

KCOM Group PLC

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Dear Lester,

Review of the 070 personal numbering range

KCOM Group PLC (KCOM) welcomes the opportunity to respond to the consultation reviewing the 070 personal numbering range.

As well as being the incumbent operator in the Hull area under our Kingston Communications brand, KCOM has significant presence in the rest of the UK where we operate under the Affiniti and Eclipse brands.

We have based our comments around the questions listed in the consultation document and the confidential section of our response is separated in Annex A.

Question 1: Do you agree with our analysis of consumer detriment on the 070 number range?

KCOM agrees with the analysis and would offer that the varying price points on 070 (currently 28 price points on most fixed networks ranging from 5ppm daytime up to 54ppm) will inevitably lead to consumer confusion / inability to determine a general call price for calls to 070 numbers.

Question 2: Do you agree that the costs outweigh the benefits in relation to closing the 070 number range and migrating users to an alternative range?

KCOM agrees that the costs of range closure and migration outweigh the benefits.

Question 3: Do you agree that Ofcom should keep the 070 range open and monitor the market in light of enforcement action by PhonepayPlus?

KCOM's main involvement in the 070 market as a range holder of 070 numbers is the supply / sub-allocation of numbers to resellers / personal number service providers (PSNPs) and we agree that Ofcom should keep the 070 range open.

The main market our PNSP resellers serve are consumers / small businesses that value the followme element and in some cases the privacy element of such services. KCOM does share revenue with PNSPs so they can cover the costs of providing personal number services and operate a profitable business.





KCOM supports the enforcement action that PhonepayPlus has taken where the services are found to be within the scope of Controlled Premium Rate Services (CPRS) yet seek assurances that true personal number services will not be inadvertently captured as CPRS.

KCOM has reviewed the recent PhonepayPlus notice to industry regards network due diligence¹ and previous adjudications around 070 numbers and KCOM can see the potential confusion as to whether the PhonepayPlus Code of Practice (the Code) applies or not; as 070 is not designated as premium rate. PhonepayPlus does not collect a levy in relation to 070 numbers so KCOM assumes the investigations and enforcement actions are complaints driven and based on a polluter pays principle. It is not clear from the PhonepayPlus notification if the other network obligations in the Code apply.

Some range holders of 070 numbers do not have 09 premium rate numbering allocations and as such are not necessarily concerned with premium rate regulations.

Question 4: Do you agree that Ofcom should require OCPs to give greater prominence to the cost of calling 070 numbers in published price lists and promotional material?

KCOM agrees that consumers should have access to the information they need to make informed choices; and this includes appropriate information about 070 call charges. Many communications providers already provide such and this can only be effective if customers utilise the information currently available.

We believe that consumer information should be as simple as possible, which is challenging given the variety of possible price points associated with 070 numbers.

KCOM agrees with the proposed changes to GC14 and does not consider the costs associated with amending our code of practice significant.

Question 5: Do you agree that Ofcom should amend its guidance to ensure that PNS providers carry out appropriate due diligence of sub-allocatees of personal numbers?

KCOM does bring to the attention of the PSNP the ban on end-user revenue share and that 070 numbers are not premium rate service (PRS) numbers as per the Ofcom guidance² on acceptable use of 070 numbers.

KCOM already operates a form of due diligence when a new PSNP (reseller) requests the supply of 070 numbers from KCOM, for our own revenue assurance purposes and to proactively avoid premium rate operating on 070 numbers. Some PSNPs do not like to be associated with premium rate as they are providing personal numbering services.

We note that Ofcom consulted³ on making some minor changes to the guidance on the acceptable use of 070 numbers in October 2005 and KCOM supports the supply chain as identified in that consultation.

As KCOM already undertakes a form of due diligence for 070 the consultation proposals would not incur significant amendment or implementation costs for KCOM. KCOM agrees with the 12 month period from the time of publication of the Ofcom decision for retrospective due diligence for existing customers.

http://www.phonepayplus.org.uk/news/articles/nr_20081219.asp

² <u>http://www.ofcom.org.uk/telecoms/ioi/numbers/num_070_guide</u>

³ http://www.ofcom.org.uk/consult/condocs/personal_numbering/pn.pdf

KCOM can see a possible confusion / duplication regards which due diligence regime applies given the recent PhonepayPlus industry notification as mentioned in our response to Question 3 above.

KCOM suggests it may be useful that all 070 range holders are provided with a clear understanding of the due diligence requirements that apply to avoid duplication of implementation, processes and costs.

The suggestion of due diligence applying to requests of 50 numbers or more in section 4.50 of the consultation document does not concern KCOM as we already apply a form of due diligence to all requests (regardless of volume) where the chain of supply is to a PSNP (reseller) where revenue share may exist.

KCOM understands that due diligence of the end users of 070 numbers (where no revenue share exists) is not proposed or required.

KCOM believes the consumer protection test for new numbering allocations that now applies to 070 numbers and the introduction of due diligence will assist with tackling abuses.

Question 6: Do you agree that Ofcom should not bar the presentation of 070 CLI? Please provide evidence to support your response

KCOM agrees that Ofcom should not bar the presentation of 070 CLI as there may be legitimate use. If a bar was introduced any breaches would be challenging for Ofcom to trace and enforce. In addition deploying filtering equipment within networks to monitor such a bar would be expensive and disproportionate.

In our experience abuse of CLI facility for 070 has been limited and KCOM finds that CLI provisions within commercial interconnect agreements (and good faith) between networks sufficient at this point in time. The exchange of industry information and PhonepayPlus network notices allows KCOM to make informed decisions regards access to numbers of concern.

Question 7: Should services provided by, for example, Hospedia, Premier Telesolutions and Trader Media be provided on an alternative number range to 070? Please provide any evidence to support your views.

No comment.

Question 8: Do you agree that Ofcom should withdraw formally the requirement for pre-call announcements on 070 Personal Numbers?

Yes.

In addition KCOM notes the encouragement to return unused 070 number blocks in Section 5 of the consultation.

Should you have any questions relating to this submission, please don't hesitate to contact me.

Lesa Green Numbering, Interconnect and Regulatory Manager