



Simplifying non-geographic numbers – change of implementation date

Changing the implementation date of the new rules governing Freephone and revenue sharing ranges from 26 June 2015 to 1 July 2015

Statement

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About this document

This document is a statement confirming a change in the implementation date for the introduction of the new rules governing Freephone (080 and 116) and revenue sharing number ranges (084/087/09/118).

In December 2013, Ofcom decided to change the regulation of Freephone and the revenue sharing number ranges. The changes were that:

- Freephone should be free to callers from all telephones (fixed or mobile);
- Revenue sharing ranges should be billed in an unbundled manner – that the caller charge should be in two parts, a service charge which is the portion of the charge passed back to the party being called and an access charge which is the charge set by the caller's phone company.

The date set in our regulations for implementation of these new rules was 26 June 2015. However, we received widespread representations from the industry that for billing and communications purposes, and for the benefit of consumers, a start date at the beginning of a calendar month would be preferable. Following a consultation published on 19 January 2015, we have now decided to change the implementation date from 26 June to 1 July 2015.

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Section 1

Executive Summary

- 1.1 In December 2013, we published a statement on “Simplifying non-geographic numbers” (the “December 2013 Statement”), in which we set out our decisions on changes to the regulation of non-geographic call services – specifically the 080, 084, 087, 09, 116 and 118 number ranges.¹
- 1.2 The December 2013 Statement envisaged that the new regime for non-geographic call services would come into effect on 26 June 2015, following an 18-month implementation period. We have worked with stakeholders through the implementation stages and sought views on the viability of the draft milestones set out in the December 2013 Statement. As part of this, we received representations that it would be preferable to implement the changes at the beginning of a calendar month.
- 1.3 Having considered those representations, we consulted on 19 January 2015² (“January Consultation”) on a change to the implementation date from 26 June 2015 to 1 July 2015.
- 1.4 The majority of respondents agreed with our proposal to move the implementation date to the beginning of a calendar month. Accordingly, we have decided to modify the implementation date. The revised legal instruments instituting the new date of 1 July 2015 are set out in Annexes 1, 2, 3, 4 and 5.

¹ Ofcom, *Simplifying non-geographic numbers: Final statement on the unbundled tariff and making the 080 and 116 ranges free-to-caller*, 12 December 2013, <http://stakeholders.ofcom.org.uk/consultations/simplifying-non-geo-no/final-statement>.

² Ofcom, *Simplifying non-geographic numbers: Change in implementation date*, Consultation <http://stakeholders.ofcom.org.uk/consultations/simplifying-non-geographic-numbers/?a=0>.

Section 2

Introduction

Background

- 2.1 Ofcom's powers in relation to the regulation of non-geographic numbers derive largely from the Communications Act 2003 (the "Act"), which implements the EU common regulatory framework for electronic communications.³
- 2.2 As set out in section 3(1) of the Act, Ofcom's principal duty in carrying out its functions is:
- to further the interests of citizens and consumers in relation to communications matters; and
 - to further the interests of consumers in relevant markets, where appropriate by promoting competition.
- 2.3 In particular, Ofcom is required, by virtue of its duty under section 3(1), to secure, amongst other things, the availability throughout the UK of a wide range of electronic communications services. Section 3 of our policy position and consultation in April 2013 (the "April 2013 Consultation") provides a detailed explanation of Ofcom's general duties and powers in relation to the regulation of non-geographic numbers.⁴
- 2.4 In 2013, we completed a review of non-geographic call services. Consumers use these number ranges to call a variety of businesses, financial institutions, helplines and government agencies, to obtain information and to make payments for content, or a product, facility or service. However, the evidence we collected during our review demonstrated that, due to the way the market functions, consumers generally have poor awareness of prices, are deterred from using these numbers, and the availability of services on these ranges is undermined. Our statement set out the revisions to the regulations governing the majority of these non-geographic number services to address these concerns.
- 2.5 In summary the new regulations require that:
- 080 and 116 numbers are free to caller from all telephone lines (both fixed and mobile); and
 - The revenue sharing ranges (084/087/09/118) have to be charged under a new 'unbundled tariff' structure. This structure involves the separation of the retail price into an access charge charged by the phone company originating the call, and a service charge charged by the phone company terminating the call and the company which operates the service on that number (a bank or chatline for example).

³ The common regulatory framework for electronic communications consisting of the Framework Directive (2002/21/EC), the Authorisation Directive (2002/20/EC), the Access Directive (2002/19/EC), the Universal Service Directive (2002/22/EC) and the Privacy and Electronic Communications Directive (2002/58/EC), as amended by Directives 2009/136/EC and 2009/140/EC).

⁴ Ofcom, *Simplifying non-geographic numbers, Policy position on the introduction of the unbundled tariff and changes to 080 and 116 ranges*, 15 April 2013, <http://stakeholders.ofcom.org.uk/consultations/simplifying-non-geo-no/>.

- 2.6 We also set out detailed rules on the structure of the access and service charges and obligations on telephone companies, number range holders and operators of these numbers on the promotion of the charges so that consumers would understand the prices that they faced.
- 2.7 Taken together, we considered that these changes will simplify the UK's numbering system and allow consumers to gain a better understanding of what different numbers mean, as well as their cost.

Original timing of the changes

- 2.8 Given the scope and significance of these changes, we noted in our December 2013 Statement that communications providers would need time to implement the changes as well as inform their customers. In addition, organisations using the numbers would need time to make any necessary changes to how their numbers are advertised and also whether they would wish to change ranges in response to the change. We therefore considered that a period of 18 months was required to implement the changes. We, therefore, set an implementation date of 26 June 2015.⁵
- 2.9 In our previous consultations in 2010 and 2012 as part of the review, we considered whether an 18-month timeframe would be adequate to implement the changes, though we did not set out a specific date during the review process.⁶ In the December 2013 statement, we set out a draft timetable and have since worked with stakeholders through the implementation stages and sought views on the viability of the draft milestones. Stakeholders have been in a better position to reflect on the impact of the specific date of 26 June 2015 during this implementation process following the statement.

Subsequent industry representations

- 2.10 Since the December 2013 Statement we have engaged with the industry to assist with the implementation of the changes.
- 2.11 As part of the engagement, a wide range of industry representatives individually, and in the implementation working groups, made representations to us that it would be preferable to commence the new regime at the beginning of a calendar month.⁷
- 2.12 The following reasons were presented:
- It was generally accepted industry practice to change charges for calls at the beginning of a calendar month, therefore to operate outside this practice would introduce additional complexity;

⁵ See further the December 2013 Statement, paragraph 1.31.

⁶ Ofcom, *Simplifying Non-Geographic Numbers: Improving consumer confidence in 03, 08, 09, 118 and other non-geographic numbers*, 16 December 2010, <http://stakeholders.ofcom.org.uk/consultations/simplifying-non-geo-numbers/>; Ofcom, *Simplifying Non-geographic Numbers: Detailed proposals on the unbundled tariff and Freephone*, 4 April 2012, <http://stakeholders.ofcom.org.uk/consultations/simplifying-non-geographic-no/>.

⁷ See for example minutes of NGCS Working Group of 27 January 2014 and 24 September 2014 <http://stakeholders.ofcom.org.uk/telecoms/policy/non-geo-call-services/working-group-agenda-minutes/>

- Consumer billing was normally monthly and thus introduction mid-month would require bills to include both the old and new charging structures which risk consumer confusion; and
- Communication of the start date would be clearer and more straightforward if it was linked to the start of a month.

2.13 We also discussed the options for the implementation date with key stakeholders representing the views of broadcasters and programme makers – i.e. those involved in the promotion of NGCS numbers as part of competitions or other marketing campaigns. It was clear from these discussions that the more pertinent question in their view was which day of the week the changes would occur,⁸ although there has been no consensus as to which day would be least problematic.⁹

2.14 We did not receive any representations that argued that it would be preferable to maintain the current date of 26 June 2015 for implementation.

⁸ We note that 1 July 2015 falls on a Wednesday.

⁹ Meeting with members of the Association for Interactive Media and Entertainment (AIME) on 15 December 2014.

Section 3

Change to the implementation date

Ofcom's proposed change in the January Consultation

- 3.1 In our January Consultation, we considered that there was clear merit in moving the implementation date to the beginning of the month and therefore, we were minded to amend the implementation date to 1 July 2015.
- 3.2 We did not consider that the delay of 5 days could be considered to have any material impact on the assessment of consumer welfare set out in the original statement. We were of the view that an implementation date at the beginning of the month would likely bring greater consumer benefits, as billing and communication would be clearer if linked to the beginning of a calendar month than introduced mid-month.
- 3.3 In addition, we did not consider that there will be any material impact on CPs as a result of moving the implementation date, and that this instead would facilitate the operational changes. We noted that the original implementation date of 26 June 2015 had not been selected in preference to any other date, but was simply a date representing 18 months following the final statement.
- 3.4 Accordingly, we proposed that we modify the effective date of our regulations from 26 June to 1 July 2015.

Consultation responses and Ofcom determination

- 3.5 We received 8 responses to our consultation. 6 of the responses supported the move to the beginning of the month, Union Street, Nine Group, Gamma, BT, Sky and one confidential responses. The respondents noted that a start date of the first of the month would likely "be more memorable" from a consumer perspective, may help communicate the message about when the new regime starts more clearly and simplify the process of producing bills.
- 3.6 We received 2 other responses that did not directly respond to the particular question asked in the January Consultation, one from an individual and one confidential. The individual respondent did not comment on the change in the implementation date but expressed his doubts as to the efficacy of the non-geographic regulation changes.
- 3.7 The final confidential response was from a company that was concerned about some risks to them and similar companies in achieving full compliance prior to the implementation date unless there was more progress in finalising wholesale call charge arrangements. Given that we were consulting only on moving the implementation date so that it fell at the start of the month as opposed to whether or not implementation should be substantively delayed, we do not respond specifically to the concern raised. However, we propose to engage directly with the respondent to address the concerns raised.
- 3.8 BT also raised a concern around the possibility of CPs failing to map existing number ranges to service charge price points in sufficient time for implementation. Again, we propose to engage directly with BT on this.

- 3.9 Accordingly, we consider that given the advantages of the change of date set out above it is appropriate to implement the change set out in the January Consultation.

Legal duties and powers

- 3.10 As part of our review into non-geographic call services, we consulted on the legal instruments required to implement our policy. In the December 2013 Statement, we published notifications of modifications to the General Conditions of Entitlement, the provisions of the Numbering Plan and the premium rate services condition (“PRS Condition”). We also published notifications setting access-related conditions and a numbering condition binding non-providers. Ofcom’s duties and powers in relation to these were set out in Sections 3 and 6 of the April 2013 Consultation.
- 3.11 In order to change the implementation date of our policy, we have modified the following:
- the definition of “Effective Date” in General Condition 17;¹⁰
 - the date on which the modifications to the Numbering Plan come into effect;
 - the definition of “Effective Date” in the PRS Condition;
 - the definition of “Effective Date” in the access condition; and
 - the date on which the telephone numbering condition binding non-providers comes into effect;
- 3.12 Sections 3 and 6 of the April 2013 Consultation set out the specific legal powers that we proposed to rely on to set or modify the legal instruments as part of the review. We consider that our modifications would also fall within the powers identified.
- 3.13 The modifications to the legal instruments are set out in Annexes 1, 2, 3, 4 and 5.

Legal tests and statutory duties

- 3.14 We may not modify the legal instruments described above unless we are satisfied that the modification is objectively justifiable, not unduly discriminatory, proportionate and transparent. We are satisfied that our modifications meet these requirements.¹¹
- 3.15 We consider that the change is objectively justifiable as it is clear that the change addresses the concerns raised by industry as to the additional complexity and risk of consumer confusion of making the change to the regulations apply mid-month rather than at the beginning of a month.
- 3.16 We consider that the change is not unduly discriminatory as it applies equally to all communications providers and service providers supplying services using these numbers and we will ensure that the change is communicated fully to all parties.

¹⁰ This change has the effect of amending the definition of “Effective Date” in General Conditions 12, 14, 22 and 23.

¹¹ See section 47(2) of the Act in relation to the General Condition and the access condition; section 59(4) in relation to the condition binding non-providers; section 60(2) in relation to the Numbering Plan; and section 120(5) in relation to the PRS Condition.

- 3.17 We consider that the change is proportionate as it addresses identified concerns but that the impact of the change – a delay of 5 days – is not expected to have a material impact on consumer welfare or lead to additional costs to industry.
- 3.18 We consider that the change is transparent in that the modifications are set out in full in Annexes 1, 2, 3, 4 and 5, and explained in this document. It is clear what the impact of the change is and will ensure that the revised date is clearly transmitted in all our promotion of the change in regulations.
- 3.19 We consider that we are fulfilling our general duty in relation to our telephone numbering functions, as set out in section 63 of the Act, and that our proposal is consistent with our principal duty under section 3 of the Act, and the Community requirements set out in section 4 of the Act. Section 6 of the April 2013 Consultation set out our reasons for believing that we were fulfilling our duties and we consider that those reasons also apply to this decision.

Impact assessment

- 3.20 In view of the nature of the change, we do not consider that our proposal is “important” within the meaning of section 7 of the Act and as such, have not carried out an assessment of the likely impact of implementing this proposal.

Equality impact assessment

- 3.21 The April 2013 Consultation and the December 2013 Statement set out our equality impact assessment (“EIA”) in relation to the decisions we were minded to take. We concluded that the unbundled tariff and making the 080 and 116 ranges free-to-caller would overall have a positive impact on the equality groups that we were required to consider. We do not consider that our current decision raises additional issues and are of the view that our conclusions in that EIA remain valid.

Annex 1

Notification of modifications to the General Conditions under section 48(1) of the Act

Modification of General Condition 17

WHEREAS

- A. On 19 January 2015, Ofcom published a notification (the “First Notification”) setting out their proposals for modifying General Condition 17 of the General Conditions of Entitlement and the effect of and reasons for those modifications.
- B. Ofcom stated in the First Notification that they considered the proposals were not of EU significance pursuant to section 150A(2) of the Act.
- C. A copy of the First Notification was sent to the Secretary of State in accordance with the requirements of section 48C(1) of the Act.
- D. In the First Notification and the accompanying consultation, Ofcom invited representations about the proposals set out therein by 5pm on 20 February 2015.
- E. By virtue of section 48A(6) and (7) of the Act, Ofcom may give effect to the proposal set out in the First Notification, with or without modification, only if –
 - (i) they have considered every representation about the proposal that is made to them within the period specified in the First Notification; and
 - (ii) 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.
- F. Ofcom received eight responses to the First Notification and have considered every representation made to them in respect of the proposed modifications.
- G. The Secretary of State did not notify to Ofcom any international obligation of the United Kingdom for the purpose of section 48A(6) of the Act.

THEREFORE

- 1. In accordance with sections 48(1) and 48A(7) of the Act, Ofcom modify General Condition 17 of the General Conditions of Entitlement as set out in the Schedule to this Notification.
- 2. Ofcom’s reasons for making these modifications, and the effect of the modifications, are set out in the explanatory statement accompanying this Notification.
- 3. Ofcom consider that the modifications comply with the requirements of section 45 to 49C of the Act, insofar as they are applicable.
- 4. In making these modifications, Ofcom have considered and acted in accordance with their general duty as to telephone numbering functions under section 63 of the Act, their general duties under section 3 of the Act and the six Community requirements set out in section 4 of the Act.

5. The modifications shall enter into force on the date of publication of this Notification.
6. A copy of this Notification and the accompanying explanatory statement are being sent to the Secretary of State in accordance with section 48C(1) of the Act.
7. In this Notification:
 - a. “the Act” means the Communications Act 2003 (c.21);
 - b. “First Notification” has the meaning ascribed in recital A above;
 - c. “General Conditions of Entitlement” means the general conditions set under section 45 of the Act by the Director General of Telecommunications on 22 July 2003, as amended from time to time; and
 - d. “Ofcom” means the Office of Communications.
8. Words or expressions shall have the meaning assigned to them in this Notification, and otherwise any word or expression shall have the same meaning as it has in the Act.
9. For the purposes of interpreting this Notification: (a) headings and titles shall be disregarded; and (b) the Interpretation Act 1978 shall apply as if this Notification were an Act of Parliament.
10. The Schedule to this Notification shall form part of this Notification.

Brian Potterill
Competition Policy Director

26 February 2015

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

SCHEDULE

The modifications to General Condition 17 are made by the insertions and deletions marked in bold and highlighted in yellow in the following text.

17. ALLOCATION, ADOPTION AND USE OF TELEPHONE NUMBERS

[Paragraphs 17.1 to 17.32 to General Condition 17 have not been reproduced for the purposes of this Notification]

17.33 For the purposes of this Condition:¹²

- (a) "Access Charge" means a rate set by a Communications Provider in accordance with paragraph 17.25 in respect of the retail and origination of a call to an Unbundled Tariff Number and its conveyance up to and including the Assumed Handover Point for the purpose of calculating the amount payable by a Consumer for making such a call;
- (b) "Access Charge Element" means, in respect of a call to an Unbundled Tariff Number retailed to a Consumer:
 - (i) the amount produced by multiplying the Access Charge applicable to that Consumer by the length of the call, in accordance with paragraph 17.27; or
 - (ii) where paragraph 17.30 applies, zero.
- (c) "Affiliated Company" means any subsidiary or holding company of the Communications Provider, or any subsidiary of a holding company of the Communications Provider, all as defined in section 1159 of the Companies Act 2006;
- (d) "Annual Number Charge" is a charge invoiced by Ofcom to a Communications Provider in respect of a Charging Year and is calculated in accordance with paragraph 17.15;
- (e) "Assumed Handover Point" means the point of interconnection nearest to the origination of a call to an Unbundled Tariff Number at which the call may be

¹² Promoting efficient use of geographic telephone numbers, Statement, 18 July 2012, inserted definitions of "Affiliated Company", "Annual Number Charge", "Average Industry Utilisation Rate", "BT", "BT Average Utilisation Rate", "Charging Year", "Communications Provider Average Utilisation Rate", "Geographic Area Code", "Geographic Number", "Ported Number", "Public Payphone Number", "Specified Geographic Number", "WLR" and "WLR Number". Telephone Numbering, Modifications to the National Telephone Numbering Plan, General Condition 17 and telephone number application forms within existing numbering policy, Statement, 22 November 2012, deleted the definition of "Numbering Plan" and inserted a definition of "Non-Geographic Number". Simplifying Non-Geographic Numbers Statement, 12 December 2013, inserted definitions of "Access Charge", "Access Charge Element", "Assumed Handover Point", "Consumer", "Effective Date", "Non-provider Numbering Condition", "Price Point", "Service Charge", "Service Charge Element", "Transit Network" and "Unbundled Tariff Number" with effect from 26 December 2013.

handed over to the Electronic Communications Network of another Communications Provider for conveyance. For these purposes, where the call is routed via a Transit Network, the Assumed Handover Point is deemed to be the nearest point of ingress from the Electronic Communications Network on which the call originates to that Transit Network;

- (f) “Average Industry Utilisation Rate” means the weighted average utilisation rate of Specified Geographic Numbers for the industry as calculated by Ofcom and notified to Communications Providers prior to the first Charging Year;
- (g) “BT” means BT Group plc;
- (h) “BT Average Utilisation Rate” means the average utilisation rate of Specified Geographic Numbers Allocated to BT as calculated by Ofcom and notified to BT prior to the first Charging Year;
- (i) “Charging Year” means the 12 month period beginning on 1 April and ending on 31 March (excluding 29 February in any leap year), and the first Charging Year shall be 1 April 2013 to 31 March 2014;
- (j) “Communications Provider” means a person who provides an Electronic Communications Network or an Electronic Communications Service;
- (k) “Communications Provider Average Utilisation Rate” means the average utilisation rate of Specified Geographic Numbers Allocated to the relevant Communications Provider as calculated by Ofcom and notified to the Communications Provider prior to the first Charging Year;
- (l) “Consumer” means any natural person who uses or requests a Public Electronic Communications Service for purposes which are outside his or her trade, business or profession;
- (m) “Effective Date” means ~~26 June 2015~~ **1 July 2015**;

[Paragraphs 17.33(n) – 17.33(za) and the Annex to General Condition 17 have not been reproduced for the purposes of this Notification]

Annex 2

Notification of modifications to the provisions of the Numbering Plan under section 56(2) and section 60(5) of the Act

WHEREAS

- A. General Condition 17 of the General Conditions of Entitlement has effect by reference to the provisions of the Numbering Plan.
- B. 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.
- C. On 12 December 2013, Ofcom published a notification (the "December Notification") modifying the provisions of the Numbering Plan under section 56(2) and section 60(5) of the Act. Paragraph 5(b) of the December Notification stated that Schedule 2 to that notification shall enter into force on 26 June 2015.
- D. On 19 January 2015, Ofcom published a notification (the "First Notification") setting out their proposals for modifying the provisions of the December Notification and the effect of and reasons for those modifications, in accordance with section 60(3) of the Act.
- E. In the First Notification and the accompanying consultation, Ofcom invited representations about the proposals set out therein by 5pm on 20 February 2015.
- F. By virtue of section 60(5) of the Act, Ofcom may give effect to the proposal set out in the First Notification, with or without modification, only if –
 - (i) they have considered every representation about the proposal that is made to them within the period specified in the First Notification; and
 - (ii) 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.
- G. Ofcom received eight responses to the First Notification and have considered every representation made to them in respect of the proposed modifications.
- H. The Secretary of State did not notify to Ofcom any international obligation of the United Kingdom for the purpose of section 60(5) of the Act.

THEREFORE

- 1. In accordance with sections 56(2) and 60(5) of the Act, Ofcom modify the provisions of the December Notification as set out in this Notification.
- 2. Ofcom's reasons for making these modifications, and the effect of the modifications, are set out in the explanatory statement accompanying this Notification.
- 3. Ofcom are satisfied that the modifications comply with the requirements of section 60(2) of the Act.

4. In making these modifications, Ofcom have considered and acted in accordance with their general duty as to telephone numbering functions under section 63 of the Act, their general duties under section 3 of the Act and the six Community requirements set out in section 4 of the Act.
5. Ofcom hereby delete:
 - (i) paragraph 5(b) of the December Notification in its entirety and replace it with
“b. in Schedule 2 shall enter into force on 1 July 2015”
 - (ii) the reference to “26 June 2015” in Schedule 2 of the December Notification and replace it with “1 July 2015”.
6. The modifications shall enter into force on the date of publication of this Notification.
7. In this Notification:
 - a. “the Act” means the Communications Act 2003 (c.21);
 - b. “December Notification” has the meaning ascribed in recital C above;
 - c. “First Notification” has the meaning ascribed in recital D above;
 - d. “General Conditions of Entitlement” means the general conditions set under section 45 of the Act by the Director General of Telecommunications on 22 July 2003, as amended from time to time;
 - e. “Numbering Plan” means the National Telephone Numbering Plan published by Ofcom pursuant to section 56(1) of the Act, and amended from time to time; and
 - f. “Ofcom” means the Office of Communications.
8. Words or expressions shall have the meaning assigned to them in this Notification, and otherwise any word or expression shall have the same meaning as it has in the Act.
9. For the purposes of interpreting this Notification: (a) headings and titles shall be disregarded; and (b) the Interpretation Act 1978 shall apply as if this Notification were an Act of Parliament.

Brian Potterill
Competition Policy Director

26 February 2015

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

Annex 3

Notification of modifications to the Premium Rate Services Condition under section 120A(1) of the Act

WHEREAS

- A. On 19 January 2015, Ofcom published a notification (the “First Notification”) setting out their proposals for modifying the PRS Condition and the effect of and reasons for those modifications.
- B. A copy of the First Notification was sent to the Secretary of State in accordance with the requirements of section 120A(7) of the Act.
- C. In the First Notification and the accompanying consultation, Ofcom invited representations about the proposals set out therein by 5pm on 20 February 2015.
- D. By virtue of section 120A(5) of the Act, Ofcom may give effect to the proposal set out in the First Notification, with or without modification, after –
 - (i) considering every representation about the proposal made to them during the period specified in the First Notification; and
 - (ii) having regard to every international obligation of the United Kingdom (if any) notified to Ofcom for this purpose by the Secretary of State.
- E. Ofcom received eight responses to the First Notification and have considered every representation made to them in respect of the proposed modifications.
- F. The Secretary of State did not notify to Ofcom any international obligation of the United Kingdom for the purpose of section 120(5) of the Act.

THEREFORE

- 1. In accordance with the procedures in section 120A of the Act, Ofcom modify the PRS Condition as set out in the Schedule to this Notification.
- 2. Ofcom’s reasons for making these modifications, and the effect of the modifications, are set out in the accompanying explanatory statement accompanying this Notification.
- 3. Ofcom are satisfied that the modifications comply with the requirements of section 47, 120 and 120A of the Act, insofar as they are applicable.
- 4. In making these modifications, Ofcom have considered and acted in accordance with their general duties under section 3 of the Act and the six Community requirements set out in section 4 of the Act.
- 5. The modifications shall enter into force on the date of publication of this Notification.
- 6. A copy of this Notification and the accompanying explanatory statement are being sent to the Secretary of State in accordance with section 120A(7) of the Act.

7. In this Notification:
 - a. “the Act” means the Communications Act 2003 (c.21);
 - b. “First Notification” has the meaning ascribed in recital A above;
 - c. “Ofcom” means the Office of Communications; and
 - d. “PRS Condition” means the condition set under section 120 of the Act by the Director General of Telecommunications on 23 December 2003, as amended from time to time.
8. Words or expressions shall have the meaning assigned to them in this Notification, and otherwise any word or expression shall have the same meaning as it has in the Act.
9. For the purposes of interpreting this Notification: (a) headings and titles shall be disregarded; and (b) the Interpretation Act 1978 shall apply as if this Notification were an Act of Parliament.
10. The Schedule to this Notification shall form part of this Notification.

Brian Potterill
Competition Policy Director

26 February 2015

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

SCHEDULE

The modifications to the PRS Condition are made by the insertions and deletions marked in bold and highlighted in yellow for ease of reference in the text below:

1. The Communications Provider and Controlled Premium Rate Service Provider shall comply with:
 - (a) directions given in accordance with an Approved Code by the Enforcement Authority and for the purposes of enforcing the provisions of the Approved Code; and
 - (b) if there is no Approved Code, the provisions of the order for the time being in force under section 122 of the Act.
2. In this Condition,
 - (a) "Act" means the Communications Act 2003;
 - (b) "Approved Code" means a code approved for the time being under section 121 of the Act;
 - (c) "Communications Provider" means either:
 - (i) a person who:
 - (A) is the provider of an Electronic Communications Service or an Electronic Communications Network used for the provision of a Controlled Premium Rate Service; and
 - (B) is a Controlled Premium Rate Service Provider in respect of that Controlled Premium Rate Service;
 - (ii) a person who:
 - (A) is the provider of an Electronic Communications Service used for the provision of a Controlled Premium Rate Service; and
 - (B) under arrangements made with a Controlled Premium Rate Service Provider, is entitled to retain some or all of the charges received by him in respect of the provision of the Controlled Premium Rate Service or of the use of his Electronic Communications Service for the purposes of the Controlled Premium Rate Service; or
 - (iii) a person who:
 - (A) is the provider of an Electronic Communications Network used for the provision of a Controlled Premium Rate Service; and
 - (B) has concluded an agreement relating to the use of the Electronic Communications Network for the provision of that Controlled

Premium Rate Service with a Controlled Premium Rate Service Provider;

- (d) "Chatline Service" means a service which consists of or includes the enabling of more than two persons (the participants) to simultaneously conduct a telephone conversation with one another without either:
- (i) each of them having agreed with each other; or
 - (ii) one or more of them having agreed with the person enabling such a telephone conversation to be conducted, in advance of making the call enabling them to engage in the conversation, the respective identities of the other intended participants or the telephone numbers on which they can be called. For the avoidance of any doubt, a service by which one or more additional persons who are known (by name or telephone number) to one or more of the parties conducting an established telephone conversation can be added to that conversation by means of being called by one or more of such parties is not on that account a Chatline Service, if it would not otherwise be regarded as such a service;
- (e) "Controlled Premium Rate Service" means a Premium Rate Service (other than a service which is only accessed via an International Call or a service which is delivered by means of an Electronic Communications Service and is provided by the person who is also the provider of the Electronic Communications Service) which falls within one or more of the following categories:
- (i) until the Effective Date, the service is obtained through a Special Services Number (except an 0843/4 number), and the charge for the call by means of which the service is obtained or the rate according to which such call is charged is a charge or rate which exceeds 5 pence per minute for BT customers inclusive of value added tax;
 - (ii) from and including the Effective Date, the service is obtained through a PRS Number and the Service Charge for the call by means of which the service is obtained is a rate which exceeds 5.833 pence per minute or 5.833 pence per call, exclusive of value added tax;
 - (iii) the service is obtained other than through a Special Services Number-or a PRS Number, and the charge for the call by means of which the service is obtained or the rate according to which such call is charged is a charge or rate which exceeds 10 pence per minute inclusive of value added tax (and which also includes, for the avoidance of any doubt, a service delivered by means of an Electronic Communications Service which is charged by means of a Payment Mechanism and for which the charge exceeds 10 pence inclusive of value added tax);
 - (iv) the service is a Chatline Service;
 - (v) the service is Internet Dialler Software operated; or
 - (vi) the service is a Sexual Entertainment Service;
- (f) "BT" means British Telecommunications plc, whose registered company number is 1800000, and any of its subsidiaries or holding companies, or any subsidiary

of such holding companies, all as defined by section 736 of the Companies Act 1985, as amended by the Companies Act 1989 and the Companies Act 2006;

- (g) “Controlled Premium Rate Service Provider” means a person who:
- (i) provides the contents of a Controlled Premium Rate Service;
 - (ii) exercises editorial control over the contents of a Controlled Premium Rate Service;
 - (iii) packages together the contents of a Controlled Premium Rate Service for the purpose of facilitating its provision; or
 - (iv) makes available a facility comprised in a Controlled Premium Rate Service;
- (h) “Dial-up Telephone Number” means the telephone number used by an end user's computer that connects it to the Internet;
- (i) “Effective Date” means **26 June 2015 1 July 2015**;
- (j) “Enforcement Authority” means, in relation to an Approved Code, the person who under the code has the function of enforcing it;
- (k) “Facility” includes reference to those things set out in section 120(14) of the Act;
- (l) “International Call” means a call which terminates on an Electronic Communications Network outside the United Kingdom;
- (m) “Internet Dialler Software” is software that replaces a Dial-up Telephone Number with a different Dial-up Telephone Number; other than where it is used so that:
- (i) an end-user's existing Internet Service Provider replaces the Dial-up Telephone Number; or
 - (ii) an end-user moves from his existing Internet Service Provider to another Internet Service Provider or is so moved with his consent;
- (n) “Internet Service Provider” means a person who provides end-users, by means of a Dial-up Telephone Number, with connection to the Internet in the ordinary course of its business;
- (o) “National Telephone Numbering Plan” means a document published by Ofcom from time to time pursuant to sections 56 and 60 of the Act;
- (p) “Non-Geographic Number” shall have the meaning ascribed to it in the National Telephone Numbering Plan;
- (q) “Premium Rate Service” shall have the meaning ascribed to it by section 120(7) of the Act;
- (r) “Payment Mechanism” is a mechanism whereby the charge for a service delivered by means of an Electronic Communications Service is paid to the Communications Provider providing the Electronic Communications Service;
- (s) “PRS Number” means a Non-Geographic Number starting 087, 090, 091 or 118;

- (t) "Service Charge" shall have the meaning ascribed to that term in General Condition 17 of the general conditions set by the Director General of Telecommunications on 22 July 2003 by way of a Notification published pursuant to section 48(1) of the Act, and modified by Ofcom from time to time;
 - (u) "Sexual Entertainment Service" means an entertainment service of a clearly sexual nature, or any service for which the associated promotional material is of a clearly sexual nature, or indicates directly, or implies, that the service is of a sexual nature; and
 - (v) "Special Services Number" means a telephone number designated by Ofcom in the National Telephone Numbering Plan as Special Services basic rate, Special Services higher rate or Special Services at a Premium Rate.
3. For the purposes of interpreting this Condition, except in so far as the context otherwise requires, words or expressions shall have the same meaning as ascribed to them in paragraph 2 above and otherwise any word or expression shall have the same meaning as it has been ascribed in the Act.

Annex 4

Notification of modifications to the access-related conditions under section 48(1) of the Act

WHEREAS

- A. On 19 January 2015, Ofcom published a notification (the “First Notification”) setting out their proposals for modifying the access-related conditions (and the effect of and reasons for those modifications) under section 48 and sections 73 to 74 of the Act in relation to each of the persons specified in the First Notification.
- B. Ofcom stated in the First Notification that they considered the proposals were not of EU significance pursuant to section 150A(2) of the Act.
- C. A copy of the First Notification was sent to the Secretary of State in accordance with the requirements of section 48C(1) of the Act.
- D. In the First Notification and the accompanying consultation, Ofcom invited representations about the proposals set out therein by 5pm on 20 February 2015.
- E. By virtue of section 48A(6) and (7) of the Act, Ofcom may give effect to the proposal set out in the First Notification, with or without modification, only if –
 - (i) they have considered every representation about the proposal that is made to them within the period specified in the First Notification; and
 - (ii) 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.
- F. Ofcom received eight responses to the First Notification and have considered every representation made to them in respect of the proposed modifications.
- G. The Secretary of State did not notify to Ofcom any international obligation of the United Kingdom for the purpose of section 48A(6) of the Act.

THEREFORE

- 1. In accordance with sections 48(1), 48A(7) and 73(2) of the Act, Ofcom modify the access-related conditions set out in the Annex to this Notification. The conditions apply to the persons specified in Schedule 1 to that Annex.
- 2. Ofcom’s reasons for modifying the conditions, and the effect of those modifications, are set out in the explanatory statement accompanying this Notification.
- 3. Ofcom considers that the modifications comply with the requirements of sections 45 to 49C and sections 73 and 74 of the Act, insofar as they are applicable.
- 4. In making these proposals, Ofcom has considered and acted in accordance with their general duties under section 3 of the Act and the six Community requirements set out in section 4 of the Act.

5. The modifications shall enter into force on the date of publication of this Notification.
6. A copy of this Notification and the accompanying explanatory statement are being sent to the Secretary of State and the European Commission in accordance with sections 48C(1) and 48C(2) of the Act.
7. In this Notification:
 - a. “the Act” means the Communications Act 2003 (c.21);
 - b. “First Notification” has the meaning ascribed in recital A above; and
 - c. “Ofcom” means the Office of Communications.
8. Words or expressions shall have the meaning assigned to them in this Notification, and otherwise any word or expression shall have the same meaning as it has in the Act.
9. For the purposes of interpreting this Notification: (a) headings and titles shall be disregarded; and (b) the Interpretation Act 1978 shall apply as if this Notification were an Act of Parliament.
10. The Annex to this Notification shall form part of this Notification.

Brian Potterill
Competition Policy Director

26 February 2015

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

ANNEX

The modifications to the access-related conditions are made by the insertions and deletions marked in bold and highlighted in yellow in the following text.

Access-related conditions

Part 1: Definitions and interpretation

1. In this Annex:

“**Act**” means the Communications Act 2003;

“**Assumed Handover Point**” means the point of interconnection nearest to the origination of a call to a Free-to-caller Number at which the call may be handed over to the electronic communications network of another communications provider for conveyance. For these purposes, where the call is routed via a Transit Network, the Assumed Handover Point is deemed to be the nearest point of ingress from the electronic communications network on which the call originates to that Transit Network;

“**Effective Date**” means ~~26 June 2015~~ **1 July 2015**;

“**Free-to-caller Number**” means:

- (i) a Non-Geographic Number starting 080; or
- (ii) a Non-Geographic Number in the format 116XXX;

“**Originating Communications Provider**” means a provider of a public electronic communications network, insofar as it provides Origination Services;

“**Origination Services**” means the origination of calls for which a retail price of zero is charged to Free-to-caller Numbers (but excluding calls originated from a Public Pay Telephone) and the conveyance of those calls to the Assumed Handover Point;

“**Non-Geographic Number**” has the meaning ascribed to that term in the National Telephone Numbering Plan;

“**Public Pay Telephone**” has the meaning ascribed to that term in paragraph 1 (*Definitions*) of Part 1 of the Schedule to the Notification published by the Director General of Telecommunications on 22 July 2003 under section 48(1) of the Act and modified by Ofcom from time to time;

“**Terminating Communications Provider**” means each person specified in Schedule 1 (and, in respect of each person, any of its subsidiaries or holding companies, or any subsidiary of such holding companies, all as defined by section 1159 of the Companies Act 2006) insofar as it terminates calls to a Free-to-caller Number; and

“Transit Network” means the electronic communications network of a communications provider used to convey a call from the electronic communications network of another communications provider to the electronic communications network of a third communications provider.

2. For the purpose of interpreting this Part and the conditions set out in Part 2:
 - (a) words or expressions shall have the meaning ascribed to them in this Part 1 and otherwise any word or expression shall have the same meaning as it has in the Act;
 - (b) the Interpretation Act 1978 shall apply as if each of the conditions were an Act of Parliament; and
 - (c) headings and titles shall be disregarded.

Part 2: The Conditions

Condition 1 – Requirement to purchase Origination Services

- 1.1 From (and including) the Effective Date, the Terminating Communications Provider shall purchase Origination Services from an Originating Communications Provider in response to a reasonable request in writing.
- 1.2 The purchase of Origination Services shall occur as soon as reasonably practicable.

Condition 2 – Requirement for fair and reasonable terms

From (and including) the Effective Date, the Terminating Communications Provider shall purchase Origination Services from an Originating Communications Provider on fair and reasonable terms (including charges).

Condition 3 – Requirement to notify revised charges for Origination Services

- 3.1 This condition applies if, as at the date of its entry into force, the Terminating Communications Provider has an agreement to purchase Origination Services from an Originating Communications Provider.
- 3.2 By 26 January 2014 the Terminating Communications Provider shall notify the Originating Communications Provider in writing of the charges for Origination Services which the Terminating Communications Provider proposes to apply to that Originating Communications Provider from (and including) the Effective Date in accordance with Condition 2.

SCHEDULE 1**List of Terminating Communications Providers**

Name of Communications Provider	Company Number
24 Seven Communications Ltd	04468566
4D Interactive Ltd	02676756
Admiral Telecom Ltd	05841130
Affiniti Integrated Solutions Ltd	02817039
Aggregated Telecom Ltd	03882936
Aloha Telecommunications Ltd	07210905
API Telecom Ltd	07945651
Bellingham Telecommunications Ltd	07038166
Bicom Systems Ltd	05529411
Bluecom (UK) Ltd	04483434
British Telecommunications Plc	01800000
Budget Numbers Ltd	05006466
Business Broadcast Communications Ltd	06949556
Buzz Networks Ltd	03260342
Cable & Wireless UK	01541957
Callagenix Ltd	03963819
Cheers International Sales Ltd	06288825
Citrus Telecommunications Ltd	03517870
Cloud9 Communications Ltd	07153956
Colt Technology Services	02452736
Connect Telecom UK Ltd	04198443
Content Guru Ltd	05653869
Core Telecom Ltd	05332008
Eclipse Tel Ltd	06718575
Edge Telecom Ltd	03101247
EE Ltd	02382161
Eircom UK Ltd	03478971
Elephant Talk Communications PRS UK Ltd	05890632
Equinet Technologies Ltd (trading as SwitchConnect)	06840452
Firstsound Ltd	02845928
FleXtel Ltd	02772380
Floren Ltd	05602047
Gamma Telecom Holdings Ltd	04287779
Globecom International Ltd	003650V (Isle of Man)
iHub UK Ltd	SC213090
In Call Solutions Ltd	05799390
i-Net Communications Group Plc	04036526
Instant Communications Ltd	07435377
InTechnology Plc	03916586

Change of implementation date for change to Freephone and revenue sharing ranges

Invoco Ltd	04465219
Invomo Ltd	06267056
lovox Ltd	06057954
IPV6 Ltd	06711525
JT (Jersey) Ltd	83487 (Jersey)
Lanonyx Telecom Ltd	07658086
Level 3 Communications Ltd	03514850
Level 3 Communications UK Ltd	02495998
Localphone Ltd	06085990
Magrathea Telecommunications Ltd	04260485
Manx Telecom	005629V (Isle of Man)
Marathon Telecom Ltd	93007 (Jersey)
MDNX Enterprise Services Ltd	04287100
Media Telecom Ltd	07126854
Mintaka Ltd	07064805
Nationwide Telephone Assistance Ltd	04315226
Net Solutions Europe Ltd	03203624
Nexbridge Communications Ltd	07179973
Nexus Telecommunications Ltd	03895766
Nodemax Ltd	06127089
Number Solutions Ltd	05053505
Numbergroup Network Ltd	07390438
Orange Business Holdings UK Ltd	03051335
Orbtalk Ltd	05382664
OVH Ltd	05519821
Phone Buddy Ltd	04171159
Planet Numbers Ltd	03823269
Premier Voicemail Ltd	03172426
Premium O Ltd	06762329
Proton Telecom Ltd	05570915
QX Telecom Ltd	03820728
Rabco Telecommunications	n/a
Reality Network Services Ltd	04267969
Relax Telecom Plc	06777698
Resilient Networks Plc	01403177
Rhema Telecom Ltd	03795952
Served Up Ltd (trading as Voxhub)	04555918
Simwood eSMS Ltd	03379831
Six Degrees Unified Comms Ltd	04335920
Skycom Ltd	04101655
Spitfire Network Services Ltd	02657590
Spoke (Interactive) Ltd	02372101
Stardex (UK) Ltd	SC192625
Storacall Technology Ltd (trading as X-ON)	02578478
Swiftnet Ltd	02469394

Change of implementation date for change to Freephone and revenue sharing ranges

Syntec Ltd	03529985
TalkTalk Communications Ltd	03849133
Telappliant Ltd	04632756
Telecom2 Ltd	06926334
Teledesign Ltd	03254784
Telephone Box Ltd	07198723
Telephony Services Ltd	05134355
Telsis Systems Ltd	02312314
TelXL Ltd	04249562
TG Support Ltd	05370731
Titanium Ltd	06952284
Tuxtel Ltd	06774113
Verizon UK Ltd	02776038
Via-Vox Ltd	04646978
Virgin Media Ltd	02591237
Virgin Media Wholesale Ltd	02514287
Virtual Universe Ltd	03064568
Vodafone Business Solutions Ltd	02186565
Vodafone Ltd	01471587
VoIP-Un Ltd	05225497
Vortex Telecom Ltd	06107494
Voxbone SA	BE 0478.928.788 (Belgium)
Wavecrest (UK) Ltd	03042254
Wavenet Ltd	03919664
Wightfibre Ltd	05470659
Windsor Telecom Plc	03752620
Zamir Telecom Ltd	05286517
Zimo Communications Ltd	05374218
Ziron (UK) Ltd	07597853

Annex 5

Notification of modifications to the telephone numbering condition binding non-providers under section 48(1) of the Act

WHEREAS

- A. On 12 December 2013, Ofcom published a notification under section 48(1) of the Act (the “December Notification”) setting a telephone numbering condition binding non-providers (the “Numbering Condition”). Paragraph 15 of the December Notification stated that the Numbering Condition set out in the Schedule to that notification shall enter into force on 26 June 2015.
- B. On 19 January 2015, Ofcom published a notification (the “First Notification”) setting out their proposals for modifying the December Notification and the effect of and reasons for those modifications.
- C. Ofcom stated in the First Notification that they considered the proposals were not of EU significance pursuant to section 150A(2) of the Act.
- D. A copy of the First Notification was sent to the Secretary of State in accordance with the requirements of section 48C(1) of the Act.
- E. In the First Notification and the accompanying consultation, Ofcom invited representations about the proposals set out therein by 5pm on 20 February 2015.
- F. By virtue of section 48A(6) and (7) of the Act, Ofcom may give effect to the proposal set out in the First Notification, with or without modification, only if –
 - (i) they have considered every representation about the proposal that is made to them within the period specified in the First Notification; and
 - (ii) 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.
- G. Ofcom received eight responses to the First Notification and have considered every representation made to them in respect of the proposed modifications.
- H. The Secretary of State did not notify to Ofcom any international obligation of the United Kingdom for the purpose of section 48A(6) of the Act.

THEREFORE

- 1. In accordance with sections 48(1), 48A(7) and 59 of the Act, Ofcom modify the December Notification as set out in this Notification.
- 2. Ofcom’s reasons for making these modifications, and the effect of the modifications, are set out in the explanatory statement accompanying this Notification.

3. Ofcom consider that the modifications comply with the requirements of section 47 to 49 and 59 of the Act, insofar as they are applicable.
4. In making these modifications, Ofcom have considered and acted in accordance with their general duty as to telephone numbering functions under section 63 of the Act, their general duties under section 3 of the Act and the six Community requirements set out in section 4 of the Act.
5. Ofcom hereby delete paragraph 15 of the December Notification in its entirety and replace it with the following:

“15. The condition shall enter into force on 1 July 2015.”
6. Ofcom has not modified the substance of the condition set out in the Schedule to the December Notification.
7. The modifications shall enter into force on the date of publication of this Notification.
8. A copy of this Notification and the accompanying explanatory statement are being sent to the Secretary of State in accordance with section 48C(1) of the Act.
9. In this Notification:
 - a. “the Act” means the Communications Act 2003 (c.21);
 - b. “December Notification” has the meaning ascribed in recital A above;
 - c. “First Notification” has the meaning ascribed in recital B above;
 - d. “Numbering Condition” has the meaning ascribed in recital A above; and
 - e. “Ofcom” means the Office of Communications.
10. Words or expressions shall have the meaning assigned to them in this Notification, and otherwise any word or expression shall have the same meaning as it has in the Act.
11. For the purposes of interpreting this Notification: (a) headings and titles shall be disregarded; and (b) the Interpretation Act 1978 shall apply as if this Notification were an Act of Parliament.

Brian Potterill
Competition Policy Director

26 February 2015

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