

# Changes to making local calls in the 01202 area code for Bournemouth, Christchurch and Poole

(> Redacted for publication)

Statement

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Changes to making local calls in the 01202 area code

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#### Section 1

# Summary

- 1.1 This statement concerns geographic telephone numbers<sup>1</sup> with the 01202 Bournemouth area code. Ofcom administers the UK's telephone numbers and seeks to ensure that sufficient numbers are available to allocate to communications providers ('CPs') so that they can provide a choice of services to local residents and businesses.
- 1.2 Geographic numbers are an increasingly scarce resource. We allocate these numbers in large blocks to CPs. Although the quantity of geographic numbers that CPs already hold in total exceeds likely demand from end-users, individual CPs nevertheless need new allocations of geographic numbers from time to time. Our forecast of CPs' demand shows that, unless we take action, we risk running out of geographic numbers to allocate to CPs in some areas. While this does not present a direct risk to the availability of numbers for consumers' use, a lack of number blocks for allocation to CPs could restrict the provision of services and deny local consumers the full benefits of competition. We therefore consulted<sup>2</sup> in November 2010, September 2011 and March 2012 on measures designed to ensure the ongoing availability of geographic numbers across the UK.
- 1.3 In September 2011 we decided that where an area with a four-digit area code (i.e. in the format 01XXX) needs more local numbers, we will increase supplies by closing local dialling in that area code when our existing supplies approach running out. This means that, from the date we make this change, fixed-line phone users in that area will need to dial the area code when making calls to phone numbers with the same area code (i.e. when making a 'local call'). This change in local dialling enables us to release new local numbers to CPs<sup>3</sup> without requiring any changes to existing phone numbers. Dialling local calls with the area code will not affect the price of the call.

# The consultation on closing local dialling on 1 November 2012 in the 01202 Bournemouth area code

1.4 The 01202 Bournemouth area code is the first area code in which we will implement our policy for increasing the supply of numbers by closing local dialling. Demand for 01202 numbers is high and we forecast that we will run out of blocks of new 01202 numbers to allocate to CPs later this year unless we take action. We need to

<sup>&</sup>lt;sup>1</sup> Geographic telephone numbers – so called because the first few digits following '01' and '02' provide geographic significance and associate the number with a particular UK location - are the numbers most widely used, recognised, valued and trusted by consumers. They are also referred to as 'landline' or 'fixed line' numbers, as they are the type of number used for residential and some businesses' fixed telephone lines.

<sup>&</sup>lt;sup>2</sup> Geographic telephone numbers: Safeguarding the future of geographic numbers: three documents published on 25 November 2010 ('the November 2010 consultation'), 7 September 2011 ('the September 2011 statement and consultation') and 20 March 2012 ('the March 2012 consultation'). All available at <a href="http://stakeholders.ofcom.org.uk/consultations/geographic-telephone-numbers/">http://stakeholders.ofcom.org.uk/consultation</a>/

<sup>&</sup>lt;sup>3</sup> We can create new supplies of local numbers by stopping the ability to dial a local number without the area code. Doing so will allow us to make new local numbers beginning with '0' and '1' available for use. For example, closing local dialling in the 01202 Bournemouth area code would make almost 200,000 new 01202 **0**XXXXX and 01202 **1**XXXXX numbers available for use. We cannot use such numbers while local calls are dialled without the area code because phone networks can confuse them with dialling codes which start with '0', or with numbers for certain services which start with '1', such as 150, 1471 and 118XXX.

safeguard the future supply of landline numbers in the Bournemouth, Poole and Christchurch areas covered by the 01202 area code to ensure that a shortage of new numbers does not restrict the choice of telecoms providers and services available to local consumers and businesses.

- 1.5 In the March 2012 consultation we proposed closing local dialling in the 01202 area code on 1 November 2012. From that date, local callers would need to include the 01202 area code when dialling other 01202 numbers from fixed-line phones. We asked for views on the proposed date.
- 1.6 We have considered all submissions on this proposal. No issues were raised with the proposed date. Some respondents commented on related issues. They did not make any new points to affect our implementation of the policy decision made in September 2011 to close local dialling in four-digit area codes forecast to run out of available number blocks. We have decided, therefore, to proceed with our proposal to close local dialling from 1 November 2012 in the 01202 area code.

#### **Next steps**

- 1.7 This statement confirms 1 November 2012 as the date from which the whole number, including the 01202 area code, will need to be dialled when calling from one 01202 number to another from a fixed-line phone (this is already required when calling from a mobile phone).
- 1.8 We have modified the National Telephone Numbering Plan ('the Numbering Plan')<sup>4</sup> so that from 1 November 2012 CPs must withdraw the provision of the local dialling facility to their customers in the 01202 area code (there is a general requirement in the Numbering Plan to provide local dialling for geographic numbers).
- 1.9 Now the date for closing local dialling of 01202 numbers has been confirmed, Ofcom, CPs and other stakeholders can begin to communicate the need to dial the area code to residents and businesses. Consumer awareness campaigns are being designed to ensure that the change is communicated effectively in the local area. CPs will communicate with their customers directly and Ofcom will manage a wider community communication campaign in coordination with local stakeholders.
- 1.10 Looking beyond the 01202 area code, we forecast that a further six area codes will run out of available numbers to allocate to CPs by the end of 2016. They are Aberdeen (01224), Bradford (01274), Brighton (01273), Middlesbrough (01642), Milton Keynes (01908) and Stoke-on-Trent (01782).
- 1.11 Next year we expect to consult on a date for closing local dialling in some or all of these area codes, and on corresponding modifications to the Numbering Plan.
- 1.12 Further information on closing local dialling in the 01202 Bournemouth area code can be found on our website at <u>www.ofcom.org.uk/dialthecode</u>.

<sup>&</sup>lt;sup>4</sup> <u>http://stakeholders.ofcom.org.uk/binaries/telecoms/numbering/numbering-plan.pdf</u>

#### Section 2

# Introduction and background

#### Introduction

- 21 Telephone numbers are a critical and, in some cases, scarce national resource. They are fundamental to the communications requirements of consumers and businesses. Ofcom manages the UK's telephone numbers under the Communications Act 2003 ('the Act'). We are responsible for ensuring that sufficient numbers are available to meet demand and for setting the policy on how numbers may be used. We allocate blocks of numbers to CPs so that they can use those numbers to deliver services to their customers. CPs must adopt and use numbers in accordance with the General Condition relating to the allocation, adoption and use of telephone numbers ('GC17')<sup>5</sup> and the Numbering Plan.
- 2.2 The number of CPs has increased significantly over the last ten years, leading to more competition and choice for consumers. This has led to an increasing demand for geographic numbers. However, our stock of geographic numbers is limited. We are facing challenges in ensuring the ongoing availability of sufficient number blocks to allocate to CPs so that they can provide a choice of services to consumers. Importantly, the current challenges do not present a direct risk to the availability of numbers for consumers' use or mean that consumers will need to change their existing telephone numbers. The problem lies in ensuring there is an adequate supply of number blocks to allocate to CPs in all geographic areas.
- 2.3 Measures to increase the supply of geographic numbers are necessary in area codes forecast to run out of numbers in the next few years. Absent such measures, a lack of numbers could restrict the provision of services and could deny local consumers the full benefits of competition. Furthermore, the European electronic communications framework states that "Member States shall ensure that adequate numbers and numbering ranges are provided for all publicly available electronic communications services"<sup>6</sup> and we are required to secure the availability throughout the UK of a wide range of electronic communications services.<sup>7</sup> We must therefore be prepared to increase the supply of numbers with area codes that are close to running out.

#### Decision on how we will increase the supply of new numbers in four-digit area codes

- 2.4 In the September 2011 statement and consultation we set out our decision on how we would make more numbers available in four-digit area codes that are forecast to run out of their existing supply of numbers.
- 2.5 We concluded that the most appropriate solution to increase the supply of numbers in any area with a four-digit area code was to:

<sup>&</sup>lt;sup>5</sup> GC17 is published as an annex to the Numbering Plan.

<sup>&</sup>lt;sup>6</sup> Article 10(1) of the Framework Directive (Directive 2009/140/EC of the European Parliament and of the Council of 25 November 2009 amending Directives 2002/21/EC on a common regulatory framework for electronic communications networks and services) http://eur-

lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2009:337:0037:01:EN:HTML. Under section 3(2)(b) of the Act.

- close local dialling this means that local fixed-line users would need to dial the area code when calling local numbers. Closing local dialling would allow us to allocate new local numbers in which the first digit after the area code is either '0' or '1'; and
- if, in the future, further numbers are needed in that area, we would introduce an overlay code which would mean that two area codes would serve the same geographic area.
- 2.6 The above number supply measures are new to the UK. At present, local dialling is available in all area codes and overlay codes have not been introduced. Our decision does not require changes to any existing phone numbers, either where local dialling is closed or where it may later prove necessary to introduce an overlay code. The price of a local call is not affected by either measure.
- 2.7 In reaching this decision, we assessed this measure alongside the options of closing local dialling across the UK, implementing an overlay code immediately and requiring a code and number change (i.e. shortening the area code to two or three digits and increasing the length of each local number).
- 2.8 We concluded that as our preferred option would not require changes to any existing phone numbers, and as it delays the need for the potentially more disruptive measure of introducing an overlay code, it would have the least impact on consumers and was therefore the most appropriate option. This was also the option generally preferred by consumers and CPs that responded to our November 2010 consultation.

# Why we proposed to close local dialling in the 01202 Bournemouth area code

- 2.9 Our supply of 01202 number blocks for allocation to CPs is now very limited with only 14 blocks of 1,000-numbers available as at 21 May 2012. Our forecast indicates that we will run out of 01202 number blocks to allocate to CPs towards the end of this year. We therefore need to take action to increase the supply of 01202 numbers and implement our decision on closing local dialling in area codes forecast to run out of numbers.
- 2.10 Closing local dialling would make available for use local numbers beginning with '0' and '1' (i.e. numbers in the format 01202 0XXXXX and 01202 1XXXXX). Dialling the area code before the local number ensures that phone networks do not confuse the new supply of local numbers with other number types and can determine how to route the call. Without the area code, networks may not be able to determine whether a caller dialling a six-digit number starting with '0' is intending to call a local fixed-line number or, for example, a mobile number (e.g. 07XXXX could either be a local number or the first digits of a mobile phone number). Similarly, if the area code is not dialled before a local numbering beginning with '1', telecoms networks could interpret the first few digits as either a local number or a call to an operator service such as '100' or '150', a network service such as '1471' or a service number such as a '118XXX' directory enquiry number.
- 2.11 By making local numbers beginning with '0' and '1' available for use, we increase our supply of numbers in the 01202 area code by 194,000 numbers. These numbers would then be available to allocate to CPs in 194 blocks of 1,000 numbers. We predict that this increase in 01202 number blocks will be sufficient to meet demand for around nine years based on the current average allocation rate. This forecast may

vary for a number of reasons, including the possible effect of any other proposed policy changes, such as charging for numbers in the 01202 area code.<sup>8</sup> Further demand for numbers in the Bournemouth area would be met through the introduction of an overlay code.

2.12 We set out the factors that led to our proposed date of 1 November 2012 in paragraphs 2.13 to 2.15 below. Figure 2.1 shows the 01202 Bournemouth area code and surrounding area codes. The surrounding area codes would be unaffected by the change to local dialling in the 01202 area code.



Figure 2.1 The 01202 Bournemouth area code and surrounding area codes

# Why we proposed 1 November 2012 as the date from when local dialling will be closed in the 01202 Bournemouth area code

2.13 As set out above, we identified a need to increase the supply of 01202 numbers as we forecast running out of available blocks to allocate to CPs later this year. We worked with local stakeholders and the industry group set up to implement the closing of local dialling ('the industry group')<sup>9</sup> to identify an appropriate date on which

<sup>&</sup>lt;sup>8</sup> We have consulted in November 2010, September 2011 and March 2012 on introducing number charging in a pilot scheme in the 30 area codes with the fewest number blocks remaining available for allocation. The 01202 area code is included in the indicative list of area codes to be included in the pilot scheme published in the March 2012 consultation.

<sup>&</sup>lt;sup>9</sup> We formed an industry group in November 2011, known as the 'Closing local dialling industry group' ('the industry group'), to consider the implementation of closing local dialling. We invited 15 CPs to attend, covering those with the most geographic number allocations, fixed line customers and largest market shares of fixed line call origination. The Federation of Communication Services (FCS) was

to close local dialling in the 01202 area code in order to meet the need for more numbers.

- 2.14 The industry group decided to consider the factors for when to close local dialling in the 01202 area code specifically rather than agreeing a general approach for future area codes at this time. Different factors and timeframes may be considered when determining proposals for other area codes as i) there may be a longer lead-time before number blocks are forecast to run out and ii) the industry group will be informed by the experience of closing local dialling in the 01202 area code.
- 2.15 In indentifying an appropriate date for closing local dialling in the 01202 area code, the industry group took a number of factors into consideration:
  - reasonable timescales for communicating the change in dialling behaviour to consumers in the 01202 area code:

The industry group examined experience of previous consumer awareness campaigns relating to changes to telephone numbers and considered that communications campaigns have the biggest impact when they are conducted closer to the date of the required change. Experience also showed that consumers are less likely to act on the required change until the point that they no longer have a choice (i.e. in the case of closing local dialling, consumers may be aware that the area code needs to be dialled and encouraged to dial the area code earlier, but will not make changes to their dialling behaviour until they need to). Nevertheless, a sufficient lead time to communicate that a change is to occur is required. For example, this would be needed by private branch exchange (PBX) maintainers in order to schedule any necessary visits to customers' locations to make changes to the routing arrangements on Customer Premises Equipment (CPEs).<sup>10</sup>

• additional considerations relating to communicating the change in dialling behaviour to older and vulnerable consumers:

We considered the need for additional time to ensure adequate communication reaches all groups of citizens and consumers. We looked in particular at the requirements of older and vulnerable consumers, so that they (and those that come into contact or care for them) have time to make any necessary changes, such as reprogramme fixed telephone autodials to numbers that have been saved without the area code. However, from preliminary discussions with representative groups (including Age UK and the Advisory Committee for Older and Disabled people (ACOD)) we understand that a longer lead time is not as important as the breadth of coverage and consistency of message planned.

• the time required by CPs to implement the change in their networks:

In January 2012 we contacted all CPs with geographic number allocations from Ofcom and asked for views on the range of dates of 28 October 2012 plus/minus three days as an achievable and suitable timeframe for closing local dialling in the 01202 area code. We provided a range of dates in order to understand whether closing local dialling on a (particular) weekday or weekend would be

also invited to participate. Further detail on the industry group is provided in paragraphs 3.30 and 3.21 of the March 2012 consultation.

<sup>&</sup>lt;sup>10</sup> Customer Premises Equipment (CPE) are telecommunications hardware devices located on customers' premises.

preferable. We also asked CPs whether they had any preferences for the time of day for implementing closing local dialling.

We received responses from eight CPs to the above questions – all agreed that the suggested timeframe was acceptable. Through consideration of those responses and discussion at the industry group, it was decided that CPs should close local dialling on a single calendar day to avoid consumer confusion arising from an inconsistent approach and to aid communication of the change. A preference for a weekday was stated, as this would make it easier for CPs to react to any unforeseen impact from closing local dialling (e.g. as more engineers, customer-facing employees and other support staff would be available to respond). It was considered that a limited 'window' for implementation should be provided, during which CPs can make the change to their network to close local dialling and activate a mis-dial message that consumers will hear if they dial a local number without the area code. This window was agreed as being between 00:01 hours and 12:00 hours to allow for CPs that prefer to make the change outside or during office hours.

- the need to avoid certain timeframes due to:
  - local or national events that may dilute consumer awareness communications;
  - any restrictions on amendments to telecoms networks set by CPs to avoid overloading; and
  - unsuitable times of year to introduce changes to the way people use their fixed-line phone.

We considered it appropriate to avoid August and September 2012 as a clash with the Olympic and Paralympics Games may mean that communication on closing local dialling would be diluted and call traffic on CPs' networks likely to be greater than normal. We also wanted to avoid December as many CPs restrict network amendments at that time.

 the need to act as soon as practicable to avoid a lack of available 01202 numbers from restricting CPs' ability to compete for new customers.

Our forecast of number block availability shows that we will run out of available 01202 number blocks to allocate to CPs later this year.

2.16 Taking the above factors into account, we considered that Thursday 1 November 2012 would be an appropriate date to close local dialling in the 01202 area code. We then contacted the local council, community groups and other local stakeholders in the area covered by the 01202 area code to assess the suitability of the 1 November date and found no objections. We therefore proposed this date in the March 2012 consultation.

#### Section 3

# Responses to the March 2012 consultation

3.1 We asked stakeholders for comments on our proposed date of 1 November 2012 for closing local dialling in the 01202 Bournemouth area code. We received twelve submissions<sup>11</sup> on this proposal. The points raised and our responses are set out below.

#### **Stakeholders' comments**

# Agreement with 1 November 2012 as the date for closing local dialling in the 01202 Bournemouth area code

- 3.2 All respondents<sup>12</sup> that commented directly on 1 November 2012 as the date for closing local dialling in the 01202 Bournemouth area code agreed that this date was acceptable. BT supported the proposed date given the current shortage of spare 01202 number blocks for allocation to CPs. Cable&Wireless Worldwide ('C&WW') and KCOM Group plc ('KCOM') agreed with the proposal and Magrathea, Sky and The Voice on the Net Coalition Europe ('VON') had no objections. [≫] welcomed the closing of local dialling on 1 November 2012 as a pragmatic first step in guaranteeing the future supply of numbers in that area and as preferable to the introduction of an overlay code.
- 3.3 One consumer (Mr J Morrish) fully supported our efforts to increase the availability and use of geographic numbers, particularly in preference to the use of more expensive non-geographic numbers.

#### Longer lead-time when proposing to close local dialling in future area codes

3.4 BT accepted that the demand for numbers in the 01202 area code and the forecast exhaustion of available blocks later this year meant that we needed to proceed with closing local dialling within less than six months from the publication of our statement finalising the date. However BT requested that in future we worked to provide 12 to18 months notice to CPs and the local community. This was likely to require a trigger point for consultation of 70 blocks of 1,000-numbers remaining available for allocation (and not around 20 blocks as was the case in the 01202 area code). In light of this and the forecast of number block availability published in the March 2012 consultation, BT suggested that we consult on closing local dialling in the next batch of area codes within the coming six months.

# Removing the requirement in the Numbering Plan for CPs to provide the local dialling facility in other area codes

3.5 BT argued that the requirement on CPs to provide local dialling in all area codes, apart from those specifically excluded to increase the supply of numbers, should be removed from the Numbering Plan. It considered that while Ofcom could encourage CPs' provision of local dialling without the area code, it should be a commercial

<sup>&</sup>lt;sup>11</sup> Those respondents were BT, C&WW, KCOM, Magrathea, Sky, VON, [><] and five consumers.

<sup>&</sup>lt;sup>12</sup> Those respondents were BT, C&WW, KCOM, Magrathea, Sky, VON and [ $\approx$ ].

decision for individual CPs. BT also noted that CPs providing location independent services on geographic numbers often did not observe the requirement. Therefore, if the obligation was not removed, Ofcom should consider how to enforce the requirement by, for instance, encouraging the use of 03 or 05 numbers by those CPs (e.g. Voice over Internet Protocol ('VoIP') providers) for whom provision of local dialling was not technically feasible.

#### Alternative solutions in Hull (01482) for increasing the number supply

3.6 KCOM considered closing local dialling as the appropriate response to increasing the supply of numbers in a four-digit area code generally and agreed with the proposals for the 01202 Bournemouth area code specifically. However it argued that the impact of closing local dialling in the 01482 Hull area code would be more pronounced than in the rest of the UK due to the high population density and significant volume of local calls. Also the absence of a wider choice of fixed line providers for residential customers in the Hull area meant that customers would wrongly believe that the need to close local dialling was caused by KCOM. KCOM argued that a specific review of the 01482 area code is warranted with alternative solutions for increasing number supply sought (e.g. allocation of smaller number blocks) to ensure that Hull residents are not unduly disadvantaged compared to residents in the rest of the UK.

## General comments on the decision to close local dialling to increase the supply of numbers

- 3.7 A consumer (Mr C Gooidman) suggested that a number change from the 01202 area code to a three-digit area code (i.e. 02X with eight-digit local numbers) would better meet the area's needs and provide a less complex solution to number shortage. Similarly 'Name Withheld 2' strongly disagreed with the withdrawal of local dialling and supported a number change to 02X numbers. 'Name Withheld 1' preferred a longer-lasting fix such as number change and considered that closing local dialling would provide a short-term solution with overlay codes inevitably introduced in the future to generate more numbers. This would lead to further hassle and confusion for consumers. Another consumer (Mr P Lucas) argued for an alternative solution to number shortage that would not inconvenience thousands of people on a daily basis, such as making new numbers one digit longer.
- 3.8 'Name Withheld 1' questioned whether closing local dialling in area codes in Scotland and Wales was appropriate without a strategic consultation on the future of numbering in those countries, as they might want to consider a nationwide numbering scheme such as the 028 area code for Northern Ireland before having the local dialling facility withdrawn.
- 3.9 VON had no objections to closing local dialling in the 01202 area code on 1 November 2012 to increase the supply of available numbers. However, it encouraged us to pursue a holistic approach to the management of geographic numbers and remove any constraints to efficient number use and service innovation by, for instance, eradicating the link between area code and location and making all numbers UK-wide.

#### Ofcom's response

# Agreement with 1 November 2012 as the date for closing local dialling in the 01202 Bournemouth area code

3.10 We welcome respondents' support for the proposed date of 1 November 2012 for closing local dialling in the 01202 area code. No issues with the date were raised in the responses or during further discussions with local stakeholders.

#### Longer lead-time when proposing to close local dialling in future area codes

- 3.11 We agree with BT that a longer lead-time for future changes to dialling requirements would be preferable. In the case of the 01202 Bournemouth area code, we consulted on closing local dialling as soon as possible following the setting of policy for increasing the supply of numbers where required. Now the policy on this has been set, we will use our forecasts of number block availability to plan for future consultations on closing local dialling with a longer lead-time.
- 3.12 We will discuss the appropriate timing and approach to planning for future closing of local dialling with the industry group. It is probable that we will close local dialling in batches of area codes forecast to run out of numbers over a certain period, for instance during the next one to three years. We consider that using a forecast of when numbers are likely to run out in an area code rather than the number of blocks remaining available for allocation would be a more appropriate trigger mechanism to determine when to plan for closing local dialling. This would take into account the average allocation rate in a specific area code and would allow us to batch the area codes for planning and implementation purposes.
- 3.13 As mentioned by BT, our forecast of number block availability (see Annex 2) shows that we are likely to require a consultation on closing local dialling in more area codes next year. We are likely to need to consult on closing local dialling in some or all of the following area codes which are forecast to run out of available numbers between 2014 and 2016: Aberdeen (01224), Bradford (01274), Brighton (01273), Middlesbrough (01642), Milton Keynes (01908) and Stoke-on-Trent (01782).

# Removing the requirement in the Numbering Plan for CPs to provide the local dialling facility in other area codes

- 3.14 In the March 2012 consultation we considered the case for removing entirely the requirement in the Numbering Plan for CPs to provide the local dialling facility. We noted that some of the reasons<sup>13</sup> why we considered that closing local dialling was the least disruptive number supply measure might also support arguments for removing CPs' obligation to provide the local dialling facility and instead allow the provision to be a commercial decision. In addition, we recognised that not all CPs adhere to this obligation currently (most notably VoIP providers who can not necessarily provide the local dialling facility to nomadic services).
- 3.15 We consider that local dialling remains a useful facility for consumers and worth preserving where there is no need to restrict it due to number supply requirements. We do not know how CPs would respond if we removed the general obligation to provide local dialling to their customers. It may be that CPs would continue to provide

<sup>&</sup>lt;sup>13</sup> Consumer research in 2010 and 2011 (see footnote 14) found local dialling to be a useful rather than necessary facility; the rise in calls from mobile phones (which require the dialling of the whole number) means consumers are increasing becoming used to dialling the area code.

it regardless of any obligation to do so and we could encourage this position. However, if we retain the general obligation to provide local dialling and remove from this obligation only area codes where action is required to increase the supply of numbers, consumers would generally be assured of the option of dialling without the area code for the vast majority of local fixed-line calls in the vast majority of area codes. In light of this, we have not removed the general obligation to provide the local dialling facility from the Numbering Plan.

3.16 In terms of CP compliance, we may consider, as part of any separate exercise to review the Numbering Plan, whether we should consult on amending the requirement to provide local dialling to take into account technical feasibility in providing this facility to customers.

#### Alternative solutions in Hull (01482) for increasing the number supply

- 3.17 We recognise that a particular situation for telecommunications services exists in the Hull area, with KCOM being the main provider of services to residential and business customers. We also note KCOM's remarks on the high incidence of local calls.
- 3.18 We agree it may be useful for our management of geographic numbers to consider the specific circumstances in an area code, including the area's demographics, key characteristics and the number of CPs with relevant number allocations. We have undertaken such assessments in area codes forecast to run out of numbers in the next few years in order to understand what drives demand and how it can best be managed. We intend to undertake a similar assessment of the 01482 area code.
- 3.19 According to our current forecast of number availability, we have sufficient 01482 number blocks to meet CPs' demand until at least 2018. As with all area codes facing exhaustion of our current supplies of numbers, we would prefer to implement measures which do not involve disruption to consumers where this is reasonable and feasible. KCOM mentioned an alternative option of smaller number blocks as a solution to meeting demand for numbers in the 01482 area code. In the March 2012 consultation we proposed to allocate a limited quantity of 100-number blocks (rather than 1,000-number blocks) in 11 five-digit area codes with low consumer demand for numbers. We will conclude on that proposal in a statement due for publication in July 2012. If we proceed, we will monitor the impact of smaller number blocks before considering with CPs any potential for wider application.

# General comments on the decision to close local dialling to increase the supply of numbers

3.20 In coming to our decision on the most appropriate solution for increasing the supply of numbers in four-digit area codes forecast to run out, we considered a number of different options, including number change and extending the digit length of the number. We took into account stakeholders' responses to the November 2010 consultation and the September 2011 statement and consultation, two sets of consumer research<sup>14</sup> and the views of consumers in local engagement meetings<sup>15</sup> in reaching our decision.

<sup>&</sup>lt;sup>14</sup> Consumer research reports prepared by Futuresight on geographic numbers are *Geographic numbering and local dialling*, published November 2010 ('the 2010 consumer research') <u>http://stakeholders.ofcom.org.uk/binaries/consultations/geographic-numbers/annexes/numbering-futuresight.pdf</u> and *Geographic Numbering: Summary report of findings,* published 7 September 2011

- 3.21 We favoured the option that limits the extent of disruption that could be caused by increasing the supply of geographic numbers. We concluded that closing local dialling and, if and when further new supplies of numbers are needed, introducing an overlay code was likely to be the best option for consumers, businesses and for competition between CPs. Fundamental to this decision was that no telephone numbers would need to be changed, avoiding the associated costs and disruption that number change generates. The combined measures of closing local dialling followed by overlay codes provide a long-term solution to number demand in an area.
- 3.22 We appreciate the significance of considerations in relation to area codes in Scotland and Wales. This issue will first be raised in relation to Aberdeen (01224) where we forecast more numbers will be required by 2014. We have no plans to propose an alternative nationwide approach in Scotland or Wales but will consider any representations on the matter.
- 3.23 We agree with VON that our management of geographic numbering needs to be forward-looking and provide for technological changes and innovation. We consider that the current Numbering Plan provides for this, including the use of geographic numbers for 'out of area', nomadic and fixed-mobile convergent services. Our consumer research supports consumers' continued attachment to the location significance provided by a geographic number and we do not plan to hasten the erosion of this significance by giving geographic numbers UK rather than area significance.
- 3.24 To summarise, we explained the basis of our decision to increase the supply of numbers in four-digit area codes in the September 2011 statement and consultation<sup>16</sup> and again in the March 2012 consultation.<sup>17</sup> We have considered the issues raised on our approach to increasing the supply of numbers in response to the March 2012 consultation and concluded that no new points were introduced to affect our implementation of our policy in the 01202 Bournemouth area code.

# Decision on 1 November 2012 as the date for closing local dialling in the 01202 Bournemouth area code

- 3.25 Our forecast for the 01202 area code shows that we will run out of new 01202 numbers to allocate to CPs later this year. This may impact competition and consumer choice. We therefore need to make additional 01202 numbers available to meet CPs' requirements.
- 3.26 We reached a decision on the most appropriate option for increasing the supply of geographic numbers in four-digit area codes in the September 2011 statement and consultation. In the March 2012 consultation we consulted on implementing that decision on 1 November 2012 in the 01202 Bournemouth area code only and we did not revisit the decision on the number supply measure to be used.

<sup>(&#</sup>x27;the 2011 consumer research') <u>http://stakeholders.ofcom.org.uk/consultations/safeguarding-geographic-numbers/</u>.

<sup>&</sup>lt;sup>15</sup> In February 2011, we held consumer engagement meetings in three areas – Bournemouth, Brighton and Langholm (near Dumfries) – to provide an opportunity to explain our number supply proposals for those areas and discuss these in detail with the local people that our plans would affect. We selected those areas as, at that time, they were the first area codes forecast to run out of number blocks to allocate to CPs.

<sup>&</sup>lt;sup>16</sup> See Section 4 and Annex 3 of the September 2011 statement and consultation.

<sup>&</sup>lt;sup>17</sup> See paragraphs 3.5 to 3.11 in the March 2012 consultation.

3.27 We have taken account of all submissions received to the March 2012 consultation and decided that the proposed date of 1 November 2012 is appropriate for closing local dialling in the 01202 area code.

#### **Duties and legal tests**

- 3.28 In order to implement the closing of local dialling in the 01202 area code, we consulted in the March 2012 consultation on modifications to the Numbering Plan<sup>18</sup> in order to:
  - amend the obligation in Part B3.1.3 on CPs to provide the local dialling facility to callers in all geographic area codes by removing the 01202 area code from this obligation;
  - prevent local dialling from being provided from geographic numbers with the 01202 area code; and
  - bring the above modifications into effect from 1 November 2012.
- 3.29 We looked at how the decision to close local dialling in an area code would likely meet Ofcom's duties and relevant legal tests in the Act in the September 2011 statement and consultation.<sup>19</sup> In the March 2012 consultation we considered our proposals for closing local dialling from 1 November 2012 in the 01202 Bournemouth area code to increase the supply of numbers available with respect to Ofcom's duties and the relevant legal tests in the Act and sought stakeholders' comments.<sup>20</sup>
- 3.30 Specifically, we asked stakeholders for comments on:
  - our view as to how the proposed modification to the Numbering Plan in relation to closing local dialling in the 01202 area code on 1 November 2012 meets the relevant legal tests in section 60(2) of the Act; and
  - the following proposed text in the Numbering Plan in 'Part B: Restrictions for the Adoption of Telephone Numbers' under 'B3: Specific Restrictions on Telephone Numbers' in relation to closing local dialling in the 01202 area code;<sup>21</sup>

#### Local Dialling

B3.1.3 Geographic Numbers shall not be Adopted or otherwise used other than where End-Users from Geographic Numbers in the same geographic area as the Called Party are able to use only the Local Number except where:

*(i) those numbers are National-Dialling-Only Numbers – see B3.1.6 below; or* 

*(ii)* End-Users are from Geographic Numbers in the 01202 Geographic Area Code after 1 November 2012.

<sup>&</sup>lt;sup>18</sup> Annex 3 sets out the procedure in the Act for consulting on modifications to the Numbering Plan.

<sup>&</sup>lt;sup>19</sup> See paragraphs 4.226 to 4.230 of the September 2011 statement and consultation.

<sup>&</sup>lt;sup>20</sup> See paragraphs 3.60 to 3.66 of the March 2012 consultation.

<sup>&</sup>lt;sup>21</sup> The Notification of proposals for a modification to provisions of the Numbering Plan under section 60(3) of the Act was included as Annex 7 of the March 2012 consultation. The Notification set out the former and proposed text for paragraph B3.1.3 and the new text for B3.1.4.

B3.1.4 Local Dialling shall not be provided from Geographic Numbers in the 01202 Geographic Area Code after 1 November 2012.

#### Stakeholders' comments

- 3.31 C&WW and [ $\gg$ ] agreed that our proposal met the relevant legal tests.
- 3.32 KCOM and  $[\times]$  and agreed with our proposed modification to the Numbering Plan.
- 3.33 C&WW broadly supported the proposed modifications but considered that we could add an extra column to Appendix A of the Numbering Plan (which sets out the Geographic Area Code, Geographic Area and Conservation Status) to show whether local dialling is permitted in the area code.
- 3.34 BT made the following comments on the proposed modification to the Numbering Plan:
  - the term 'Subscriber Number' had been changed to 'Local Number' in paragraph B3.1.3 without explanation. BT assumed this was to correct an error in the current drafting;
  - the text should state that local dialling in the 01202 area code would not be permitted 'from' rather than 'after' 1 November 2012, otherwise an absence of local dialling on 1 November would be a breach of the provision;
  - Ofcom should take this opportunity to tidy-up the wording of the requirement to provide local dialling in paragraph B3.1.3 more generally. BT suggested that:
    - the requirement to provide local dialling should relate to the 'Geographic Area Code' rather than the actual geographic area from which the call is made; and
    - the undefined term 'End User' be replaced with 'Calling Parties', as the reference is intended to mean any person making a call. This would also be consistent with the use of the defined term 'Called Party' in the same section of the Numbering Plan. 'Calling Parties' should be appropriately defined in the Numbering Plan; and
  - BT suggested that our proposed text for paragraphs B3.1.3 and B3.1.4 of the Numbering Plan be modified as follows:<sup>22</sup>

"Geographic Numbers shall not be Adopted or otherwise used other than where End-Users from Geographic Numbers in Calling Parties with the same gGeographic aArea Code as the Called Party are able to use dial using only the Local Number except where:"

(i) those numbers are National-Dialling-Only Numbers – see B3.1.6 below; or

(ii) End-Users Calling Parties are dialling from Geographic Numbers with in the 01202 Geographic Area Code after from 1 November 2012.

B3.1.4 Local Dialling shall not be provided from Geographic Numbers **with** *in* the 01202 Geographic Area Code after **from** 1 November 2012".

<sup>&</sup>lt;sup>22</sup> BT suggested the deletion of text in strikethrough font and the addition of text in bold font.

3.35 A consumer (Mr C Gooidman) thought that the proposed modifications to the Numbering Plan were unnecessary complex. 'Name Withheld 1' questioned whether area codes with closed local dialling could be referred to collectively rather than adding a specific clause for each affected area code.

#### Ofcom's response

- 3.36 We agree with C&WW's suggestion that Appendix A of the Numbering Plan is modified to indicate area codes where local dialling is not provided. However, rather than add an additional column which is relevant to only one area code at this time, we have decided to add a footnote to the 01202 area code that "*Local Dialling shall not be provided from Geographic Numbers with the 01202 Geographic Area Code from 1 November 2012*".
- 3.37 In response to BT's comment, we confirm that the proposal to replace the term 'Subscriber Number' with 'Local Number' in paragraph B3.1.3 is to correct an error in the original drafting. These two terms are defined in the Numbering Plan as:

*'Local Number' means a Geographic Number (excluding the Geographic Area Code)* 

'Subscriber Number' means a Telephone Number allocated to a Subscriber.

- 3.38 As the requirement relates to the ability to call a number with the same area code without dialling the area code, the correct term for paragraph B3.1.3 is 'Local Number' as this refers to the number excluding the area code, whereas 'Subscriber Number' refers to the whole number. We consider it appropriate to amend the term in paragraph B3.1.3 in order to make the requirement relating to local dialling clear.
- 3.39 We have considered BT's suggested amendments to our proposed text for paragraphs B3.1.3 and B3.1.4 and find these to be useful suggestions. Accordingly, we have adopted BT's proposed text as set out in the fourth bullet of paragraph 3.34 above. We have defined the term 'Calling Parties' in the Numbering Plan as follows:

*Calling Parties' means persons making contact by means of a telephone call.* 

3.40 We note the comments requesting simplicity in the modifications to the Numbering Plan. We consider that the nature of the modifications made are necessary to make clear that i) the 01202 area code only is removed from the obligation to provide local dialling from 1 November 2012 and ii) that local dialling shall not be provided in the 01202 area code from 1 November 2012, in a manner that meets the relevant legal tests.

#### Decision on legal tests and modification to the Numbering Plan

- 3.41 Having taken all the submissions to the March 2012 consultation into account, we now set out how we consider our decision to close local dialling on 1 November 2012 in the 01202 code is consistent with our duties and meets the relevant legal tests.
- 3.42 We consider that our decision is consistent with our general duties in carrying out our functions as set out in section 3 of the Act.<sup>23</sup> In particular, we consider that the decision furthers the interests of citizens in relation to communications matters and

<sup>&</sup>lt;sup>23</sup> See Annex 3 for further information on our duties and the legal tests.

consumers in relevant markets by ensuring that sufficient geographic numbers remain available for allocation to CPs in the 01202 area code, thus facilitating CPs in their provision of communications services to consumers and citizens, and promoting competition and choice for consumers in the area covered by the 01202 code.

- 3.43 In reaching our decision, we have also taken into account the Community obligations set out in section 4 of the Act, particularly the first requirement to promote competition in the provision of electronic communications networks, services and associated facilities through the ongoing availability of geographic numbers in all areas of the UK and by addressing forecast scarcity.
- 3.44 We are modifying the Numbering Plan in order to implement this measure from the proposed date of 1 November 2012. Section 60(2) of the Act provides for the modification of documents referred to in the Numbering Conditions (which includes the Numbering Plan). Under section 60(2) we may only modify the Numbering Plan if we are satisfied that the revision is:
  - objectively justifiable in relation to the matter to which it relates;
  - not such as to discriminate unduly against particular persons or against a particular description of persons;
  - proportionate to what the modification is intended to achieve; and
  - in relation to what is intended to achieve, transparent.
- 3.45 We consider that the decision to close local dialling on 1 November 2012 in the 01202 Bournemouth area code to increase the supply of local numbers will meet these tests in the following manner:
  - **objectively justifiable**, in that the European electronic communications framework states that "*Member States shall ensure that adequate numbers and numbering ranges are provided for all publicly available electronic communications services*" and Ofcom is specifically required to secure the availability throughout the UK of a wide range of electronic communications services under section 3(2)(b) of the Act.

Without taking measures to increase the supply of 01202 number blocks for allocation to CPs, we are at risk of running out of numbers to serve the area covered by that area code. This may have the effect of constraining competition and consumer choice in service provision. Our approach to increasing the supply of geographic numbers provides a long-term plan for ensuring the ongoing availability of numbers in all areas in a manner that recognises local requirements and causes the least disruption for consumers;

 not unduly discriminatory, in that our analysis of the appropriate date for closing local dialling in order to increase the supply of geographic numbers recognises the different impacts on consumers, businesses and CPs. We consider that closing local dialling on 1 November 2012 in the 01202 area code would not unduly discriminate against any particular groups of stakeholders and responses to the March 2012 consultation and engagement with local stakeholders confirms this position;

Our approach in implementing number supply measures only in area codes that require more numbers (i.e. the 01202 area code only at this time) would result in

changes in some areas of the UK only (and thereby affecting some consumers and businesses and not others). This is not considered to be unduly discriminatory as it is a response to the different situations regarding number availability that prevail in those area codes and is intended to minimise disruption to UK consumers as a whole;

Closing local dialling requires a change in dialling behaviour and this would be applicable to all who dial numbers locally in an area where the local dialling facility has been removed. This may affect consumers differently and the level of impact of removing the local dialling facility may vary across consumer groups. Our 2010 consumer research found that half of consumers aged 55 or over valued local dialling as opposed to just over 30 per cent aged between 25 to 44 years.<sup>24</sup>

Closing local dialling may also have a greater impact on vulnerable consumers. These consumers may be less exposed to communications campaigns and may find the required change in dialling behaviour confusing.

However, any measure to increase the supplies of geographic numbers would likely have a greater impact on older and vulnerable consumers and there are actions that can be taken to mitigate the risks identified, particularly involving the way that closing local dialling is communicated to consumers and to specific groups of consumers. Ofcom is coordinating the communications campaign and will take this into account;

**proportionate**, in that it is the general objective of our management of geographic telephone numbers to ensure that geographic numbers are available to support competition in fixed-line voice services across the UK for the foreseeable future. The policy principles<sup>25</sup> that guide how we meet this objective are that:

- the numbers consumers want are available when they are needed;
- the numbers consumers currently use are not changed if this is avoidable;
- the meaning which numbers provide to consumers is protected;
- number allocation processes support competition and innovation; and
- consumers are not avoidably exposed to abuse.

The proposed modifications to the Numbering Plan in relation to closing local dialling from 1 November 2012 in the 01202 area code are needed to implement our decision on how to increase the supply of geographic numbers in four-digit area codes forecast to run out. These modifications would enable the meeting of our objective to ensure that geographic numbers are available in areas when needed and would be in line with our stated policy principles and approach on number supply measures as set out in the September 2011 statement and consultation.

We have consulted CPs on the potential costs and timescales involved in closing local dialling in an area code.<sup>26</sup> Responses suggested that while these are likely

<sup>&</sup>lt;sup>24</sup> The 2010 consumer research - see page 10.

<sup>&</sup>lt;sup>25</sup> The policy principles that guide our strategic decisions on how telephone numbers are managed are set out in more detail in paragraphs 2.23 and 2.24 of the March 2012 consultation.

<sup>&</sup>lt;sup>26</sup> See questions 11 and 12 in the November 2010 consultation and the summary of responses to those questions in the September 2011 statement and consultation in paragraphs 4.186 to 4.193 and paragraphs 4.208 to 4.221.

to be determined by the size and type of network employed by the CP and therefore may vary considerably, the costs and timing of implementation were not thought to prohibit closing local dialling as the most appropriate and proportionate option for increasing the supply of numbers in area codes forecast to run out. Further work with CPs on implementing closing local dialling in the 01202 area code have not suggested otherwise;

**transparent,** in that our reasoning for our decision on how to increase the supply of geographic numbers in areas with four-digit codes through closing local dialling, and thereby support competition in fixed-line services across the UK for the foreseeable future, is set out in the September 2011 statement and consultation.

In the March 2012 consultation and in this document we have explained that our forecast predicts that we will run out of 01202 numbers later this year. We therefore need to make additional 01202 number blocks available in accordance with our decision on how to increase the supply of numbers in four-digit area codes.

3.46 In addition, we consider that modifying the Numbering Plan to close local dialling in the 01202 area code in order to increase the supply of numbers fulfils our general duty as to telephone number functions as set out in section 63 of the Act by:

**securing the best use of appropriate numbers,** in that the decision to close local dialling from 1 November 2012 in the 01202 area code will make 194,000 additional 01202 numbers available for use. These numbers are already in existence but are not available for general use while local dialling is permitted. This decision will make best use of currently unusable numbers by making them available to fulfil demand; and

**encouraging efficiency and innovation**, in that our decision will make available more numbers in the 01202 area code in response to our forecast exhaustion of currently available numbers later this year. The additional supply of 01202 numbers will ensure that a lack of numbers does not constrain CP activity or provide a barrier to innovation.

#### **Section 4**

### Summary of our decision and next steps

#### Summary of our decision

- 4.1 In the September 2011 statement and consultation we set out our decision to increase the supply of numbers in four-digit area codes that were forecast to run out of numbers by closing local dialling and then, if further numbers are needed in the future, introduce an overlay code.
- 4.2 Our forecast for number availability in the 01202 area code is that we will run out of our available stock of numbers to allocate to CPs later this year. In the March 2012 consultation we proposed 1 November 2012 as the date for closing local dialling in the 01202 area code. We considered all submissions on the proposed date and further engaged with local stakeholders. There was general agreement that the 1 November 2012 was appropriate.
- 4.3 We have decided therefore to close local dialling on 1 November 2012 in the 01202 area code. This means that the ability to dial 01202 numbers without the area code from fixed-line phones will no longer be available. We have modified the Numbering Plan to give effect to this decision.

#### Next steps

#### **Communications campaign**

- 4.4 Closing local dialling requires a change to consumers' dialling behaviour from fixedline telephones, in that the whole telephone number must be dialled for every call, including to another number with the same area code (i.e. when making a local call). Therefore consumers need to be made aware that a change is forthcoming and what they need to do to adapt to that change.
- 4.5 As well as changing the way the way that local numbers must be dialled from fixedline phones, residential and business consumers may need to make other changes. For instance, auto-dial numbers stored on telephones in the local format would need to be reprogrammed. Also, if 01202 numbers are published or otherwise advertised without the area code, then consideration will need to be given by the end user to changing the format to include the area code to prevent confusion, misdials and lost calls.
- 4.6 Now that the date for closing local dialling has been confirmed, Ofcom, CPs and other stakeholders can begin communicating the required change to local dialling to residents and businesses in the 01202 area code.
- 4.7 The communications campaign will be conducted under the branding of '01202 Dial the Code' using the logo below:



- 4.8 Ofcom is coordinating the public communications campaign to alert the wider community covered by the 01202 area code to the change. Communications are expected to include the production and distribution of leaflets and posters and we are working with the local councils and other stakeholders to identify suitable distribution channels. Communications are also expected to include local press and radio adverts.
- 4.9 CPs are responsible for informing their customers in the 01202 area code of the change. We have produced a framework document in consultation with the industry group (see paragraph 4.13 below) for the implementation of closing local dialling that sets out 'best practice' for CPs' direct communication with their customers and provision of further information, e.g. through their call centres and websites.
- 4.10 We will oversee the combined communications campaign to ensure that it is effective and coordinated, and delivered in an appropriate and consistent manner to local citizens, taking into account the particular needs of vulnerable consumers.

#### CPs' network implementation of closing local dialling in the 01202 area code

- 4.11 CPs must withdraw the provision of local dialling in the 01202 area code on 1 November 2012. The 'window' during which CPs should make the change to their network to close local dialling is between 00:01 hours and 12:00 hours on 1 November. This allows for CPs that prefer to make the change outside or during office hours.
- 4.12 Once CPs have closed local dialling for their fixed-line customers in the 01202 area code, they should provide a mis-dial announcement on their network. Mis-dial announcements are used to inform callers who dial a local number without the 01202 code to redial including the area code. The caller will not be charged for the mis-dialled call or for connecting to the announcement.
- 4.13 We have worked with the industry group to agree the detailed implementation process for closing local dialling on the telecoms networks. Together we have produced a framework document to be used as a reference and 'best practice' guide for CPs. The framework document provides the technical details required for CPs to close local dialling (as well as the process for ensuring a coordinated consumer communications campaign). Among other things, the document will include recommended wording for the mis-dial announcements. The framework document will be distributed to all CPs with number allocations from Ofcom.

#### Making the new 01202 numbers available for allocation to CPs

4.14 Closing local dialling will make numbers in the format 01202 0XXXXX and 01202 1XXXXX available for allocation. We have worked with CPs to identify any particular order in which these numbers should be released to limit the impact from potential misdials as consumers become accustomed to dialling the code. In particular, we want to avoid releasing number blocks initially that could potentially result in

misdialled calls to short codes and service numbers,<sup>27</sup> especially where such misdials might result in connection and generate a call charge.

- 4.15 We will first release numbers beginning with 01202 04XXXX, followed by numbers beginning with 01202 06XXXX. This is because number blocks where the local number starts with '0' do not clash with any short codes and therefore misdials would not connect to a chargeable service or impact emergency or social value services in the way that could happen with numbers that start with '1'.<sup>28</sup> The release of 01202 0XXXXX numbers should, according to our forecast, meet CPs' demand for around five years and would allow consumers time to become accustomed to the change in local dialling required following the closing of local dialling. Number ranges beginning with '04' and '06' are not currently in use and therefore release of those numbers first further prevents potential misdials as consumers adjust to the change in dialling behaviour.
- 4.16 Number blocks beginning 01202 0XXXXX that are available for allocation to CPs will be shown on the numbering database on our website.<sup>29</sup> We will make blocks of 01202 04XXXX numbers available for allocation at the point in time after 1 November 2012 that we approach exhaustion of currently available 01202 numbers. Applications for numbers will be determined in accordance with our usual 'first come first served' process and allocation eligibility criteria.

#### Future plans for closing local dialling in other area codes

- 4.17 As mentioned in paragraphs 3.12 and 3.13, we will discuss the appropriate timing and approach to planning for future closing of local dialling with the industry group. However, it is probable that we will close local dialling in batches of area codes forecast to run out of numbers over a certain period, for instance during the next one to three years.
- 4.18 Our forecast of number block availability shows that we are likely to require a consultation next year on closing local dialling in some or all of the following area codes, which are forecast to run out of available numbers between 2014 and 2016: Aberdeen (01224), Bradford (01274), Brighton (01273), Middlesbrough (01642), Milton Keynes (01908) and Stoke-on-Trent (01782).

#### Related Ofcom work on geographic number management

- 4.19 The March 2012 consultation also included our proposals to:
  - charge CPs for geographic numbers that they have been allocated in the 30 area codes with the fewest number of blocks remaining for allocation; and
  - make a limited number of 100-number blocks available for allocation in the 11 five-digit area codes.

<sup>&</sup>lt;sup>27</sup> Short codes and routing codes are listed in the Numbering Plan (Part A1 Public Telephone Network Numbers) and in the annex to GC17.

<sup>&</sup>lt;sup>28</sup> The digit '1' is used for short codes to provide access to certain services or for network routing. Some of the services accessed via short codes are subject to a call charge (for instance 118XXX directory enquiry services) or provide access to emergency services (i.e. '112') or services of social value (i.e. 116XXX harmonised European services of social value).

<sup>&</sup>lt;sup>29</sup> The National Numbering Scheme database provides a day-to-day record of number block status. It is available on our website at <u>http://stakeholders.ofcom.org.uk/telecoms/numbering/telephone-no-availability/numbers-administered/</u>.

- 4.20 We intend to conclude on these proposals in a statement to be published in July 2012.
- 4.21 In a separate exercise, we are undertaking a review of our administrative processes for allocating geographic numbers and intend to publish a consultation on related proposals in summer/autumn 2012.

#### Further information on closing local dialling in the 01202 Bournemouth area code

- 4.22 We have launched an Ofcom webpage to provide consumers with more information on the changes to local dialling that will take place in the 01202 area code. This webpage includes answers to frequently asked questions and will be updated with further information as the communications campaign proceeds.
- 4.23 The webpage can be accessed at <u>www.ofcom.org.uk/dialthecode</u>.
- 4.24 We also have a dedicated email address for any questions regarding the changes to local dialling in the 01202 area code. This is <u>dialthecode@ofcom.org.uk</u>.

#### Annex 1

# Respondents to the March 2012 consultation

- A1.1 We received 14 responses to the March 2012 consultation, 12 of which referred to the proposal to closing local dialling on 1 November 2012 in the 01202 area code. One response is confidential. The non-confidential responses are available on our website <u>here</u>.
- A1.2 Non-confidential responses were received from the following organisations: British Sky Broadcasting Group plc (Sky)
  BT plc (BT)
  Cable&Wireless Worldwide (C&WW)
  Magrathea
  SSE plc
  The Voice on the Net Coalition Europe (VON)
- A1.3 Non-confidential responses were received from the following individuals:

Mr C Gooidman Mr P Lucas Mr J Morrish

A1.4 Two respondents requested that their names be withheld from publication and are referred to as 'Name Withheld 1' and 'Name Withheld 2'.

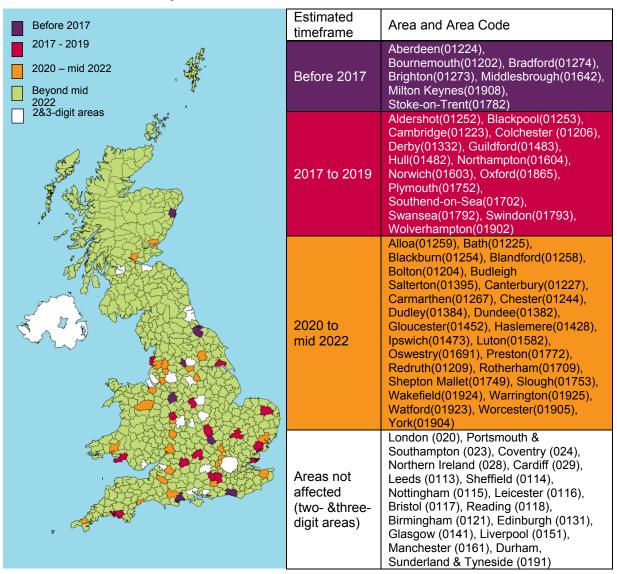
#### Annex 2

# Forecast of number block availability

#### Our revised forecast for number availability

- A2.1 We provided a forecast of geographic number availability in the November 2010 consultation, the September 2011 statement and consultation and the March 2012 consultation. We have updated this analysis for this document.
- A2.2 Based on the availability of number blocks for allocation as at 21 May 2012 and current number demand trends, we forecast that, in addition to the 01202 area code, a further 48 four-digit area codes would need measures to increase the supply of new numbers within the next ten years. Figure A2.1 below shows a map and list of these area codes along with an estimate of when they are expected to run out of number blocks to allocate to CPs.
- A2.3 The forecast in Figure A2.1 is a 'snapshot' of relevant data as at 21 May 2012 and the forecast for each area code will oscillate over time (for instance each time a block of numbers is allocated or withdrawn in an area code there may be an effect on the forecast).
- A2.4 The forecast is based on historical allocation trends and is necessarily subject to uncertainties.<sup>30</sup> It does not attempt to quantify the potential effect of the proposed introduction of charging for numbers in a pilot scheme in some area codes (see Section 4 of the March 2012 consultation) or any other potential changes to our administrative processes for allocating geographic numbers (see Annex 5 of the March 2012 consultation).
- A2.5 In addition, the forecast will be affected by future events and influenced by many variables, including local developments, consumer demand, business decisions by individual CPs and the emergence of new applications and technologies.
- A2.6 The specific area codes and timeframe for where number supply measures prove to be necessary over the next ten years may therefore differ significantly from our forecast in Figure A2.1.

<sup>&</sup>lt;sup>30</sup> The methodology used for our forecast model is explained in Annex 2 of the March 2012 consultation and in more detail in Annex 2 of the November 2010 consultation.



### Figure A2.1 Areas forecast to run out of their current supply of numbers within the next ten years

#### Annex 3

### Legal framework

A3.1 Ofcom regulates the communications sector under the framework established by the Communication Act 2003 (the "Act"). The Act provides, among other things in relation to numbering, for the publication of the National Telephone Numbering Plan (the 'Numbering Plan') and the setting of General Conditions of Entitlement relating to Telephone Numbers ('Numbering Condition', or 'GC17'). It also sets out statutory procedures governing the modification of the Numbering Plan and any General Conditions.

#### Ofcom's general duty as to telephone numbering functions

A3.2 Ofcom has a general duty under section 63(1) of the Act in carrying out its numbering functions:

"a) to secure that what appears to them to be the best use is made of the numbers that are appropriate to use as telephone numbers; and

b) to encourage efficiency and innovation for that purpose."

#### **Principal duties of Ofcom**

A3.3 The principal duty of Ofcom to be observed in the carrying out of its functions is set out in section 3(1) of the Act as the duty:

"a) to further the interests of citizens in relation to communications matters; and

b) to further the interests of consumers in relevant markets, where appropriate by promoting competition."

#### **Duties for the purpose of fulfilling Community obligations**

A3.4 In addition to our general duties and our duty regarding telephone numbers, Ofcom must also take into account the six Community requirements in carrying out its functions as set out in section 4 of the Act. These include the requirement to promote competition in the provision of electronic communications networks and services, as well as the requirement to promote the interests of European citizens.

#### The Numbering Plan

A3.5 Section 56(1) of the Act states that:

"It shall be the duty of OFCOM to publish a document (to be known as "the National Telephone Numbering Plan") setting out-

- a) the numbers that they have determined to be available for allocation by them as telephone numbers;
- b) such restrictions as they consider appropriate on the adoption of numbers available for allocation in accordance with the plan;

- ba) such requirements as they consider appropriate, for the purpose of protecting consumers, in relation to the tariff principles and maximum prices applicable to numbers so adopted or available for allocation; and
- c) such restrictions as they consider appropriate on the other uses to which numbers available for allocation in accordance with the plan may be put."
- A3.6 The Act provides for Ofcom to review and revise the Numbering Plan. Section 56(2) states that:

"It shall be OFCOM's duty -

a) from time to time to review the National Telephone Numbering Plan; and

b) to make any modification to that plan that they think fit in consequence of such a review; but this duty must be performed in compliance with the requirements, so far as applicable, of section 60."

A3.7 Section 60 of the Act provides for the modification of documents referred to in the Numbering Conditions (which includes the Numbering Plan) and explains the procedures to be followed in order to conduct this review. Section 60(2) of the Act provides that:

"OFCOM must not revise or otherwise modify the relevant provisions unless they are satisfied that the revisions is -

a) objectively justifiable in relation to the matter to which it relates;

b) not such as to discriminate unduly against particular persons or against a particular description of persons;

c) proportionate to what the modification is intended to achieve; and

d) in relation to what is intended to achieve, transparent."

#### A3.8 Section 60(3) further provides that:

"Before revising or otherwise modifying the relevant provisions, OFCOM must publish a notification -

a) stating that they are proposing to do so;

b) specifying the Plan or other document that they are proposing to revise or modify;

c) setting out the effect of their proposed revisions or modifications:

d) giving their reasons for making the proposal; and

e) specifying the period within which representations may be made to OFCOM about their proposals."

#### Annex 4

# Modification to the provisions of the Numbering Plan under section 60(3) of the Communications Act 2003

#### Whereas -

- A) section 56(2) of the Act provides that it shall be Ofcom's duty from time to time to review the Numbering Plan and make such revisions that they think fit, provided such revisions are made, so far as applicable, in accordance with section 60 of the Act;
- B) Ofcom issued a notification pursuant to section 60(3) of the Act of a proposal to make a modification to the Numbering Plan on 20 March 2012 ('the Notification').
- C) for the reasons set out in the statement accompanying this modification Ofcom are satisfied that, in accordance with section 60(2) of the Act, this modification is: objectively justifiable in relation to the matter to which it relates;
  - not such as to discriminate unduly against particular persons or against a particular description of persons;
  - · proportionate to what the modification is intended to achieve; and
  - in relation to what it is intended to achieve, transparent;
- for the reasons set out in the statement accompanying this modification Ofcom are satisfied that they acted in accordance with the relevant duties set out in sections 3, 4 and 63 of the Act;
- E) a copy of the Notification was sent to the Secretary of State;
- F) in the Notification and the accompanying consultation documents Ofcom invited representations about any of the proposals therein by 2 May 2012;
- G) by virtue of section 60(5) of the Act, Ofcom may give effect to the proposal set out in the Notification, with or without modification, only if:

• they have considered every representation about the proposal that is made to them within the period specified in the notifications; and

• they have had regard to every international obligation of the United Kingdom (if any) which has been notified to them for this purpose by the Secretary of State;

- H) Ofcom received 12 responses to the Notification and have considered every such representation made to them in respect of the proposals set out in the notifications and the accompanying consultation documents and the Secretary of State has not notified Ofcom of any international obligation of the United Kingdom for this purpose;
- I) in considering whether to make the modification proposed in the notification Ofcom have complied with all relevant requirements set out in section 60 of the Act.

## NOW, THEREFORE, OFCOM, PURSUANT TO SECTION 56(2) HEREBY MAKE THE FOLLOWING MODIFICATIONS:

- 1. Ofcom, in accordance with section 56(2) of the Act, hereby makes the modification to the provisions of the Numbering Plan set out in the Schedule to take effect on the date of the publication of this notification:
- 2. In making the modification in the Schedule Ofcom have considered and acted in accordance with the six Community requirements in section 4 of the Act as well as performed their general duties under section 3 of the Act and their duty as to telephone numbering in section 63 of the Act.
- 3. In this modification-
  - 'Act' means the Communications Act 2003;
  - 'Ofcom' means the Office of Communications; and
  - 'Numbering Plan' means the National Telephone Numbering Plan published from time to time by Ofcom.
- 4. Except in so far as the context otherwise require, words or expressions shall have the meaning assigned to them otherwise any word or expression shall have the meaning it has in the Act, or if it has no meaning there, in the Numbering Plan.
- 5. The Interpretation Act 1978 shall apply as if this Modification were an Act of Parliament.
- 6. Heading and titles shall be disregarded.

Signed by

David Stewart Competition Policy Director

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

31 May 2012

#### Schedule

A. The following text shall be deleted from the Numbering Plan in 'Part B: Restrictions for the Adoption of Telephone Numbers' under 'B3: Specific Restrictions on Telephone Numbers'-

#### Local Dialling

B3.1.3 Geographic Numbers shall not be Adopted or otherwise used other than where End-Users from Geographic Numbers in the same geographic area as the Called Party are able to use only the Subscriber Number (except where those numbers are National-Dialling-Only Numbers – see B3.1.5 below).

B. The following text shall be inserted alphabetically in the 'Definitions and Interpretation' section;-

'Calling Parties' means persons making contact by means of a telephone call;

C. In the Numbering Plan, current paragraph B3.1.4 is renumbered B3.1.5, current paragraph B3.1.5 is renumbered B3.1.6, current paragraph B3.1.6 is renumbered B3.1.7 and current paragraph B3.1.7 is renumbered paragraph B3.1.8.

D. The following text shall be inserted in the Numbering Plan in 'Part B: Restrictions for the Adoption of Telephone Numbers' under 'B3: Specific Restrictions on Telephone Numbers':-

#### Local Dialling

B3.1.3 Geographic Numbers shall not be Adopted or otherwise used other than where Calling Parties with Geographic Numbers with the same Geographic Area Code as the Called Party are able to dial using only the Local Number except where: (i) those numbers are National-Dialling-Only Numbers – see B3.1.6 below; or (ii) Calling Parties are dialling from Geographic Numbers with the 01202 Geographic Area Code from 1 November 2012.

B3.1.4 Local Dialling shall not be provided from Geographic Numbers with the 01202 Geographic Area Code from 1 November 2012.

E. The following text (shown in bold font for indicative purposes) shall be inserted in the Numbering Plan in Appendix A: Geographic Numbering – Geographic Area Codes and applicable Geographic Area:-

Geographic Area Code	Geographic Area	Conserv- ation Status <sup>1</sup>
01202	Bournemouth <sup>2</sup>	Y

<sup>2</sup> Local Dialling shall not be provided from Geographic Numbering with the 01202 Geographic Area Code from 1 November 2012