Ofcom discussion paper:
Citizens, Communications and Convergence

I welcome the opportunity to present my thoughts in response to Ofcom's paper, "Citizens, Communications and Convergence". I comment on aspects of telecommunications services:

1. I have believed for a long time now that pricing transparency is sadly lacking in many areas telecommunications services. Ofcom has issued a number of consultations on various aspects.

   a. It has been reported that a number of unnamed communications providers still flout General Condition 14.2 with respect to providing information on charges for calls to 0844 and other similar revenue sharing numbers. Why are they continuing to not to make clear the costs of using their service?

   b. Telephone providers have been allowed to charge calls to the nearest next whole minute, thus increasing the actual or average pence per minute of calls without having to adjust the "headline" rate shown in price lists. If my local butcher's started selling meat by rounding it up to the nearest 250g, I'm sure Trading Standards would have something to say about it. So why is the telecoms market so different?

   c. I strongly feel that pay as you go mobile telephone providers should have to make available itemised listings of calls and texts. This would help to educate those consumers as to how much their calls actually cost rather than them believing what they perceive to be the costs.

   With reverse-charged premium SMS texts in particular, this would provide documentary evidence of any charges. The network operator bills the customer and not the provider who sent the text. The latter is not forced to provide clear and concise pricing information for every network operator.

   Should one wish to complain about any regulated premium rate service, whether it's a text or voice one, proof of its use will surely be of great benefit.

2. Numbers often referred to as "freephone", which are prefixed 0800, 0808 and 0500, are not free from mobiles and actually cost more than geographical and 03 calls. I seem to recall that Ofcom made a promise in one of its consultations that it may look at other aspects of telephone numbering. I believe it is high-time this totally crass situation is addressed.

I accept that this may mean that callers from mobiles may still pay, although ideally they should be free. However, when they are being forced to pay more than a 01, 02 or 03 call even though the receiver is paying, there is something seriously wrong and the mobile telephone consumer is being taken advantage of.

3. The discussion paper also raises the issue of universal service obligations and the fact that they exist for landline telephone services. What about mobile services? Whilst it may be beyond the bounds of engineering to have 100% of the land covered by at least one terrestrial mobile provider, it would be a step towards that goal by encouraging the increase in the coverage of all networks in rural areas.

   This would not only benefit those living in those areas by giving them more choice, but those who visit may find themselves out of contact simply because their provider has not extended coverage to their current location.

   This effect is therefore generally incidental and not something which is taken into account when selecting a provider. Increasing mobile coverage would thus benefit citizens as whole.

4. There are disputes going on over termination charges for calls. Whilst the end telephone user does not directly experience them, he or she is indirectly affected.

   I agree with the principle that calling party pays, so I will be responding to the relevant consultation with a thumbs down to the proposed "US-style" incoming mobile call charges.

   It is imperative therefore, that these charges are controlled as there appears to be no way of any free market setting them because for each telephone number, only one telephone provider can terminate calls. I refer in particular to that of mobile communication providers. When it suits them, they will stick together to resist efforts to force these charges down.

5. Some service providers have opted for 0845 and 0844 numbers because the retail price, usually with BT, is the same or lower than for geographical calls at certain times with some tariffs. They apparently fail to take into account the significantly higher "wholesale" termination charges for these numbers which are paid to their telephone provider to subsidise services and/or allowing it to profiteer.

   This market for 084x numbers is driven by those bodies receiving the calls. Little regard is given the free market in call origination when the service in question is not a "value-added" one. It is disappointing that Ofcom has not sought to explain these principles.

   In 2005 a health minister announced that, what he referred as "lo-

call rate" numbers offered a "guaranteed low rate". Some police forces have also made similar statements with regards 0845 numbers. If the Department of Health and other public sector bodies do not understand these issues, then how can they possibly make informed choices?

This sort of thing just brings telecommunications, and in particular, 0844 and 0845 numbers, into disrepute with reports of so-called "rip-off" numbers. But the truth is that when used in the correct manner, they are beneficial.

One of the recommendations of the review of public services carried out by Sir David Varney was the introduction of 03 numbers. The Cabinet Office has formed the Contact Council to implement these recommendations.

This is a prime example of where Ofcom can further the interests of citizens by engaging with the Council. As it has already been decided that 03 is the way to go, it would be useful for the regulator to assist in any way it can in briefing members on this subject. Public sector use of 03 numbers will also push up the general awareness of their existence.

It would also be beneficial for service providers using 03 numbers to be encouraged to advise customers that calls are as per 01/02 calls. This will help alleviate any adverse perceptions they may have that this is another rip-off number.