Notification under Section 107(6) of the Communications Act 2003

Proposal to revoke a direction applying the Electronic Communications Code to Inquam Telecom (Holdings) Limited

1. By virtue of paragraph 17 of Schedule 18 to the Communications Act 2003 (the 'Act') Inquam Telecoms (Holdings) Limited ('Inquam') is treated after 25th July 2003 as a person in whose case the Electronic Communications Code (the 'Code') applies by virtue of a direction (the 'Deemed Direction') under section 106(3) of the Act.

2. In accordance with section 115 of the Communications Act 2003 (the 'Act'), the Office of Communications ('Ofcom') propose to revoke the Deemed Direction by way of a further direction (the 'Draft Direction') under section 106 of the Act, following an application for such revocation by Inquam.

3. The Draft Direction and accompanying explanatory statement setting out Ofcom's reasons for the proposal are available at

http://www.ofcom.org.uk/consultations/current/inquam/. Hard copies of the draft Direction and the explanatory statement will be made available on request. For hard copies, please contact Michael Galvin on 020 7783 4158 or by sending an email to <u>Michael.galvin@ofcom.org.uk</u>.

4. Representations on the Draft Direction may be made to: Michael Galvin, Ofcom, Riverside House, 2a Southwark Bridge Road, London SE1 9HA by not later than 5pm on **24 March 2005**.

5. All confidential information should be clearly marked as such and separated out into a confidential annex. All representations received will be published, unless it is clearly marked that the response is confidential, and made available in Ofcom's Knowledge Centre. Please contact Jan Kacperek (jan.kacperek@ofcom.org.uk) for further information with respect to public inspection or, for responses to the draft Direction, visit Ofcom's website (www.ofcom.org.uk).

6. In this Notification, unless the contrary intention appears, words and phrases shall have the same meaning as in the Act.

7. In this Notification, "Inquam Telecom (Holdings) Ltd" means Inquam Telecom (Holdings) Ltd (registered company number 04244115).

Stephen Unger Director of Telecoms Technology, Competition and Markets

A person authorised by Ofcom under paragraph 18 of the Schedule to the Office of Communications Act 2002

24 February 2005

[Draft] Direction under Section 106(3) of the Communications Act 2003 revoking a direction applying the Electronic Communications Code in the case of Inquam Telecom (Holdings) Limited

[A Notification of this proposal was published on 10 February 2005]

Whereas:

- A. On 28 January 2002, the Secretary of State granted Inquam Telecom (Holdings) Ltd ('Inquam') a licence under section 7 of the Telecommunications Act 1984 (the '1984 Act') authorising Inquam to run a telecommunication system (as defined in the 1984 Act) and applying the telecommunications code (as set out in Schedule 2 to the 1984 Act) to Inquam;
- B. By virtue of section 106 of the Act, which came into force on 25th July 2003, the telecommunications code is now known as the electronic communications code (the 'Code'), which is set out in Schedule 2 to the 1984 Act as amended by Schedule 3 to the Communications Act 2003 (the 'Act');
- C. By virtue of paragraph 17 of Schedule 18 to the Act, Inquam is treated after 25th July 2003 as a person in whose case the Code applies by virtue of a direction (the 'Deemed Direction') under section 106(3) of the Act;
- D. Ofcom have received an application from Inquam dated 20 January 2005 for the revocation of the Deemed Direction in accordance with section 115(2) of the Act;
- E. On 24 February 2005 Ofcom published a notification of their proposal to revoke the Deemed Direction by way of a further Direction under section 106 in accordance with sections 107 and 115 of the Act;
- F. Ofcom have considered every representation made to them about this Direction;
- G. For the reasons set out in the explanatory statement accompanying this Direction, Ofcom are satisfied that in making this Direction they have acted in accordance with their relevant duties set out in sections 3 and 4 of the Act;

NOW, therefore, pursuant to section 106 of the Act, Ofcom make the following Direction-

1. The direction applying the electronic communications code to Inquam under section 106(3) of the Act by virtue of paragraph 17 of Schedule 18 to the Act shall be revoked.

Definitions and Interpretation

2. In this Direction, unless the contrary intention appears-

"Act" means the Communications Act 2003;

"Inquam Telecom (Holdings) Ltd" means Inquam Telecom (Holdings) Ltd (registered company number 04244115); and

"Ofcom" means the Office of Communications.

4. Except in so far as the context otherwise requires, words and phrases shall have the same meaning as in the Act, headings and titles shall be disregarded and expressions cognate with those referred to in this Direction shall be construed accordingly.

5. The Interpretation Act 1978 shall apply as if this Direction were an Act of Parliament.

6. This Direction shall take effect on the day it is published.

Stephen Unger Director of Telecoms Technology, Competition and Markets

A person authorised by Ofcom under paragraph 18 of the Schedule to the Office of Communications Act 2002

[Date]

Explanatory Statement

1.1 On 28 January 2002, the Secretary of State granted Inquam Telecom (Holdings) Limited ("Inquam") a licence under section 7 of the Telecommunications Act 1984 (the '1984 Act') authorising Inquam to run a telecommunications system (as defined in the 1984 Act) and applying the telecommunications code (as set out in Schedule 2 to the 1984 Act) to Inquam.

1.2 Following a change in the regime for electronic communications after 25th July 2003, the telecommunications code is now known as the electronic communications code (the 'Code'), which is set out in Schedule 2 to the 1984 Act as amended by Schedule 3 to the Communications Act 2003 (the 'Act').

1.3 The Code applied to Inquam post-25th July 2003 by virtue of paragraph 17 of Schedule 18 to the Act, under which Inquam is treated after 25th July 2003 as a person in whose case the Code applies by virtue of a direction (the 'Deemed Direction') under section 106(3) of the Act.

1.4 On 20 January 2005, Inquam made an application for the revocation of its Code powers under section 115(2) of the Act and Ofcom is now proposing to revoke the Deemed Direction.

1.5 In its application for the revocation of the Code in its case, Inquam explained that the operational subsidy of Inquam that owned and operated the Dolphin network went into administration in March 2004 and is now in liquidation. As a result of this, Inquam has no plans to use its Code powers.

1.6 In considering Inquam's application, Ofcom considers that it has acted in accordance with its relevant duties set out in sections 3 and 4 of the Act in particular its duty to further the interests of citizens in relation to communications matters and to promote the interests of all persons who are citizens of the European Union. Ofcom does not believe that the revocation of Code powers in this case is contrary to its duties set out in the Act and will not prove to be detrimental to the interests of citizens in relation to communications matters. Inquam is not running a network under which it would need Code powers.

1.7 For these reasons, Ofcom believes that it is now appropriate to revoke the Deemed Direction as requested by Inquam. Thereafter, amongst other things, Inquam would not be permitted to benefit from certain exemptions under Town and Country Planning legislation¹ and nor would it be able to carry out works carry out works in connection with the installation of apparatus in the streets without the need to obtain a street works licence under the New Roads and Street Works Act 1991.

How to respond

1.8 Ofcom invites written views and comments on the issues raised in this document, to be made by 5pm on **24 March 2005.**

¹ See Part 24 of the Town and Country Planning, England and Wales (General Permitted Development) Order 1995. SI 1995/418 as amended. Planning (General Development) (Amendment) Order (Northern Ireland) 2003 SR No. 98. Town and Country Planning (General Permitted Development) (Scotland) Amendment (No. 2) Order 2001 SSI 2001/266.

1.9 Ofcom prefers to receive responses as e-mail attachments, in Microsoft Word format, as this helps us to process the responses quickly and efficiently. We would also be grateful if you could assist us by completing a response cover sheet (see Annex 2), among other things to indicate whether or not there are confidentiality issues. The cover sheet can be downloaded from the 'Consultations' section of our website.

1.10 Please can you send your response to Michael.galvin@ofcom.org.uk.

1.11 Responses may alternatively be posted or faxed to the address below, marked with the title of the consultation.

Michael Galvin Competition and Markets 4th Floor Ofcom Riverside House 2A Southwark Bridge Road London SE1 9HA Tel: 020 7783 4158 Fax: 020 7783 4109

Confidentiality

1.12 Ofcom thinks it is important for everyone interested in an issue to see the views expressed by consultation respondents. We will therefore usually publish all responses on our website, www.ofcom.org.uk, ideally on receipt (when respondents confirm on their response cover sheer that this is acceptable).

1.13 All comments will be treated as non-confidential unless respondents specify that part or all of the response is confidential and should not be disclosed. Please place any confidential parts of a response in a separate annex, so that non-confidential parts may be published along with the respondent's identity.

1.14 Ofcom reserves its power to disclose certain confidential information where this is necessary to fulfil its functions, although in practice it would do so only in limited circumstances.

1.15 Please also note that copyright and all other intellectual property in responses will be assumed to be assigned to Ofcom unless specifically retained.

Next steps

1.16 Following the end of the consultation period, and subject to responses, Ofcom intends to publish the final direction and explanatory statement revoking the Code in Inquam's case.

Ofcom's consultation processes

1.17 Ofcom is keen to make responding to consultations easy, and has published some consultation principles (see Annex 1) which it seeks to follow, including on the length of consultations.

1.18 This consultation is shorter than Ofcom's standard 10 week period because it is important that Code operators should be able to utilise these powers where appropriate as early as possible.

1.19 If you have any comments or suggestions on how Ofcom conducts its consultations, please call our consultation helpdesk on 020 7981 3003 or e-mail us at consult@ofcom.org.uk. We would particularly welcome thoughts on how Ofcom could more effectively seek the views of those groups or individuals, such as small businesses or particular types of residential consumers, whose views are less likely to be obtained in a formal consultation.

1.20 If you would like to discuss these issues, or Ofcom's consultation processes more generally, you can alternatively contact Philip Rutnam, Partner, Competition and Strategic Resources, who is Ofcom's consultation champion:

Philip Rutnam Ofcom Riverside House 2A Southwark Bridge Road London SE1 9HA Tel: 020 7981 3585 Fax: 020 7981 3333 E-mail: philip.rutnam@ofcom.org.uk

Annex 1

Ofcom's consultation principles

Of com has published the following seven principles that it will follow for each public written consultation:

Before the consultation

1 Where possible, we will hold informal talks with people and organisations before announcing a big consultation to find out whether we are thinking in the right direction. If we do not have enough time to do this, we will hold an open meeting to explain our proposals shortly after announcing the consultation.

During the consultation

2 We will be clear about who we are consulting, why, on what questions and for how long.

3 We will make the consultation document as short and simple as possible with a summary of no more than two pages. We will try to make it as easy as possible to give us a written response. If the consultation is complicated, we may provide a shortened version for smaller organisations or individuals who would otherwise not be able to spare the time to share their views.

4 We will normally allow ten weeks for responses to consultations on issues of general interest.

5 There will be a person within Ofcom who will be in charge of making sure we follow our own guidelines and reach out to the largest number of people and organisations interested in the outcome of our decisions. This individual (who we call the consultation champion) will also be the main person to contact with views on the way we run our consultations.

6 If we are not able to follow one of these principles, we will explain why. This may be because a particular issue is urgent. If we need to reduce the amount of time we have set aside for a consultation, we will let those concerned know beforehand that this is a 'red flag consultation' which needs their urgent attention.

After the consultation

7 We will look at each response carefully and with an open mind. We will give reasons for our decisions and will give an account of how the views of those concerned helped shape those decisions.

Annex 2

Consultation response cover sheet

2.1 In the interests of transparency, we will publish all consultation responses in full on our website, www.ofcom.org.uk, unless a respondent specifies that all or part of their response is confidential. We will also refer to the contents of a response when explaining our decision, unless we are asked not to.

2.2 We have produced a cover sheet for responses (see below) and would be very grateful if you could send one with your response. This will speed up our processing of responses, and help to maintain confidentiality by allowing you to state very clearly what you don't want to be published. We will keep your completed cover sheets confidential.

2.3 The quality of consultation can be enhanced by publishing responses before the consultation period closes. In particular, this can help those individuals and organisations with limited resources or familiarity with the issues to respond in a more informed way. Therefore Ofcom would encourage respondents to confirm on the response cover sheet that Ofcom can publish their responses upon receipt.

2.4 We strongly prefer to receive responses in the form of a Microsoft Word attachment to an email. Our website therefore includes an electronic copy of this cover sheet, which you can download from the 'Consultations' section of our website.

2.5 Please put any confidential parts of your response in a separate annex to your response, so that they are clearly identified. This can include information such as your personal background and experience. If you want your name, contact details, or job title to remain confidential, please provide them in your cover sheet only so that we don't have to edit your response.

Cover sheet for response to an Ofcom consultation

BASIC DETAILS

Consultation title:

To (Ofcom contact):

Name of respondent:

Representing (self or organisation/s):

Address (if not received by email):

CONFIDENTIALITY				
What do you want Ofcom to keep confidential?				
Nothing		Name/contact details/ job title		
Whole response		Organisation		
Part of the response		If there is no separate an	nex, which parts?	
If you want part of your response, your name or your organisation to be confidential, can Ofcom still publish a reference to the contents of your response (including, for any confidential parts, a general summary that does not disclose the specific information or enable you to be identified)?				
Yes		No		

DECLARATION				
I confirm that the correspondence supplied with this cover sheet is a formal consultation response. It can be published in full on Ofcom's website, unless otherwise specified on this cover sheet, and all intellectual property rights in the response vest with Ofcom. If I have sent my response by email, Ofcom can disregard any standard email text about not disclosing email contents and attachments.				
Ofcom can publish my response: on	receipt once the consultation ends			
Name	Signed (if hard copy)			