December 2013, Ofcom published information about the main services offered by phone companies to help consumers protect themselves against nuisance calls and compare any charges that may apply.

In addition, Ofcom updated its guides to tackling nuisance calls and messages. The changes included a handy step-by-step guide to making a complaint and top tips on how to reduce the number of nuisance calls and advice about what to do when you receive them.

Unexpectedly High Bills
In December Ofcom published a new guide for parents considering buying their child a smartphone or tablet. This included advice on ways of limiting a child’s spend to avoid high bills and tips on ensuring children are protected when using the internet.

In January 2014, Ofcom published new information to help consumers in Northern Ireland understand the different options available to help them reduce or avoid expensive inadvertent roaming charges.

Complaints and Customer Service Satisfaction
Volumes of complaints against the major landline telephone, broadband, mobile and pay TV providers and levels of customer service satisfaction in these sectors were published in December 2013.

This information is intended to help consumers make an informed decision when considering an alternative provider or a new service.

COMING UP...
• Next Generation 'Text Relay service to go ‘live’
• Nuisance Calls Video and ‘Easy-Read’ Guide

CONTACT US
We’d really welcome your views on our Consumer Bulletin. Please e-mail rapinder.newton@ofcom.org.uk or call 020 7783 4897 if you have any views on how we can improve the next issue.